

## Policy Clarifications – Medicaid – All PMA-17849-312

**Submitted:** 01/16      **Agency:** CAOs

**Subject:** Payments Received Under Home and Community Based Services (HCBS) Waiver Programs and Modified Adjusted Gross Income (MAGI) Medical Assistance (MA) Determinations

**Question:** We received an application for an individual who receives payments under a HCBS waiver program to care for an individual. Is this income countable for MAGI-related MA determinations?

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**Response By:** Division of Health Services

**Date:**  
1/29/16

Income received for care of an individual under an HCBS waiver program is considered “difficulty of care” income and is excludable income for MAGI-related MA if all of the following criteria are met:

- The payment is received for the care of an individual based on an the individual’s HCBS waiver care plan,
- The care recipient and the care provider live in the same home, and
- The care provider provides care for no more than 10 qualified individuals under the age of 19, or no more than 5 qualified individuals age 19 and above.

If all of the above criteria are *not* met, the payments are considered countable income for MAGI-related MA determinations.

If more than one care provider meets the above criteria, income of each eligible caretaker can be excluded.

Care providers do not have to be related to the care recipient in order for the income exclusion to apply.

To determine if the payments meet all of the above criteria, complete the following steps:

1. *Determine if the payments are received under an HCBS waiver care plan.*

Review eCIS/CIS and determine if the care recipient is enrolled in an HCBS waiver. In eCIS, the information is found on the Waiver screen; in CIS it can be located on the CQMWA screen.

2. *Determine if the care recipient and the care provider live in the same home.*

To meet this criterion, the care recipient and care provider **must** reside full-time in the same permanent residence.

3. *Determine the number of qualified individuals under the care giver's care.*

If the care provider is receiving payments for providing care for more than 5 qualified individuals age 19 and over, or 10 individuals under age 19, the care provider is ineligible for this income exclusion.

Qualified individuals are individuals receiving services under an HCBS waiver and who reside with the care provider full-time in the same permanent residence.

**Note:** Difficulty of care income is excluded for non-MAGI-related MA determinations. If the above criteria are met, payments made for the care of an individual under a waiver plan are also excluded for non-MAGI. See MAEH 350.6, Income Exclusions.

**Example:** Joe, age 22, is eligible for HCBS under the Consolidated Waiver. Joe lives with his mother, Sarah. Sarah receives \$1500/month in payments under the waiver for Joe's care. Sarah and Joe reside in the same home; Sarah does not maintain a separate residence.

Since Sarah receives payments under Joe's waiver and they both reside full-time in the same home, Sarah's payments for Joe's care are **NOT** countable income for her MAGI-related MA determination and should be excluded.

**Example:** Mike, age 56, is eligible for HCBS under the Attendant Care Waiver. Lisa is Mike's caretaker. She resides in Mike's home three days of the week, but returns to her own home for the remainder of the week. Lisa receives \$850/month in payments under the waiver for Mike's care.

Though Lisa receives payments under Mike's waiver plan, she and Mike are not considered to be sharing a home since Lisa maintains a separate residence. Lisa's payments for Mike's care **ARE** countable for her MAGI-related MA determination.