**Policy Clarification
Medicaid – All
PMA-18339-312**

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| **Submitted: 12/2016** | **Agency: CAOs**  |
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| **Subject: Treatment of Cash Support for MAGI-related Medical Assistance****Question: How do we treat “cash support” income of a MAGI-related Medical Assistance (MA) applicant/recipient provided by a non-responsible relative?** |

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| **Response By:** Division of Health Services | **Date: 2/3/17** |

For a MAGI-related MA determination cash support can only be counted if the person providing the cash support is claiming the individual as a tax dependent, and the tax dependent is not their spouse or their child (biological, adopted or step). If a non-responsible relative is not claiming the individual as a tax dependent, the cash support would not count in the individual’s eligibility determination.

**Cash Support does not count:**

Example 1: An uncle gives $200 every month to his 25 year old nephew. The uncle does not claim the nephew as a tax dependent. The uncle does not expect his nephew to repay this money. The $200 is not counted in the nephew's monthly unearned income.

Example 2: A mother gives $200 every month to her 19 year old son, who she claims as a tax dependent. The mother does not expect her son to repay this money. The $200 is not counted in the son’s unearned income.

Example 3: A mother gives $200 every month to her 19 year old son, who she does not claim as a tax dependent. The mother does not expect her son to repay this money. The $200 is not counted in the son’s unearned income.

**Cash support does count:**

Example 1: A daughter gives $200 every month to her elderly mother, who she claims as a tax dependent. The daughter does not expect her mother to repay this money. Count the full amount after the first $50. The mother’s countable cash support is $150 per month.

Example 2: A grandmother gives $200 every month to her 19 year old grandson, who she claims as a tax dependent. The grandmother does not expect her grandson to repay this money. Count the full amount after the first $50. (See Section 312.52). The grandson’s countable cash support is $150 per month.

This policy will be updated in the Medical Assistance Eligibility Handbook Chapter 312, Section 312.52.