

2663 – NON MODIFIED ADJUSTED GROSS INCOME (MAGI) BUDGETING

POLICY STATEMENT	Non Modified Adjusted Gross Income (MAGI) budgeting procedures are used to budget all Non MAGI Family Medicaid applications and periodic renewals.
BASIC CONSIDERATIONS	<p>The Non MAGI budget includes the income of all individuals in the budget group (BG).</p> <p>A percentage of the Federal Poverty Level (FPL) is used to determine Non MAGI financial eligibility based on the BG's net countable income.</p> <p>Countable income is the BG's income after deducting the following:</p> <ul style="list-style-type: none"> • \$50 child support deduction, if applicable • allocated income • earned income of a child. • cost of doing business for self-employed individuals <p>Refer to Section 2655, Family Medicaid Deductions, and Section 2415, Self Employment. Countable income includes deemed income. Refer to Section 2661, Responsibility Budgeting.</p> <p>Individuals having financial responsibility in Non MAGI Medicaid include the following:</p> <ul style="list-style-type: none"> • parents are financially responsible for children • spouses are financially responsible for spouses.
PROCEDURES	Follow the steps below to determine eligibility for Non MAGI COAs.
Step 1	Determine the gross countable income of the BG.
Step 2	For self employed individuals, deduct all allowable Internal Revenue Service (IRS) deductions. Refer to Section 2415, Self Employment .
Step 3	<p>Subtract from the gross countable income the following deductions in the order indicated:</p> <ul style="list-style-type: none"> • \$50 child support deduction • \$90 earned income deduction for each employed adult BG member • dependent care expenses using LIM limits

PROCEDURES

(cont.)

- Refer to [Section 2655](#), Family Medicaid Deductions. Deduct any allocated income. Refer to [Section 2661](#), Family Medicaid Responsibility Budgeting.
- Step 4** Select the appropriate Non MAGI income limit, a percentage of the Federal Poverty Level (FPL) for the BG size using the criteria below. Refer to [Appendix A2](#), Financial Limits for Family Medicaid.
- Step 5** Compare the net countable income to appropriate Non MAGI income limit for the BG size.
- If the net countable income is less than or equal to the appropriate Non MAGI income level, approve the AU members for Non MAGI Medicaid.
 - If the net countable income exceeds the appropriate Non MAGI income level for the BG size, the AU members are ineligible for Non MAGI Medicaid. If ineligible, complete a continuing Medicaid Determination (CMD) for ineligible child(ren) to PeachCare for Kids®(PCK) or the Federally Facilitated Marketplace for ineligible children and adults.