

DATE: July 1, 2022

OPERATIONS MEMORANDUM #22-07-01

SUBJECT: Introduction of a New Medical Assistance for Workers with Disabilities (MAWD) Eligibility Group - Workers with Job Success (WJS)

TO: Executive Directors

FROM: Robert Patrick
Acting Director
Bureau of Operations

PURPOSE

To announce that Act 2021-69 of July 1, 2021 (P.L. 374), signed into law by Governor Tom Wolf, adds an eligibility group called WJS to MAWD. WJS expands eligibility for certain MAWD recipients and increases the monthly premium amount individuals are responsible to pay to participate in the program under this new eligibility group.

IMPORTANT: Act 69 designates that WJS is in effect December 28, 2021; however, because of the Families First Coronavirus Response Act requirements that Medical Assistance (MA) cannot be closed, and premiums cannot be increased during the public health emergency (PHE), WJS will not be made available in the Electronic Client Information System (eCIS) until the PHE has ended.

BACKGROUND

The Ticket to Work and Work Incentives Improvement Act (TWWIIA) of 1999 (P.L. 106-170) provides states with the option to establish two Medicaid eligibility groups for working disabled individuals: Workers with a Disability and Workers with a Medically Improved Disability. Pennsylvania opted to implement both of these groups offered under TWWIIA and established the MAWD program on January 1, 2002, with Act 2001-77 of June 26, 2001 (P.L. 755), also known as The Tobacco Settlement Act.

Act 69 amends and expands the MAWD program by adding a third eligibility group called WJS. Unlike the Workers with a Disability and Workers with a Medically Improved Disability groups, the WJS group is a state funded MA program.

Pennsylvania originally established the MAWD program to give individuals an opportunity to have employment without the fear of losing their MA coverage and Home and Community-Based Services (HCBS). Pennsylvania chose to further expand this opportunity and protect health coverage for working disabled individuals by adding the WJS eligibility group to the MAWD program.

DISCUSSION

WJS Eligibility Criteria

To qualify for coverage in the WJS eligibility group, individuals must:

- Be at least age 16 and under age 65.
- Be working and earning income.
- Participate in any MAWD eligibility group for the previous 12 consecutive months.
- Have countable monthly income that is more than 250 percent of the Federal Poverty Income Guidelines (FPIG) and is less than or equal to 600 percent of the FPIG.
- Have countable assets less than or equal to \$10,000 at initial eligibility.

NOTE: Once eligibility in the WJS group is established, there is no resource limit for the individual in the WJS group. If the WJS recipient later becomes eligible for the Workers with a Disability or Workers with a Medically Improved Disability groups under the MAWD program due to a change in income, that recipient will continue to have no resource limit in that category.

WJS Premium Requirements

Individuals who qualify under the WJS eligibility group will be responsible to pay a higher monthly premium to maintain their MAWD WJS benefits than individuals who qualify under the Workers with a Disability or Workers with a Medically Improved Disability eligibility groups.

Individuals who qualify under the WJS eligibility group will either pay 7.5 percent of the individual's countable monthly income or will pay a full cost monthly premium determined by the Department of Human Services (DHS) to be \$948 in 2022. Whether the 7.5 percent or full cost premium is applied is defined by the following:

- Individuals who have household countable income above 250 percent of the FPIG and less than or equal to 450 percent of the FPIG will pay a

monthly premium of 7.5 percent of the individual's countable monthly income to DHS.

- Individuals who have household countable income above 450 percent of the FPIG and whose annual adjusted gross income is less than the MAWD cost-of-living adjustment (COLA) Adjusted Gross Income Maximum Amount of \$125,944.84 for 2022 will pay a monthly premium of 7.5 percent of the individual's countable monthly income to DHS.
- Individuals who have household countable income above 450 percent of the FPIG and whose annual adjusted gross income is more than or equal to the MAWD COLA Adjusted Gross Income Maximum Amount of \$125,944.84 for 2022 will pay the full cost monthly premium of \$948.

NOTE: The MAWD COLA Adjusted Gross Income Maximum Amount is determined by starting with \$75,000 and compounding it with the COLA granted by the federal government under the Social Security program annually since the year 2000. As referenced above, for 2022, this amount is \$125,944.84. The MAWD COLA Adjusted Gross Income Maximum Amount will increase whenever there is a COLA and therefore may change on an annual basis.

New Program Status Codes

Individuals who are eligible for WJS will be identified with a PW or PI category, and one of the following two new Program Status Codes (PSC):

- PW01/PI01 – Identifies individuals who are responsible to pay a monthly premium of 7.5 percent of the individual's countable monthly income.
- PW02/PI02 – Identifies individuals who are responsible to pay the monthly full cost premium of \$948.

Individuals who received WJS and move to a Workers with a Disability or Workers with a Medically Improved Disability group because their countable household income decreases to less than or equal to 250 percent FPIG, but their countable household resources exceed \$10,000 will be identified with the following new PSC:

- PW/PI 03 – Identifies individuals who are responsible to pay a monthly premium of 5 percent of the individual's countable monthly income but who have countable resources over \$10,000. This budget will also be state funded.

These new MAWD budgets have been added to the MA Cascade Table (Attachment 1).

Determining Eligibility for WJS

The County Assistance Office (CAO) will determine eligibility for WJS using the new WJS requirements outlined in this Operations Memorandum and the standard MAWD policy and procedures (income deductions and premium calculation for example) in the Medical Assistance Eligibility Handbook (MAEH) [Chapter 316: MAWD](#).

Application

Typically, individuals will not apply for WJS because in most instances it is a program that they will transition to from the Workers with a Disability or Workers with a Medically Improved Disability eligibility group if their income increases above 250 percent FPIG and they were in a MAWD category for the previous 12 months. However, there may be instances in which an individual will apply and be opened for WJS in an eCIS Case Open workflow; for instance, if their MAWD budget was closed and their eligibility is being reconsidered. To ensure MAWD applicants and recipients are aware of WJS at application and renewal, the PA 600 WD, used for MAWD applications and renewals, has been updated on DocuShare and in the eCIS renewal packets with the following text:

“You may be eligible for the MAWD Workers with Job Success category if you received MAWD for at least the past 12 months and your income increases above 250 percent of the Federal Poverty Income Guideline and is at or below 600 percent of the Federal Poverty Income Guideline.”

Non-Financial Requirements

To be eligible for WJS, an individual must be at least age 16 and under age 65, must be working and earning income, and must have received MAWD in any MAWD eligibility group for the previous 12 consecutive months.

To meet the ‘previous 12 consecutive months’ requirement, the individual must have received at least one day of MAWD in each of the previous 12 consecutive months, beginning with the month preceding the month of WJS eligibility. Additionally, the individual does not have to be currently receiving MAWD to meet this requirement, but they must have established eligibility for MAWD in the 12 previous consecutive months and there must be corresponding 12 previous consecutive months of MAWD eligibility entered in eCIS.

EXAMPLE 1: Jane received MAWD from March 2022-February 2023 (12 consecutive months). She failed to return her renewal and her MAWD budget closed at the end of February 2023. In April 2023, she submits her renewal and necessary verification. The CAO follows reconsideration policy in [MAEH Chapter 379](#) and reviews her eligibility beginning March 1, 2023. She meets the 12 previous consecutive months requirement for WJS.

EXAMPLE 2: John has been on MAWD continuously since 2019. On August 1, 2022, his MAWD case is closed. John requests a fair hearing but does not

receive continuing benefits while appealing. The fair hearing decision finds that John's case was closed in error on August 1, 2022. The CAO retroactively reinstates John's MAWD coverage to August 1, 2022. John meets the 12 previous consecutive months requirement for WJS when he reports his income has increased to 400 percent FPIG in November 2022.

Income Limit

Countable income (earned and unearned) after allowable deductions must be at or below 600 percent FPIG (2022 Monthly FPIG for one person - \$6,795; 2022 Monthly FPIG for two persons - \$9,155). The CAO will follow the family size and countable income and deduction policy discussed in [MAEH 316.4](#) and [MAEH 316.5](#).

Resource Limit

Countable resources must be at or below \$10,000 for an individual to initially become eligible for WJS. The CAO will follow the resource policy in [MAEH 316.3](#).

Once an individual is a WJS recipient, resources of the individual (and a spouse) are excluded when eligibility is redetermined for the individual in the WJS group, and for determining eligibility for the individual in the Workers with a Disability or Workers with a Medically Improved Disability groups under the MAWD program if the WJS recipient later becomes eligible for one of those eligibility groups.

If the individual later becomes income eligible for the Workers with a Disability or Workers with a Medically Improved Disability group, the CAO will attempt to verify resources to determine whether the individual will be eligible in federally funded MAWD (PW/PI 00/66/80) or state funded MAWD (PW/PI 03).

- If countable resources are \$10,000 or less, the individual will be authorized in federally funded MAWD (PW/PI 00/66/80).
- If countable resources are over \$10,000, the individual will be authorized in state funded MAWD where their resources are not counted (PW/PI 03).
- If the CAO is unable to verify the countable resources, the CAO will not reject for failure to provide verification. The CAO will authorize the individual in PW/PI 03, if otherwise eligible.

EXAMPLE 1: Lucy is a WJS recipient. At renewal she reports that her resources are \$30,000. Her countable income is 300 percent FPIG. Her resources are excluded for MAWD, and she remains eligible for WJS.

EXAMPLE 2: Serena was a WJS recipient. She moved out of state and her MAWD WJS budget was closed. A year later, Serena returned to Pennsylvania and applied for MAWD. She and her spouse have countable resources totaling

\$25,000. Their countable income is less than 250 percent FPIG. Their resources are excluded for MAWD and Serena is reviewed for PW03.

EXAMPLE 3: Mateo has been receiving MAWD in the Workers with a Disability group for 12 months. His countable income increases to 275 percent FPIG. He has \$10,000 in resources. Mateo is eligible for WJS. Six months later his resources grow to \$15,000. Mateo continues to be eligible for WJS.

Resources are excluded for previous WJS recipients only when determining eligibility for the MAWD program. If the individual moves from any MAWD category to a different MA program in which resources are counted, the individual must meet the resource limits for that MA program, including Buy-In.

If the previous WJS recipient is being reviewed for MAWD with Buy-In (PW/PI 66/80), they must meet the Buy-In income and resource limits (refer to [MAEH 388, Appendix B](#) for the Buy-In Desk Guide). If they do not meet the eligibility limits for federally funded MAWD (PW/PI 00/66/80), they will be reviewed for PW/PI 03, where resources are excluded. Individuals in PW/PI 03 are eligible for Buy-In of their Medicare premiums if they meet the following Buy-In income and resource limits:

- If countable income meets the Qualified Medicare Beneficiary (QMB) limit of less than or equal to 100 percent FPIG and countable resources exceed \$10,000 but are less than or equal to the QMB limit, they are eligible for Buy-In of Medicare Part A and Part B.
- If countable income meets the Specified Low-Income Medicare Beneficiary (SLMB) income limit of greater than 100 but less than 120 percent FPIG, and countable resources exceed \$10,000 but are less than or equal to the SLMB limit, they are eligible for Buy-In of Medicare Part B.

NOTE: When a PW/PI 03 recipient is eligible for Buy-In, the CAO must submit a manual accrete to open the individual's Buy-In. The CAO will review [MAEH 388.6 Authorizing Buy-In](#) and ["How do I submit a manual accrete for Buy-In?"](#) in eCISance for additional guidance on manual accretes.

EXAMPLE 1: Nadiya (age 60) is a WJS recipient and receives Medicare. Her countable income decreases to 110 percent FPIG and the CAO verifies her countable resources are \$6,000. Nadiya meets federally funded MAWD and SLMB income and resource limits. The CAO determines Nadiya is eligible for PW66.

EXAMPLE 2: Abed (age 49) is a WJS recipient and receives Medicare. He and his spouse's countable income decreases to 200 percent FPIG. Their countable income exceeds the SLMB income limits. The CAO attempts to verify their

resources to review for PW00, but they do not return the requested information. The CAO determines Abed is eligible for PW03.

EXAMPLE 3: Thomas (age 37) is a WJS recipient and receives Medicare. His countable income decreases to 105 percent FPIG. The CAO attempts to verify his resources to review for PW66, but he does not return the requested information. The CAO determines Thomas is eligible for PW03 and does not do a manual accrete because resources were not verified.

EXAMPLE 4: Helen (age 55) is a WJS recipient and receives Medicare and self pays for Part B. She and her spouse's countable income decreases to 100 percent FPIG. The CAO verifies that their countable resources are over \$10,000 but are less than or equal to the 2022 Buy-In resource limit for two people of \$12,600. The CAO determines that Helen is eligible for PW03 and submits a manual accrete for Buy-In of her Medicare Part B.

EXAMPLE 5: Jorge (age 31) is a WJS recipient and receives Medicare. His countable income decreases to 100 percent FPIG. The CAO attempts to verify his resources to review for PH80 or PW80 (see "Choosing MAWD Over Other MA" section below), but he does not return the requested information. The CAO determines Thomas is eligible for PW03 and does not do a manual accrete because resources were not verified.

Adjusted Gross Income

WJS has a household income eligibility limit of 600 percent FPIG. However, when the individual's household countable income after deductions is more than 450 percent FPIG, their annual adjusted gross income reported on their most recent Federal Tax Form 1040 is needed to determine whether they are eligible for PW/PI 01 (7.5 percent premium) or PW/PI 02 (\$948 full cost premium). If their annual adjusted gross income is less than the MAWD COLA Adjusted Gross Income Maximum Amount (currently \$125,944.84) stored in eCIS, the individual will be responsible to pay 7.5 percent of the individual's monthly countable income. If their annual adjusted gross income is more than or equal to the MAWD COLA Adjusted Gross Income Maximum Amount (currently \$125,944.84) stored in eCIS, the individual will be responsible to pay the \$948 full cost monthly premium determined by DHS.

NOTE: If the individual's adjusted gross income is more than or equal to the MAWD COLA Adjusted Gross Income Maximum amount (currently \$125,944.84) and the individual files taxes jointly with their spouse, the CAO must submit a policy clarification for guidance on how to calculate the individual's adjusted gross income.

The MAWD COLA Adjusted Gross Income Maximum Amount will increase whenever there is a COLA and therefore may change on an annual basis. The adjusted gross income amount entered by the CAO will be checked against the MAWD COLA

Adjusted Gross Income Maximum Amount, which will be stored in an eCIS reference table and will be updated as needed.

Premiums/Good Cause

WJS recipients in PW/PI 01 will be responsible to pay 7.5 percent of the individual's countable monthly income. The premium calculation for the 7.5 percent will follow policy in [MAEH 316.61](#). WJS recipients in PW/PI 02 will be responsible to pay the \$948 full cost monthly premium. The full cost amount may change on a periodic basis. It will be stored in an eCIS reference table and will display on the MAWD Premium Tracking screen as the monthly premium when the individual is determined eligible for PW/PI02. MAWD recipients in PW/PI 03 will be responsible to pay 5 percent of the individual's countable monthly income and will follow policy in [MAEH 316.61](#).

The CAO will follow premium payment and collection policy in [MAEH 316.62](#) and [MAEH 316.63](#). WJS recipients and MAWD recipients in PW/PI 03 will be enrolled in Semi-Annual Reporting (SAR) and the CAO will review the premium amount every six months following policy in [MAEH 316.65](#).

The premium amount is set for six months following policy in [MAEH 316.64](#) unless the individual has an income increase that moves them to a MAWD WJS PSC that has a higher premium requirement. If the individual moves to a MAWD WJS PSC with a higher premium requirement, the premium will increase within the six-month period.

EXAMPLE 1: Kevin receives PW00. Between his renewal and SAR, Kevin reports and verifies an income increase which makes him eligible for PW01. Kevin's premium increases to 7.5 percent of his monthly countable income.

EXAMPLE 2: Suzanne receives PW01. Between her SAR and renewal, Suzanne reports and verifies an income increase. Suzanne remains eligible for PW01. Her premium does not change.

EXAMPLE 3: Aliyah receives PW01. Between her renewal and SAR, she reports and verifies an income increase which makes her eligible for PW02. Aliyah's premium increases to the \$948 full cost monthly premium.

EXAMPLE 4: Benjamin receives PW02. Between his SAR and renewal, Benjamin reports and verifies an income decrease which makes him eligible for PW01. Benjamin's premium decreases to 7.5 percent of his monthly countable income.

If the individual fails to pay their premium in a WJS budget or PW/PI 03 budget, the CAO will follow policy in [MAEH 316.66](#).

Individuals in a WJS budget or PW/PI 03 budget may be granted good cause following policy in [MAEH 316.67, 316.68, and 316.69](#).

Retroactive Coverage

Retroactive eligibility may be considered when determining eligibility for WJS. It is possible for someone to meet the 'previous 12 consecutive months' requirement and have a need for retroactive coverage.

EXAMPLE: Roger was a WJS recipient from June 1, 2022, to May 3, 2023, when his WJS was terminated because he lost his job and was determined ineligible for WJS and all other MA. On September 13, 2023, the CAO receives an MA application for Roger, requesting retroactive coverage back to June 2023. The CAO verifies that Roger got a job and was working in June 2023, July 2023 and August 2023, and he meets all other WJS criteria for the retroactive period. Roger must pay the premium for the retroactive months before the CAO authorizes WJS eligibility in the retroactive period. Additionally, for Roger to meet the 'previous 12 consecutive months' requirement, the CAO cannot authorize ongoing WJS for September 2023 until his eligibility for WJS is authorized in the retroactive period for June 2023, July 2023 and August 2023. Once his WJS eligibility is authorized for the retroactive period, then Roger meets the 'previous 12 consecutive months' requirement for ongoing WJS in September 2023. Although Roger had a gap in coverage from May 4, 2023 through May 31, 2023, because he had WJS eligibility for at least one day in each of the previous 12 consecutive months Roger meets the 'previous 12 consecutive months' requirement.

HCBS Eligibility

Individuals eligible for WJS may also be eligible for HCBS if they meet functional eligibility for the waiver. The CAO should follow policy in [MAEH 316.1](#) when reviewing an individual for WJS and HCBS.

Correspondence

MAWD eligibility notices (Reason Code 987) have been updated to include the "Act 2021-69 of July 1, 2021 (P.L. 374)" citation where necessary. Additionally, the '987 B- Inel- Does Not Meet MAWD Criteria' and '987 F- Stop/Disc- No Longer Meeting MAWD Criteria' have been updated to include non-financial requirements for WJS.

The Appointment Notice and Verification Checklist (PA 253) has been updated to include 'Adjusted Gross Income - Copy of most recent federal tax form 1040' as a verification item the CAO can request the individual to provide.

MA Benefits

Individuals eligible for WJS may be enrolled in managed care. They will receive the Children's Healthcare Benefit Package (HCBP) if they are under age 21 and will receive the Adult HCBP if they are age 21-65. Individuals in WJS will not be eligible for Buy-In as they will not be income eligible. Individuals dually eligible for WJS and Medicare will automatically qualify for the Medicare Part D Low-Income Subsidy (see [MAEH 337.54](#)).

eCIS Updates

Data collection in eCIS for WJS and the new Workers with a Disability or Workers with a Medically Improved Disability budget of PW/PI 03 will be very similar to the other MAWD eligibility groups. Items to note include the following:

- To build a WJS or PW/PI 03 budget in Case Processing (CP), the individual must:
 - Be at least age 16 and under age 65.
 - Have earned income entered.
 - For PI01/02/03, have the 'Works 40 hours per month?' requirement checked on the Individual Attributes screen.
 - On the Disability screen, have a Medical Assistance Disability Code of '51 – Permanent Disability' and must have either a MAWD Request Code of '1 – MA for Workers with Disability' or '3 – MA for Workers with Presumptive Disability' for PW01/02/03, or '2 – MA for Workers with Improved Disability' for PI01/02/03.
 - For PW/PI 01/02, have at least one day of MAWD eligibility in each of the previous 12 consecutive months. ECIS will check eligibility history to ensure this requirement is met in order to build the WJS budget.
 - For PW/PI 03, have at least one day of WJS eligibility in PW/PI 01/02. There is no time frame limit to this historical check.
- One new CP screen titled 'MAWD Adjusted Gross Income' will be added to collect the individual's adjusted gross income when it is needed.
 - The CAO will be directed to this screen when they click 'Run Eligibility' on the Eligibility Result Summary screen if the household's countable income is over 450 percent FPIG and it becomes necessary to determine if the individual will be required to pay 7.5 percent or the full cost premium.

- If the household's countable income is over 450 percent FPIG, PW or PI 01 will fail for Reason Code '286 – MAWD Adjusted Gross Income Required' and will display an edit message that states:

“[Name] was identified as a target for MAWD WJS benefits. Please enter the individual's adjusted gross income amount on the MAWD Adjusted Gross Income Amount Screen.”

- The CAO must go to the MAWD Adjusted Gross Income screen and enter the individual's annual adjusted gross income or select the Verification field as “Pending” and send the individual a PA 253 to request this information.

NOTE: If the individual's adjusted gross income is more than or equal to the MAWD COLA Adjusted Gross Income Maximum amount (currently \$125,944.84) and the individual files taxes jointly with their spouse, the CAO must submit a policy clarification for guidance on how to calculate the individual's adjusted gross income.

- Once the individual's adjusted gross income amount is verified and entered on the MAWD Adjusted Gross Income screen, the CAO will 'Run Eligibility' on the Eligibility Result Summary screen and if the amount is more than or equal to the MAWD COLA Adjusted Gross Income Maximum Amount (currently \$125,944.84), the individual will fail PW or PI 01 for reason code '287 – MAWD Adjusted Gross Income' and will be authorized in PW or PI 02.
- For current or previous WJS recipients whose resources are now excluded in the MAWD program, the Resource Result field on the Eligibility Result Summary screen will display as 'N/A' when determining eligibility for WJS and PW/PI 03 budgets.

Choosing MAWD Over Other MA

Individuals who are eligible for more than one MA category, may choose whichever MA category they feel best meets their needs. For instance, if a MAWD recipient qualifies for MAWD and another MA category, even if that category is higher on the MA cascade, the individual may choose to remain in MAWD and that is allowable as long as they pay their monthly premium. For example, someone who works and qualifies for Healthy Horizons can choose to receive MAWD instead.

With the higher income limit for the MAWD WJS eligibility group and resource exclusion once eligibility in WJS is established, individuals may want to choose to be in MAWD if they think their income or resources may increase in the future. It may be more beneficial for an individual to remain in MAWD even if they qualify for a different

MA category. The CAO should discuss this and review options with the MAWD recipient before moving them to a different program if they also continue to qualify for MAWD.

EXAMPLE: Sara is a current MAWD recipient in PW00 who is determined functionally and financially eligible for HCBS. Sara expects to receive a substantial raise in the next year that will put her over the HCBS and the Workers with a Disability MAWD income limit, Sara chooses to receive MAWD in addition to the waiver services and to pay a monthly premium.

New WJS Category/ New MAWD Program Status Code Examples

PW01 Example

Rachel (age 35) has received MAWD in a PW00 budget for the past five years. At her annual renewal, the CAO verifies her monthly unearned income is \$1,400 and her monthly earned income is \$2,200. Her spouse's monthly income is \$3,500. Rachel and her spouse's countable resources are \$8,000.

- Rachel and her spouse's resources are less than \$10,000.
- Rachel: Unearned Income \$1,400 - \$20 Unearned Income Deduction = \$1,380.
- Rachel: Earned Income \$2,200 - \$65 Earned Income Deduction = $\$2,135/2 = \$1,067.50$.
- Spouse: Earned Income \$3,500 - \$65 Earned Income Deduction = $\$3,435/2 = \$1,717.50$.
- Total Household Income: $\$1,380 + \$1,067.50 + \$1,717.50 = \$4,165$.

The household's monthly countable income of \$4,165 exceeds the 2022, 250 percent FPIG for a two-person household of \$3,815. This amount is less than the 2022, 600 percent FPIG for a two-person household of \$9,155, so Rachel is a target for WJS. Because the household's countable income is also less than 450 percent FPIG for a two-person household (\$6,867), Rachel's monthly premium will be 7.5 percent of her countable income. Her adjusted gross income does not need to be verified and entered. Her monthly premium calculation is: $\$1,380 + \$1,067.50 = 2,447.50 \times 7.5$ percent = \$183.56. Round down and her monthly premium is set at \$183.

PW02 Example

Henry (age 50) has received MAWD in a PW00 budget for the past year. Henry reports and verifies his monthly earned income has increased from \$5,000 to \$12,000. He has no unearned income. His countable resources are \$6,000.

- Henry's countable resources are less than \$10,000.
- Henry: Earned Income \$12,000 - \$20 Deduction = \$11,980 - \$65 Earned Deduction = \$11,915/2 = \$5,957.50.

Henry's total countable monthly income of \$5,957.50 is less than the 2022, 600 percent FPIG for a 1-person household of \$6,795. Because his countable income is more than the 2022, 450 percent FPIG for a one-person household of \$5,097, the CAO sends Henry a PA 253 requesting his Federal Tax Form 1040 to verify his adjusted gross income. Henry returns his most recent 1040, which still has last year's income that has not yet caught up to his new income; the adjusted gross income on the 1040 displays his income as \$58,000. The CAO enters this amount on the MAWD Adjusted Gross Income screen and Henry is authorized PW01 with a monthly premium of \$446 ($\$5,957.50 \times 7.5$ percent, rounded down).

At Henry's renewal, his monthly countable income is still under 600 percent FPIG and above 450 percent FPIG. The CAO sends Henry a PA 253 requesting his Federal Tax Form 1040 to verify his adjusted gross income. Henry returns his most recent 1040 and now his adjusted gross income amount shows \$138,000. This amount exceeds the MAWD COLA Adjusted Gross Income Maximum Amount and Henry is authorized PW02 with the \$948 full cost monthly premium determined by DHS.

PW03 Example

Leo received WJS in PW01 from July 2023 to September 2023. In September 2023, Leo voluntarily withdrew from receiving MA benefits. In April 2026, Leo (age 43) applies for MA. Leo meets non-financial MAWD requirements. He and his spouse's countable income is less than 250 percent FPIG. Leo and his spouse's countable resources are \$40,000. Since their resources exceed the PW00 resource limit and Leo received WJS in the past, the CAO authorizes Leo in PW03. Leo is responsible to pay a monthly premium of 5 percent of his countable income only.

NEXT STEPS

1. Share and review this Operations Memorandum with appropriate staff.
2. Direct questions on this Operations Memorandum to your Area Manager.
3. This Operations Memorandum will become obsolete once it is incorporated in MAEH Chapter 316.

ATTACHMENTS

[Attachment 1: Medical Assistance \(MA\) Cascade Table](#)

[Attachment 2: Medical Assistance for Workers with Disabilities \(MAWD\)
Category/Program Status Code \(PSC\) Income and Resource Guide
2022](#)