



Minnesota Health Care Programs

Eligibility Policy Manual

This document provides information about additions and revisions to the Minnesota Department of Human Service's Minnesota Health Care Programs Eligibility Policy Manual.

Manual Letter #18.3

June 1, 2018

Manual Letter #18.3

This manual letter lists new and revised policy for the Minnesota Health Care Programs (MHCP) Eligibility Policy Manual (EPM) as of June 1, 2018. The effective date of new or revised policy may not be the same date the information is added to the EPM. Refer to the Summary of Changes to identify when the Minnesota Department of Human Services (DHS) implemented the policy.

I. Summary of Changes

This section of the manual letter provides a summary of newly added sections and changes made to existing sections.

A. [EPM Home Page](#)

The following bulletins are removed from the home page because they are incorporated into the EPM with this manual letter:

- Bulletin #17-21-01C, DHS Explains Policy and Procedures for MA Cost-Effective Health Insurance (CEHI) and Why HSAs, MSAs, and VEBAs Are Not CEHI
- Bulletin #18-21-01, DHS Explains How to Treat ABLE Accounts When Determining MHCP Eligibility

We add the following bulletins to the home page:

- Bulletin #18-21-04, DHS Announces the Addition of DEED Income Data for Medical Assistance and MinnesotaCare Renewals in METS. This bulletin was published on April 25, 2018.
- Bulletin #18-21-05, DHS Implements Automated Reasonable Opportunity Period Functionality for Posteligibility Verification in METS. This bulletin was published on May 14, 2018.

Both bulletins will remain on the home page until we incorporate them into the EPM.

This manual letter is also added to the manual letters section of the home page.

B. [Section 1.2.7 MHCP Applications for Incarcerated People Preparing for Release](#)

The changes to this section improve readability and remove redundant information. Additionally, we add policy about the servicing agency and financially responsible agency for people who are incarcerated and apply for MHCP before their release.

C. Section 2.1.1.2.1 Medical Assistance (MA) Benefit Recovery

The change to this section incorporates DHS Bulletin #18-21-01, DHS Explains How to Treat ABLE Accounts in Determining MHCP Eligibility, by adding a hyperlink to new EPM Section 2.3.3.2.7.15 Achieving a Better Life Experience (ABLE) Accounts.

D. Section 2.1.1.2.1.3 MA Third Party Liability

We clarify in this section that MA eligibility continues for people who do not enroll in, cooperate with, or assign rights to a group health plan if they cannot do so on their own behalf. We also add other minor clarifications regarding third party liability.

E. Section 2.1.1.2.1.3.1 MA Cost-Effective Health Insurance

The changes to this section incorporate Bulletin #17-21-01C, DHS Explains Policy and Procedures for MA Cost-Effective Health Insurance (CEHI) and Why HSAs, MSAs, and VEBAs Are Not CEHI. One of the changes updates the title to MA Cost-Effective Health Insurance, which is the more commonly used term when MA pays the premium, or part of the premium, for other health insurance an MA enrollee has or can have that is found to be cost effective.

We also provide policy about the following:

- What is reviewed for CEHI
- What is not reviewed for CEHI
- What methods are used to determine if a plan is CEHI
- What MA enrollees are required to do to meet CEHI requirements
- What must be provided to county and tribal agencies to be able to reimburse CEHI premiums
- When county and tribal agencies must redetermine a plan's cost effectiveness

F. Section 2.1.1.2.4 MA Referral for Other Benefits

We add policy in this section to state that people who are living in an Institution for Mental Diseases (IMD) may also receive help paying their Medicare Part B premium and other costs.

G. Section 2.3.3.2.3 Medical Assistance for People Who Are Age 65 or Older and People Who Are Blind or Have a Disability (MA-ABD) Excluded Assets

The change to this section incorporates DHS Bulletin #18-21-01, DHS Explains How to Treat ABLE Accounts in Determining MHCP Eligibility, by adding ABLE accounts to the list of assets that are excluded from a person's MA-ABD asset total if they are identifiable.

H. Section 2.3.3.2.7.15 MA-ABD Achieving a Better Life Experience (ABLE) Accounts (new)

We add this new section to incorporate DHS Bulletin #18-21-01, DHS Explains How to Treat ABLE Accounts in Determining MHCP Eligibility. This new section defines an ABLE account and describes how to evaluate the funds held in, deposited into, or disbursed from this type of account.

Note that the terms designated beneficiary and account owner have the same meaning for ABLE accounts. We used the term, designated beneficiary, to explain who the policy applies to in Bulletin #18-21-01. In the EPM, we chose to use the term, account owner, because we believe it better identifies to whom the policy applies.

I. Section 2.3.3.3.2.1 MA-ABD Countable Income

We update the policy to reflect that in-kind benefits or payments are not considered income for the purpose of determining MA-ABD eligibility. The reference to in-kind benefits or payments is removed from the Earned Income section of this page and added to the What is not Income section of the page.

J. Section 2.3.3.3.2.2 MA-ABD Disregards and Deductions

The change to this section revises policy about the Plan to Achieve Self Support (PASS) deduction to reflect that it is approved by the Social Security Administration (SSA) and must be verified.

K. Section 2.4.2.5.1 Medical Assistance for Long-Term Care Services (MA-LTC) Long-Term Care (LTC) Income Calculation Deductions

The term cost effective is removed from the Health Insurance Premiums, Co-payments and Deductibles section of this page. The change is necessary to avoid confusion between the CEHI policy in Section 2.1.1.2.1.3.1 MA Cost Effective Health Insurance.

L. Section 2.5.2.2.1 Medical Assistance Centers for Victims of Torture (MA-CVT) Bases of Eligibility

We add clarification in this section that people who have an MA-CVT basis of eligibility may also be eligible for Emergency Medical Assistance (EMA) if they have a medical emergency. Previously, this policy was only stated in Section 2.5.3 Emergency Medical Assistance.

M. Section 2.5.3 Emergency Medical Assistance

The reference to MA-CVT in this section twice referenced having a medical emergency in the same sentence. The first of the two references is removed to avoid repetition.

N. Section 2.5.4 Institutions for Mental Diseases (IMD)

The changes to this section clarify that people living in an IMD may receive both federally and state-funded MA. Information is updated to indicate when people living in an IMD are eligible for federally funded MA.

O. Section 2.5.4.4.1 Program IM Medicare

This section was previously titled Program IM Cost Effective Insurance, but is not related to the policy in Section 2.1.1.2.1.3.1 MA Cost Effective Health Insurance. County and tribal agencies are not required to complete a CEHI analysis for people enrolled in Program IM to have their Medicare Part B premium reimbursed. The title is changed to Program IM Medicare and references to CEHI are removed to avoid any confusion.

We also update the policy in this section to reflect the requirement for Program IM enrollees to enroll in Medicare coverage, if eligible.

P. Section 2.5.4.4.2 Program IM Health Care Delivery

We update the policy in this section to clarify that people enrolled in Program IM are not excluded from enrollment into managed care unless they specifically meet a managed care exclusion.

Q. Appendix A Types of Assets

The change to this appendix incorporates DHS Bulletin #18-21-01, DHS Explains How to Treat ABLE Accounts in Determining MHCP Eligibility, by adding ABLE accounts to the list of asset types.

R. Appendix B Types of Income

Under Tribal land settlements and judgements, we add members of the Grand Portage Band of Lake Superior Chippewa Indians tribe as recipients of per capita payments made under the authority of United States Code, title 25, section 1407.

S. Appendix F Standards and Guidelines

The following standards and guidelines are updated in Appendix F and become effective July 1, 2018:

- Basic Shelter Allowance
- Minimum Monthly Income Allowance
- Home Maintenance Allowance
- Special Income Standard for Elderly Waiver Maintenance Needs Allowance
- Remedial Care Expense
- Statewide Average Payment for Skilled Nursing Facility Care

II. Documentation of Changes

This section of the manual letter documents all changes made to an existing section. Deleted text is displayed with strikethrough formatting and newly added text is displayed with underline formatting. Links to the revised and archived versions of the section are also provided.

- A. [EPM Home Page](#)
- B. [Section 1.2.7 MHCP Applications for Incarcerated People Preparing for Release](#)
- C. [Section 2.1.1.2.1 MA Benefit Recovery](#)
- D. [Section 2.1.1.2.1.3 MA Third Party Liability](#)
- E. [Section 2.1.1.2.1.3.1 MA Cost-Effective Health Insurance](#)
- F. [Section 2.1.1.2.4 MA Referral for Other Benefits](#)
- G. [Section 2.3.3.2.3 MA-ABD Excluded Assets](#)
- H. [Section 2.3.3.2.7.15 MA ABLE Accounts \(new\)](#)
- I. [Section 2.3.3.3.2.1 MA-ABD Countable Income](#)
- J. [Section 2.3.3.2.2 MA-ABD Disregards and Deductions](#)
- K. [Section 2.4.2.5.1 MA-LTC LTC Income Calculation Deductions](#)
- L. [Section 2.5.2.2.1 MA-CVT Bases of Eligibility](#)
- M. [Section 2.5.3 EMA](#)
- N. [Section 2.5.4 IMD](#)
- O. [Section 2.5.4.4.1 Program IM Medicare](#)
- P. [Section 2.5.4.4.2 Program IM Health Care Delivery](#)
- Q. [Appendix A Types of Assets](#)
- R. [Appendix B Types of Income](#)
- S. [Appendix F Standards and Guidelines](#)

A. EPM Home Page

Minnesota Health Care Programs

Eligibility Policy Manual

Welcome to the Minnesota Department of Human Services (DHS) Minnesota Health Care Programs Eligibility Policy Manual (EPM). This manual contains the official DHS eligibility policies for the Minnesota Health Care Programs including Medical Assistance and MinnesotaCare. Minnesota Health Care Programs policies are based on the state and federal laws and regulations that govern the programs. See Legal Authority section for more information.

The EPM is for use by applicants, enrollees, health care eligibility workers and other interested parties. It provides accurate and timely information about policy only. The EPM does not provide procedural instructions or systems information that health care eligibility workers need to use.

Manual Letters

DHS issues periodic manual letters to announce changes in the EPM. These letters document updated sections and describe any policy changes.

MHCP EPM Manual Letter #18.1, January 1, 2018

MHCP EPM Manual Letter #18.2, April 1, 2018

MHCP EPM Manual Letter #18.3, June 1, 2018

2017 Manual Letters

MHCP EPM Manual Letter #17.1, April 1, 2017

MHCP EPM Manual Letter #17.2, June 1, 2017

MHCP EPM Manual Letter #17.3, August 1, 2017

MHCP EPM Manual Letter #17.4, September 1, 2017

MHCP EPM Manual Letter #17.5, December 1, 2017

2016 Manual Letters

MHCP EPM Manual Letter #16.1, June 1, 2016

MHCP EPM Manual Letter #16.2, August 1, 2016

MHCP EPM Manual Letter #16.3, September 1, 2016

MHCP EPM Manual Letter #16.4, December 1, 2016

Bulletins

DHS bulletins provide information and direction to county and tribal health and human services agencies and other DHS business partners. According to DHS policy, bulletins more than two years old are obsolete. Anyone can subscribe to the Bulletins mailing list.

A DHS Bulletin supersedes information in this manual until incorporated into this manual. The following bulletins have not yet been incorporated into the EPM:

- ~~Corrected Bulletin #17-21-01C, DHS Explains Policy and Procedures for MA Cost-Effective Health Insurance (CEHI) and Why HSAs, MSAs, and VEBAs Are Not CEHI~~
- Bulletin #17-21-05, DHS Explains How Unified Cash Asset Policy Affects Medical Assistance (MA) Eligibility
- Bulletin #17-21-08, DHS Explains Changes to the Minnesota Health Care Programs (MHCP) Application for Medical Assistance for Long-Term Care Services (MA-LTC)
- ~~Bulletin #18-21-01, DHS Explains How to Treat ABLE Accounts When Determining MHCP Eligibility~~
- Bulletin #18-21-03, Periodic Data Matching for Medical Assistance and MinnesotaCare
- Bulletin #18-21-04, DHS Announces the Addition of DEED Income Data for Medical Assistance and MinnesotaCare Renewals in METS
- Bulletin #18-21-05, DHS Implements Automated Reasonable Opportunity Period Functionality for Posteligibility Verifications in METS

Archives

This manual consolidates and updates eligibility policy previously found in the Health Care Programs Manual (HCPM) and Insurance Affordability Programs Manual (IAPM). Prior versions of policy from the HCPM and IAPM are available upon request.

Refer to the EPM Archive for archived sections of the EPM.

Contact Us

Direct questions about the Minnesota Health Care Programs Eligibility Policy Manual to the DHS Health Care Eligibility and Access (HCEA) Division, P.O. Box 64989, 540 Cedar Street, St. Paul, MN 55164-0989, call (888) 938-3224 or fax (651) 431-7423.

Health care eligibility workers must follow agency procedures to submit policy-related questions to HealthQuest.

Legal Authority

Many legal authorities govern Minnesota Health Care Programs, including but not limited to: Title XIX of the Social Security Act; Titles 26, 42 and 45 of the Code of Federal Regulations; and Minnesota Statutes chapters 256B and 256L. In addition, DHS has obtained waivers of certain federal regulations from the Centers for Medicare & Medicaid Services (CMS). Each topic in the EPM includes applicable legal citations at the bottom of the page.

DHS has made every effort to include all applicable statutes, laws, regulations and other presiding authorities; however, erroneous citations or omissions do not imply that there are no applicable legal citations or other presiding authorities. The EPM provides program eligibility policy and should not be construed as legal advice.

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Manual Letter #17.3, August 1, 2017

Manual Letter #17.2, June 1, 2017

Manual Letter #17.1, April 1, 2017

Manual Letter #16.4, December 22, 2016

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B. Section 1.2.7 MHCP Applications for Incarcerated People Preparing for Release

Minnesota Health Care Programs

1.2.7 Applications for Incarcerated People Preparing for Release

A person who is incarcerated and applying for Minnesota Health Care Programs (MHCP) ~~in advance of~~ before their release from a state prison, county detention facility, or city jail must apply using a paper application. Applying with a paper application ensures that eligibility dates for health care coverage are correct.

Incarcerated people who do not apply for MHCP before release follow all standard policies when applying for health care after release.

Health Care Application

People who are incarcerated preparing for release may receive application assistance from a discharge planner or facility staff when applying for MHCP.

There are two ~~special application procedures~~ paths for people who are incarcerated so health care coverage can begin on the day they ~~return to the community~~ are released.

~~A. Some incarcerated people may use a shortened application process for Medical Assistance (MA).~~

~~B. Others may complete a new application and an Individual Discharge Information Sheet (IDIS) (DHS-3443).~~

~~These procedures help ensure continued treatment of chronic health conditions and successful transition to community life.~~

Shortened Application Process for People Incarcerated for Less Than 12 Months

People who are incarcerated for less than 12 months and who were MA enrollees at the time of ~~their~~ they were incarcerated may have their MA coverage reopened without a new MHCP application by submitting their a Request to Re-Open MA (DHS-5038) to their county or tribal servicing agency. DHS-5038 must ~~not~~ be submitted no earlier than 45 days ~~prior to~~ before release and no later than 10 calendar days after release.

New Application for People Incarcerated for 12 Months or More

People who are incarcerated for 12 months or more must complete the appropriate ~~health care~~ MHCP application and the Individual Discharge Information Sheet (IDIS) (DHS-3443). Refer to Section 1.2 MHCP Application Forms for more information. ~~Discharge planners and facility staff may help incarcerated people complete these forms.~~ The application and DHS-3443 must be submitted no earlier than 45 days before release.

~~The completed application and DHS-3443 are submitted to the county or tribal servicing agency where the person lived before entering the correctional system. If the previous county of residence is unknown or the person came from another state, the completed forms are sent to the county or tribal servicing agency where the person plans to live.~~

~~DHS-3443 must not be submitted earlier than 45 days prior to release.~~

~~Incarcerated people who do not apply for MHCP prior to release follow all standard policies when applying for health care after release.~~

Servicing Agency for Incarcerated People Preparing for Release

The completed DHS-5038, or the completed MHCP application and DHS-3343, are submitted to the county or tribal servicing agency where the person lived immediately before entering the correctional facility. If the previous county of residence is unknown or the person lived in another state immediately before being incarcerated, the completed forms are sent to the county or tribal servicing agency where the person plans to live after release.

Financially Responsible Agency for Incarcerated People Preparing for Release

The financially responsible agency is the agency in which the person resided immediately before entering the correctional facility. If the previous county of residence is unknown or the person lived in another state immediately before being incarcerated, the financially responsible agency is the county or tribe in which the facility is located.

Legal Citations

Minnesota Statutes, section 256B.055, subdivision 14

Minnesota Statutes, section 256G.01, subdivision 4

Minnesota Statutes, section 256G.02, subdivision 4 and 6

Minnesota Statutes, section 256G.08, subdivision 2

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C. Section 2.1.1.2.1 MA Benefit Recovery

Medical Assistance

2.1.1.2.1 Benefit Recovery

State and federal funds pay for Medical Assistance (MA). The State of Minnesota uses several ways to recover the cost of health care benefits provided to enrollees. This is called benefit recovery.

Enrollees may be subject to the following types of benefit recovery depending on their eligibility basis and the type of services they receive:

MA for People Who Are Age 65 or Older and People Who Are Blind or Have a Disability (MA-ABD) Annuities

MA Cost-Effective Insurance

MA Estate Recovery

MA Liens

MA Medical Support

Minnesota Health Care Programs (MHCP) Overpayments

MA-ABD Pooled Trusts

MA Other Third Party Liability

MA-ABD Special Needs Trusts

MA-ABD Achieving a Better Life (ABLE) Accounts

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D. Section 2.1.1.2.1.3 MA Third Party Liability

Medical Assistance

2.1.1.2.1.3 Third Party Liability

Third parties are people, entities, or programs that are, or may be, liable to pay all or part of the medical costs provided to Medical Assistance (MA) enrollees.

A third party may be liable to pay all or part of the medical costs provided to MA enrollees because MA is ~~always~~ the payer of last resort, with limited exception, such as Indian Health Services. This means enrollees with ~~Third Party Liability~~ third party liability (TPL) will must have medical costs covered by TPL paid by those sources before MA pays claims.

A third party payer includes, but is not limited to:

- Other health care coverage, such as ~~employer sponsored insurance~~ group health plans, COBRA continuation of group health plans, individual health plans, Medicare, and military insurance, COBRA, group or individual health insurance
- Medical support from absent parents
- Other sources such as automobile insurance, court judgments or settlements, workers' compensation, and fundraisers to pay for medical expenses

Other Health Care Coverage

Applicants and enrollees must cooperate with identifying sources of existing health coverage and assign rights to other health care coverage. Those who fail to cooperate with ~~Third Party Liability~~ (TPL) requirements may be denied coverage or have their MA coverage ended. See the ~~Minnesota Health Care Programs (MHCP)~~ MA Cooperation policy for more information.

People must cooperate with TPL requirements by:

- Providing information to assist the Minnesota Department of Human Services (DHS) or an enrollee's managed care plan to pursue any third party liable for payment, and applying for other benefits that may help pay for their medical costs. This includes:
 - Cooperation with completing Medical Service Questionnaires (MSQs) when the person has received a service that potentially indicates a third party may be responsible
 - Giving complete information about third party health, dental, vision and long-term care insurance policies that cover MA enrollees
- Enrolling or maintaining enrollment, when eligible, in:
 - A group health plan ~~other health care coverage~~ that is determined to be cost effective
 - A group health plan when there is no cost for the policyholder to cover all family members enrolled in MA

MA eligibility continues for people who do not enroll in, cooperate with or assign rights to a group health plan if they cannot do so on their own behalf. See MA Cost Effective Health Insurance for more information.

- Assigning rights to DHS for medical support and payment for medical care from any third party

Enrollees are ~~not required~~ do not have to cooperate with TPL requirements when they are Safe at Home (SAH) Address Confidentiality program participants and the policyholder is their probable assailant.

~~MA applicants and enrollees who are enrolled in individual health care coverage are required to maintain enrollment as a condition of MA eligibility if the coverage is cost effective and premiums are paid by the county, tribal or state servicing agency.~~

~~Enrollees who are eligible for group health care coverage are required to enroll as a condition of MA eligibility if the coverage:~~

- ~~is cost effective and premiums are paid by the county, tribal or state servicing agency, or~~
- ~~there is no cost to the client.~~

~~Enrollees must maintain or enroll in group health care coverage during an open enrollment period, if one is offered.~~

~~Not all people who are eligible for other health coverage are able to enroll or otherwise cooperate on their own behalf. MA eligibility continues for people who do not enroll in, cooperate with or assign rights to other health coverage if they cannot do so on their own behalf.~~

~~See the MA Cost Effective Insurance policy for more information.~~

Medical Support

Medical support may include cash payments or health insurance coverage that a parent who does not live with their children must provide or are is court-ordered to provide to meet the medical needs of their children. Parents and relative caretakers who are referred for medical support must cooperate with the county, tribal or state servicing agency as a condition of their own eligibility, unless they show good cause for non-cooperation. ~~See the MA Medical Support policy for more information.~~

Other Third Party Liability

In some situations, automobile insurance, homeowner insurance, court judgments or settlements, workers' compensation and other third parties may pay health care costs. ~~See the MA Other Third Party Liability policy for more information.~~

Legal Citations

Code of Federal Regulations, title 42, sections 433.135 to 433.154

Code of Federal Regulations, title 42, section 435.610

Federal Register, Vol.60, No.131 (July 10, 1995), page 35498

Minnesota Statutes, section 256B.042

Minnesota Statutes, section 256B.056

United States Code, title 42, section 1396a

United States Code, title 42, section 1396e

United States Code, title 42, section 1396g-1

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E. Section 2.1.1.2.1.3.1 MA Cost-Effective Health Insurance

Medical Assistance

2.1.1.2.1.3.1 Cost-Effective Health Insurance

Health insurance other than Medical Assistance (MA) that covers an enrollee is a liable third party. A subset of third party liability (TPL) includes group health plans, individual health plans, TRICARE plans, and certain long-term care (LTC) insurance. When an enrollee is covered by, or could be covered by, health insurance that falls within this subset of TPL, MA will pay the premium, or a portion of the premium, if it is cost effective to have the enrollee covered by the other health insurance.

Cost effective means that paying for the other health insurance, and for any MA services the other health insurance does not cover, will cost less than paying for MA services without the other health insurance.

When a county or tribal agency determines that a group health plan, individual health plan, TRICARE plan, or LTC insurance is cost effective, it is called cost-effective health insurance (CEHI).

Enrollees who have CEHI for their primary coverage are covered for the same MA services as enrollees without CEHI because MA pays for any MA services the CEHI does not cover.

~~A Medical Assistance (MA) enrollee with access to a group or individual health plan may be eligible for assistance in paying the premiums if it is cost effective. Cost effective means that paying for the other plan would be less costly than the amount for an equivalent set of services paid for by MA. If a plan is cost effective, MA reimburses the premium for the enrollee's health plan and provides coverage for all MA benefits not included in the plan.~~

~~When the health plan is determined by the county, tribal or state servicing agency to be cost effective, the enrollee may receive a reimbursement for premiums paid for the policy or they may have the cost of the premium paid directly to the employer or insurance provider.~~

MA Cooperation Requirement to Enroll in a Cost Effective Group Health Plan

~~As a condition of ongoing MA eligibility, an adult enrollee with access to a group health plan must cooperate by enrolling in the plan and maintaining enrollment when the plan is determined to be cost effective. An MA enrollee may have access to a cost effective group health plan through their own employer, or through a family member's employer.~~

~~An MA enrollee who has an individual health plan may request a cost effective determination but is not required to enroll or maintain enrollment in the plan as a condition of MA eligibility. If the individual health plan is determined to be cost effective, the enrollee may receive premium reimbursement.~~

MA Enrollee Cost Effective Cooperation Requirements

MA enrollees must:

- Report access to a group health plan upon request at the time of application or any time access to a group health plan becomes available
- Maintain or enroll in a group health plan when notified of a determination that it is cost effective
- Cooperate in determining the cost effectiveness of group health care coverage. Enrollees have 10 days to provide information about group health care coverage to maintain MA eligibility. MA coverage ends when the enrollee fails to cooperate.
- Enroll in cost effective group health care coverage at the earliest possible date
- Report when the cost effective insurance ends or changes

Exceptions to Cost Effective Cooperation Requirements

MA enrollees who cannot enroll in cost effective group health care coverage on their own behalf, do not have MA coverage end due to non-cooperation. See the MA Cooperation policy for more information.

Pregnant women who are eligible for CHIP-funded MA are not required to pursue other health care coverage.

Infants who are funded under CHIP cannot have other health insurance. If a CHIP funded infant gains access to group health coverage or other health insurance they are moved to MA and the cost effective information in this section will apply.

Enrollees are not required to cooperate with cost effective coverage determinations when they are Safe at Home (SAH) Address Confidentiality program participants and the policyholder is their probable assailant.

Health Insurance Reviewed for Cost Effectiveness

County and tribal agencies review whether a group health plan, individual health plan, TRICARE plan, or LTC insurance available to an enrollee is cost effective. A person must be an MA applicant or enrollee for an agency to review their other health insurance options for CEHI

Group Health Plans

A group health plan, including a self-insured plan, is a plan of, or contributed to by, an employer, including a person who is self-employed, or employee organization to provide health care to employees, former employees, the employer, others associated or formerly associated with the employer in a business relationship, or their families. A group health plan is often referred to as employer-sponsored insurance. For purposes of CEHI, the term group health plan also includes

continuation coverage of an employer or employee-sponsored group health plan under the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA).

A person may have access to a group health plan through their own employer or a family member's employer.

As a condition of eligibility for MA, an enrollee must:

- Report access to a group health plan at the time of application or any time after when access to a group health plan becomes available
- Cooperate in determining whether the coverage under a group health plan coverage is cost effective. Enrollees have 10 days to provide information about a group health plan to maintain MA eligibility.
- Report when coverage under a group health plan ends or changes

If an enrollee has access to a group health plan through their employer and is notified that one or more group health plans available to the enrollee is cost effective, the enrollee must:

- Enroll in the cost-effective group health plan at the earliest possible date if they are not currently enrolled
 - An enrollee loses MA eligibility if they refuse to apply for enrollment in a cost-effective group health plan. The person remains ineligible until the next open enrollment period for the group health plan.
 - A plan sponsor of a group health plan must allow an employee and their dependents to enroll in the plan during a special enrollment period if all of the following conditions are met:
 - The employee or their dependents are eligible for the group health plan and are eligible for MA to pay the premium for the group health plan as CEHI
 - The employee requests such enrollment within 60 days from the date the employee or their dependents were determined eligible for CEHI reimbursement
- Maintain enrollment in a cost-effective group health plan if they are already enrolled.
 - An enrollee already enrolled in a cost-effective group health plan may choose to enroll in a different group health plan through the same employer if the following is true:
 - The new group health plan is also cost effective; and
 - There is no lapse in group health plan coverage.
 - When there is only one cost-effective group health plan option available to the enrollee and they are enrolled in that option, disenrollment from the plan results in termination of MA eligibility. The person remains ineligible until the next open enrollment period for the group health plan.

An enrollee with access to a cost-effective group health plan through their own employer loses MA eligibility if they do not cooperate with these requirements, with the exception of a pregnant woman eligible for CHIP-funded MA.

An enrollee who has access to a cost-effective group health plan through a family member's employer does not lose MA eligibility if they do not enroll in the group health plan. This is because the enrollee cannot enroll in the plan on their own behalf. See MA Cooperation for more information.

An enrollee does not have to cooperate with CEHI requirements when the enrollee is a Safe at Home (SAH) Address Confidentiality program participant and the policyholder, or the potential policyholder, of the other health insurance is the enrollee's probable assailant.

Individual Health Plans

An individual health plan is a health plan other than job-based coverage that a person can purchase on the private insurance market. An enrollee is not required to enroll or maintain enrollment in an individual health plan if it is cost effective. Enrollment is optional.

Individual health plans available on the MNsure marketplace cannot be reviewed for cost effectiveness.

TRICARE Plans

TRICARE is the health care program for uniformed U.S. service members. An enrollee with access to a TRICARE plan is not required to enroll or maintain enrollment in the plan if it is cost effective. Enrollment is optional.

LTC Insurance

An LTC insurance policy is cost effective for an enrollee who is currently paying a premium for the policy and living in a nursing facility if the policy covers nursing facility costs and their Medicare co-insurance for the current nursing facility stay. An enrollee is not required to enroll or maintain enrollment in this type of LTC insurance. Enrollment is optional.

Not Reviewed for Cost Effectiveness: Certain Health Care Accounts, Arrangements, and Plans

The following types of health insurance are not reviewed or reimbursed for cost effectiveness:

- Health flexible spending accounts (FSAs)
- Health savings accounts (HSAs)
- Archer medical savings accounts (MSAs)
- Health reimbursement arrangements (HRAs)
- Voluntary employees' beneficiary associations (VEBAs)
- MinnesotaCare

- Group health, individual health, TRICARE and LTC insurance plans for people who are eligible for a Medicare Savings Program (MSP).

FSAs, HSAs, and MSAs

FSAs, HSAs, or MSAs are not legally responsible by statute, contract, or agreement for payment of a claim for a health care item or service.

Though these accounts receive tax-preferred treatment for payment of qualified medical expenses, account funds are spent at the account holder's choosing – they are never legally required to spend the funds for any particular purpose, health care related or otherwise. MA can only pay an enrollee's costs for other insurance coverage strictly limited to health services.

A person with an HSA or MSA must also be covered by a high-deductible health plan (HDHP) for the HSA or MSA to be valid. An HDHP that is a group health plan may be reviewed for cost effectiveness, but the HSA or MSA is not.

HRAs and VEBAs

While HRAs generally are classified as group health plans, only employers can make contributions to HRAs. Because beneficiaries of an HRA do not pay premiums or make contributions, there is no cost to reimburse.

A VEBA is a tax-exempt account that may include health benefit plans, life insurance, disability insurance, accident insurance, vacation, or other employee benefits. Because VEBAs can be complex, technical, and variable, the administrative cost of reviewing them for CEHI makes them not cost effective.

MinnesotaCare

County and tribal agencies do not review or reimburse premiums paid for MinnesotaCare under the MA CEHI program. A person cannot be eligible for MA and MinnesotaCare at the same time.

Plans Available to People Who are Eligible for an MSP

An enrollee who is receiving reimbursement for Medicare through an MSP cannot have their premiums for a group health plan, individual health plan, TRICARE plan, or LTC insurance reviewed or reimbursed for CEHI.

Medical Support

County and tribal agencies review certain court-ordered medical support for cost effectiveness. Medical support includes health insurance coverage that a noncustodial parent provides, or is court-ordered to provide, to meet the medical needs of their child. See the MA Medical Support policy for more information.

Medical Support Reviewed for Cost Effectiveness

If a parent has been ordered by a court to carry health insurance for their children, the health insurance is reviewed for cost effectiveness when the parent is enrolled in MA.

If the court-ordered parent is not enrolled in MA, the health insurance can be reviewed for cost effectiveness only when all of the following criteria are met:

- The court-ordered parent left a job and has continued dependent coverage available through COBRA.
- The child support officer determined that the court-ordered parent is no longer financially able to keep the coverage in effect.

When the criteria are met and the health insurance is determined to be cost effective, the county or tribal agency reimburses premiums to the former employer or the custodial parent directly. The agency does not reimburse the non-custodial parent for the cost of premiums.

Medical Support Not Reviewed for Cost Effectiveness

County and tribal agencies do not review health insurance for cost effectiveness when a parent who is not enrolled in MA has been ordered by a court to carry the health insurance for their children, except as noted in the previous section.

Methods for Determining Cost Effectiveness

There are only two methods to determine the cost effectiveness of group health plans, individual health plans, and TRICARE plans.

Standard Calculation

Under the standard calculation for cost effectiveness, a health plan is cost effective when the monthly insurance premium (or prorated portion of a family premium) plus 1/12th of the annual average cost factor by age, is less than the current MA managed care monthly rate for people of the same age.

The annual average cost factor is the average paid costs of health insurance, including the deductible, coinsurance, and copayments, plus the cost of MA wraparound benefits and administrative costs in a preceding calendar year, averaged by age group or pregnancy status for individuals with CEHI coverage.

When more than one enrollee is considered for CEHI coverage under a single health plan, the prorated premium and average annual costs by age for each individual are added together and compared to the combined MA managed care rate for the individuals.

2:1 Ratio Calculation

Under the 2:1 ratio calculation for cost effectiveness, a health plan is cost effective when the plan's annual covered medical expenses for enrollees exceed annual premium costs, plus the annual average cost factor, by at least a 2:1 ratio and the enrollees' medical conditions remain the same.

Dental and Vision Insurance Reviewed for Cost Effectiveness

If a group health plan, individual health plan, or TRICARE plan is cost effective under the standard calculation, the county or tribal agency can also review whether dental and vision plan options available to an enrollee are cost effective. The agency determines the cost effectiveness of dental and vision plans by factoring the dental and vision plan premiums into the standard calculation.

Dental and vision plan options cannot be reviewed for cost effectiveness unless a health plan covering the enrollee is cost effective under the standard calculation. If a health plan is cost effective under the 2:1 ratio calculation, or not cost effective under either calculation, the dental and vision plan options cannot be reviewed for cost effectiveness.

Premium Payments for CEHI

County and tribal agencies reimburse the policyholder, employer, or insurer for CEHI premiums when an enrollee either enrolls or remains enrolled in the CEHI.

Premium payment is limited to one health plan and, if available, one dental plan and vision plan.

Submitting Proof of Premium Payment

For a CEHI policyholder to be reimbursed directly by the county or tribal agency, the policyholder must submit proof to the agency showing they paid the CEHI premiums. The policyholder has up to 12 months from the date the CEHI was reported to submit proof of premiums paid during that time span.

- Reported means information about the insurance was provided to the agency that leads the agency to determine the insurance was cost effective.
- For the policyholder's final premium payment in the 12-month span, the agency provides the policyholder an extra 10 days starting from the beginning of the first month that follows the 12-month span to submit proof of the final premium payment.

Retroactive Eligibility

A person can receive retroactive MA eligibility for up to three months before the month of MA application. If the person was covered by other health insurance during the retroactive eligibility period, and the health insurance is determined cost effective, the agency reimburses CEHI premiums paid during that period if proof of payment is submitted. See MHCP Retroactive Eligibility for more information.

Managed care exclusions

Enrollees with coverage under a cost-effective group health plan or individual health plan care coverage are excluded from participation enrollment in managed care. These enrollees receive health care through fee-for-service (FFS). MA pays fee-for-service for any services that enrollees are entitled to under MA that their CEHI does not cover. However, there can be a one-month overlap of managed care enrollment and reimbursement for CEHI when an enrollee is unable to timely disenroll from MA managed care because of administrative processes.

Refer to the Prepaid Minnesota Health Care Programs Manual for more information.

~~Enrollees with non-cost effective private health care coverage through a Health Maintenance Organization (HMO) licensed under Minnesota Statutes §62D may enroll on a voluntary basis if they select the same MHCP managed care organization as their private HMO.~~

Redetermination of Cost Effectiveness

County and tribal agencies must redetermine the cost effectiveness of a CEHI plan for which premiums are being paid when any of the following occurs:

- The agency conducts an MA renewal
- There is a change to the health insurance plan that may affect whether it is cost effective, including, but not limited to:
 - A change in the plan's premium
 - An enrollee is added or dropped from the health insurance plan coverage
 - A person covered under the health insurance plan loses MA eligibility

Legal Citations

~~Code of Federal Regulations, title 42, section 435.1015~~

Code of Federal Regulations, title 42, sections 433.147 and 433.148

Code of Federal Regulations, title 42, section 435.1015

Minnesota Rules, part 9505.0071

Minnesota Rules, part 9505.0430

Minnesota Statutes, section 256B.056, subdivision 8

Minnesota Statutes, section 256B.0625, subdivision 15

~~Social Security Act, title 19, section 1905(a)~~

~~Social Security Act, title 19, section 1906~~

United States Code, title 26, section 220

United States Code, title 26, section 223

United States Code, title 26, section 501, paragraph (c), clause (9)

United States Code, title 26, section 5000, paragraph (b)

United States Code, title 26, section 9801, paragraph (f), clause (3)

United States Code, title 26, section 1396d, paragraph (a), clause (29)

United States Code, title 26, section 1396e

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F. Section 2.1.1.2.4 MA Referral for Other Benefits

Medical Assistance

2.1.1.2.4 Referral for Other Benefits

Medical Assistance (MA) enrollees who appear to have eligibility for other programs are required to apply for those programs to continue MA eligibility. Enrollees must apply for benefits from other programs if it could increase their income or help pay medical expenses. Enrollees must apply within 30 days of when the county, tribal or state servicing agency notifies them of their potential eligibility, unless they can show good cause for not doing so.

Social Security benefits

Enrollees, potentially eligible for the following benefits, must apply to maintain MA eligibility.

Retirement Survivors Disability Insurance

The federal Social Security Administration (SSA) administers Retirement, Survivors and Disability Insurance (RSDI) benefits. RSDI provides a monthly income based on payroll contributions made via Social Security taxes.

The following people, if qualified under a Social Security number having at least 40 work quarters, may be eligible for RSDI:

- Retired people who meet SSA age requirements
- People certified disabled by SSA
- Dependents of a wage earner who is disabled or retired
- Dependent survivors of a wage earner who has died

RSDI eligible MA enrollees at full retirement age must apply for benefits. MA enrollees who are family members of RSDI eligible people must also apply for potential benefits.

People who are eligible for RSDI may also be eligible for SSI if their RSDI payment is less than the Supplemental Security Income (SSI) income standard.

Supplemental Security Income

Supplemental Security Income (SSI) is a federal supplemental income program operated by SSA and funded by general tax revenues. It provides monthly cash payments to people aged 65 or older and people certified disabled by SSA, who have little or no income, to help them meet basic needs for food, clothing and shelter. MA enrollees, potentially eligible for SSI, must apply for benefits.

Medicare

Enrollees who are potentially eligible for Medicare must apply to maintain MA eligibility. Enrollees who meet one of the following may qualify for Medicare:

- People age 65 or older who qualify for RSDI or Railroad Retirement Board (RRB) benefits
- Citizens and qualifying non-citizens age 65 or older who pay a Medicare Part A premium
- People certified disabled by SSA, after a 24-month waiting period. People with Amyotrophic Lateral Sclerosis (ALS) are eligible the same month they start receiving RSDI benefits.
- Widows and widowers and divorced widows and widowers with a SSA certified disability, after a two-year waiting period
- People with 1619(a) or 1619(b) status
- People with End-Stage Renal Disease (ESRD) defined as permanent kidney failure requiring dialysis or a kidney transplant

Medicare Part A

Medicare Part A is federal hospitalization insurance. People who are eligible for premium-free Medicare Part A may not refuse to apply or turn down this coverage to gain or continue MinnesotaCare or Advance Premium Tax Credit (APTC) eligibility.

Medicare Part B

Medicare Part B is medical insurance. There is a monthly premium for Part B. MA enrollees must apply and maintain Medicare Part B coverage, even if they are required to pay a premium. Medicare Savings Programs (MSP), the Medicare Buy-In and MA-EPD can help eligible clients with premiums and other costs. People who are in an Institution for Mental Diseases (IMD) may also receive help paying for premiums and other costs. People have a wide variety of Medicare-approved plans from which to choose.

Medicare Part D

Medicare Part D is prescription drug coverage. Enrollment in Medicare Part D is not required as a condition of MA eligibility. However, there are specific rules established for clients eligible for Medicare Part D who fail or refuse to enroll in, or opt out of, that program. MA cannot pay prescription drug costs that would be covered by Medicare Part D for eligible Part D beneficiaries who do not enroll.

Medicare eligible MA and MSP enrollees qualify for a full Extra Help subsidy automatically and must select a Medicare Part D benchmark plan. Medicare beneficiaries of all ages can get free assistance with selecting a Part D plan by calling the Senior LinkAge Line® at (800) 333-2433.

Railroad Retirement Benefits

The federal Railroad Retirement Board (RRB) administers railroad retirement benefits and Medicare for railroad workers and their families. RRB eligible MA enrollees at full retirement age must apply for benefits. The railroad worker's family members must also apply for potential benefits if the railroad worker is currently receiving RRB benefits or was receiving or eligible to receive benefits but is now

deceased. People turning age 65 who are receiving railroad retirement benefits must apply for Medicare through the RRB.

Financial Needs

Enrollees, potentially eligible for the following benefits, must apply to maintain MA eligibility.

Minnesota Unemployment Insurance (UI) benefits provide a temporary partial wage replacement to workers who become unemployed through no fault of their own.

Workers' Compensation provides benefits for people injured or ill from their job.

MA enrollees who are veterans or a spouse of a veteran, using the People Aged 65 or Older, Blind or Disabled basis, living in a long-term care facility, must apply for the federal Veterans' Aid and Attendance program through the U.S. Department of Veterans Affairs (USDVA).

Exceptions

Enrollees are not required to reapply for benefits that were previously denied unless there has been a change in circumstances or eligibility requirements of the benefit program.

Legal Citations

Code of Federal Regulations, title 42, section 435.608

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G. Section 2.3.3.2.3 MA-ABD Excluded Assets

Medical Assistance for People Who Are Age 65 or Older and People Who Are Blind or Have a Disability

2.3.3.2.3 Excluded Assets

An excluded asset is not counted when calculating a person's total countable assets. An asset can be excluded in whole or in part. Some excluded assets are excluded indefinitely while others are excluded for only a specific period of time. Some excluded assets are excluded only if identifiable from other assets. Income retained after the month of receipt become assets.

Identifiable Assets

Some assets must be identifiable to be excluded under the bases of eligibility for Medical Assistance for People Who Are Age 65 or Older, or People Who Are Blind or Have a Disability (MA-ABD). Identifiable means that the assets can be distinguished from other assets.

An asset is identifiable in the following situations:

- The funds are kept physically apart from other funds, such as a separate bank account.
- The funds are not kept physically apart from other funds, but can be identified using a complete history of account transactions dating back to the initial date of deposit. The person's own records should be used, if possible. The person's allegation regarding the date and amount of a deposit of excluded funds is accepted if it agrees with the evidence on file for receipt of the funds.
 - When a withdrawal is made from a commingled account, the non-excluded funds are assumed to be withdrawn first, leaving as much of the excluded funds in the account as possible.
 - The excluded funds remaining in the account can only be added to by deposits of subsequently received excluded funds and excluded interest.
 - If interest on the excluded funds is excluded, the percent of an interest payment to be excluded is the same as the percent of funds in the account that is excluded at the time the interest is posted. The excluded interest is then added to the excluded funds in the account.

Excluded Assets if Identifiable

The following assets are excluded if they are identifiable. Exclude the assets indefinitely unless another time period is indicated. Descriptions of each type of assets are located in Appendix A Types of Assets.

- Achieving a Better Life Experience (ABLE) account

- Agent Orange Settlement Fund payments
- Blood Product Settlement payments
- Corporation for National and Community Service (CNCS) payments. Payments to volunteers, including the following payments authorized under the Domestic Volunteer Services Act, are excluded:
 - AmeriCorps
 - Urban Crime Prevention Program
 - Special Volunteer Programs under Title I
 - Demonstration Programs under Title II
 - Senior Corp:
 - Retired Senior Volunteer Program (RSVP)
 - Foster Grandparent Program
 - Senior Companions
- Individual Development Accounts (IDA)
- Japanese and Aleutian Restitution payments
- Jensen Settlement Agreement payments. Payments received by class members are excluded. Funds received under this agreement from countable assets at the time of application and at each renewal are deducted.
- Low Income Home Energy Assistance Program (LIHEAP) payments
- Nazi Persecution payments
- Radiation Exposure Compensation Trust Fund (RECTF) payments
- Real estate taxes, homeowner's insurance and funds set aside for upkeep expenses of the property a person owns. Up to one year's expenses are excluded. Funds must be kept in a separate account.
- Relocation Assistance payments, federal
- Ricky Ray Hemophilia Relief Fund payments
- Student financial aid
 - Exclude the following types of student financial aid income:
 - Student financial aid received under Title IV of the Higher Education Act
 - Student financial aid received from the Bureau of Indian Affairs (BIA)
 - Non-Title IV and non-BIA grants, scholarships, fellowships and other non-loan financial aid, if used or set aside to pay educational expenses until the month following the last month the student is enrolled in classes.
 - Distributions from a Coverdell Educational Savings Accounts (ESA) if the funds are used for educational expenses.

- Excluded for the designated beneficiary of the account for nine months following the month of receipt of a distribution.
- Excluded for anyone who is not a beneficiary who contributes money to the account beginning the month after the month the funds are transferred into the account.
- Excluded, due to being a conversion of an asset, for a contributor who is the designated beneficiary beginning with the month after the month the cash is transferred into the account.
- Veteran's Affairs (VA) benefits designated as educational assistance both under graduate and graduate students until the month following the last month the student is enrolled in classes.
- Plan to Achieve Self Support (PASS) student financial aid
- Training expenses paid by the Trade Adjustment Reform Act of 2002
- Qualified Tuition Programs (QTP), also known as a 529 Plan, for the designated beneficiary (the student or future student) who is not the owner of the account and does not have any rights to the funds in the account. The account is counted as an asset for the owner.
- Supplemental Security Income (SSI) Dedicated Child Account
- Tribal payments and interests. The following tribal assets are excluded. See MA-ABD Tribal Payments and Interests for other assets owned by American Indians that may not be excluded.
 - Tribal trust or restricted lands, individual interest
 - Tribal per capita payments from a tribal trust
 - Tribal land settlements and judgments
- Uniform Gift to Minors Act/Uniform Transfers to Minors Act (UGMA/UTMA)
 - The full value of assets established under the UGMA/UTMA is excluded.
 - An adult designated to receive, maintain and manage custodial property on behalf of a minor beneficiary is not the owner of UGMA/UTMA assets because he or she cannot legally use any of the funds for his or her support and maintenance.
 - When the UGMA/UTMA property is transferred to the beneficiary at the end of the custodianship (usually at the age of 18 or 21 depending on state law) the property becomes available to the beneficiary. It is counted as income in the month of transfer and as an asset in the following month.
- Veterans' Children with Certain Birth Defects payments
- Vietnamese Commando Compensation Act payments

Excluded Assets Regardless of Identifiability

The following assets may be excluded whether or not they are identifiable. These assets are excluded indefinitely unless another time period is indicated.

- Adoption Assistance payments are excluded in the month of receipt and thereafter.
- Accrued Interest on assets is excluded if any excess is properly reduced at eligibility redetermination.
- Alaska Native Claims Settlement Act (ANCSA) payments
- Appeal Payments are excluded as assets in the month received and for three months after the month of receipt.
- Clinical trial participation payments excluded by SSI. The first \$2,000 a person receives during a calendar year is excluded.
- Cobell Settlement for American Indians for a period of 12 months beginning with the month of receipt. This exclusion applies to all household members.
- Crime victim payments
- Disaster assistance, federal payments
- Disaster assistance, state payments
- Filipino Veterans Equity Compensation (FVEC) payments
- Foster Care payments
- Gifts to Children with Life Threatening Conditions from 501(c)(3) tax-exempt corporation. These are not considered assets of a parent and apply only to children who are under age 18.
 - Cash gifts up to \$2,000 in any calendar year are excluded. The amount of total cash payments that exceed \$2,000 each year are counted as an asset.
 - Multiple cash gifts in the same calendar year are added together and up to \$2,000 of the total is excluded, even if none of the cash gifts exceeds \$2,000 individually.
- Homestead real property
- Household goods and personal effects
- I-35W Bridge Collapse payments. The following payments made to survivors of the I-35W bridge collapse are excluded:
 - Payments from the I-35W Emergency Hardship Relief Fund
 - Payments from the Catastrophic Survivor Compensation Fund
- James Zadroga 9/11 Health and Compensation Act of 2010
- Kinship payments
- Proceeds from the Sale of a Homestead are excluded if a person:
 - Plans to use the proceeds to buy another homestead, and
 - Does so within three full calendar months of receiving the funds

- Reimbursements for replacement of lost, damaged or stolen excluded assets are excluded for the month of receipt and nine months thereafter. The funds are excluded for up to nine more months if the person tries to replace the assets during that time, but cannot do so for good reason.
- Representative Payee Misuse payments. If a person's Supplemental Security Income (SSI), Retirement, Survivors and Disability Insurance (RSDI) benefits, or Veterans Benefits for the Elderly is reissued because an individual representative payee misuses benefits, the reissuance is excluded as an asset for nine months if retained after the month of receipt.
- Retroactive RSDI and SSI benefits are excluded for the nine calendar months following the month in which the person receives the benefits. Any accrued interest on that account is counted as income in the month received and as an asset in the following months.
 - For any month that funds other than accrued interest or other earnings on the account are commingled in this account, the exclusion does not apply to any funds in the account.
 - Funds, other than retroactive benefits, required by a financial institution to open the dedicated account may be commingled in the account, but only until the end of the month following the month that the retroactive benefits are paid. However, these funds other than past-due benefits in the account are not excluded from assets.
 - Supplemental Needs Trusts policy is followed if the lump sum payment is issued under the Sullivan vs. Zebly decision, and is used to fund a supplemental needs trust. See MA-ABD Supplemental Needs Trusts for more information.
- State Annuities for Certain Veterans
- Relocation payments, state and local
- Tax credits, rebates, and refunds are excluded for 12 months after the month of receipt
- Term life insurance

Potentially Excluded Assets

Some assets may be excluded under the following policies. See the corresponding pages for more information:

MA-ABD Tribal Payments and Interests

MA-ABD Burial Space Exclusion

MA-ABD Burial Fund Exclusion

MA-ABD Retirement Funds & Plans

MA-ABD Trusts

MA-ABD Automobile and other vehicles used for transportation

Self-Support Excluded Assets

Self-Support is the use of certain property to earn wages, to produce goods and services for personal use, or to derive income from property. Self-Employment is one type of self-support.

Self-Employment Excluded Assets

All assets of a trade or business, regardless of value, that are in current use and needed for the person to earn income are excluded. Current use includes seasonal use of an asset. The excluded assets can be real or personal property, including liquid assets. There is no limit to the amount of assets that can be excluded under this provision.

When a person alleges owning trade or business property not already being excluded, it must be determined whether a valid trade or business exists, and if the property is in current use. A person must provide a written statement with the following information:

- A description of the trade or business
- A description of the assets of the trade or business
- The number of years the business has been operating
- The identity of any co-owners
- The estimated gross and net earnings of the trade or business for the current tax year

Self-employment assets not currently in use because of reasons beyond the person's control can be excluded if they expect to resume use of the asset within one year. The person must sign a written statement with the following information:

- The reason the asset is not in use
- The date the asset was last used
- When the asset is expected to be used again

The exclusion is extended for an additional year if the reason for not using the asset is a disabling condition. The person must sign a written statement with the following information:

- The nature of the disabling condition
- When the activity ceased
- When the property is expected to be used again

Income Producing Self-Support Assets

Up to \$6,000 of the equity value of non-business, non-liquid, income-producing property that produces an annual return of at least six percent of the equity value is excluded:

- The \$6,000 exclusion is limited to the combined equity value of all property meeting the six percent rule.

- If the person owns more than one piece of income-producing property, each piece must meet the six percent return on the equity value.
- If the earnings drop below six percent for reasons beyond the person's control, the property is excluded up to 24 months to allow the property to resume producing a six percent return.

Non-Income Producing Self-Support Assets

Nonbusiness property essential to self-support can be real or personal property. It produces goods or services essential to daily activities if, for example, it is used to:

- Grow produce or livestock solely for personal consumption in the person's household; or
- Perform activities essential to the production of food solely for home consumption.

Up to \$6,000 of the equity value for each asset is excluded. Any portion of the property's equity value in excess of \$6,000 is not excluded.

While this category of property may encompass a vehicle used solely in a nonbusiness self-support activity (e.g., a garden tractor, or a boat used for subsistence fishing), it does not include any vehicle that qualifies as an automobile. See MA-ABD Automobiles and Other Vehicles for Transportation for more information.

When a person alleges owning property that he or she uses to produce goods or services necessary for daily activities, obtain his or her statement giving:

- A description of the property;
- How it is used; and
- An estimate of its current market value and any encumbrances on it

Personal Property Used by an Employee

Non-liquid personal property used by a person in employment, whether it is required by the employer or not, is excluded. The person must provide a written statement with the following information:

- The name, address and telephone number of the employer
- A general description of the personal assets used for work
- A general description of the person's job duties
- Whether the personal assets are currently being used

Personal property not currently in use because of reasons beyond the person's control can be excluded if they expect to resume use of the asset within one year. The person must sign a written statement with the following information:

- The reason the asset is not in use

- The date the asset was last used
- When the asset is expected to be used again

The exclusion is extended for an additional year if the reason for not using the asset is a disabling condition. The person must sign a written statement with the following information:

- The nature of the disabling condition
- When the activity ceased
- When the property is expected to be used again

If the statement indicates that the person no longer intends to resume using the assets for employment, they become countable assets unless unavailable or excluded under another provision.

Legal Citations

Code of Federal Regulations, title 20, section 416.1248

Minnesota Statutes, section 256B.056, subdivision 1a

Minnesota Statutes, section 256B.056, subdivision 3

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H. Section 2.3.3.2.7.15 MA-ABD ABLÉ Accounts (new)

Medical Assistance for People Who Are Age 65 or Older and People Who Are Blind or Have a Disability

2.3.3.2.7.15 Achieving a Better Life Experience (ABLE) Accounts

Achieving a Better Life Experience (ABLE) Act allows people with disabilities to save and invest money into special ABLE accounts without affecting their program eligibility. ABLE accounts are tax-free savings accounts for people with disabilities that can be used for certain qualified disability expenses (QDEs).

An eligible Minnesotan can set up an ABLE account in Minnesota or any other state that allows Minnesota residents access to its ABLE program, but a person can have only one account open in his or her name.

For more information about who is eligible to open an ABLE account in Minnesota and the conditions that apply, refer to the Minnesota ABLE website (<http://mn.savewithable.com>).

Evaluation of ABLE Accounts

A person's ABLE account is excluded from assets when determining eligibility.

A distribution from an ABLE account is a conversion of an asset and continues to be excluded in the month it is withdrawn.

If the person retains the distribution beyond the month received, the distribution is treated as follows:

- It is excluded from assets if the person uses it for a QDE
- It continues to be excluded while all the following conditions are met:
 - It is unspent
 - It is identifiable
 - The person attests they intend to use it for a QDE
 - The ABLE account remains open
- It is counted as an asset if the person attests they used it for, or plan to use it for, an expense that is not a QDE

Income to ABLE Accounts

Income a person receives and then deposits into an ABLE account is counted or excluded in accordance with standard Minnesota Health Care Programs (MHCP) policies about the treatment of income. See Section 2.3.3.3.2 MA-ABD Income Methodology for more information.

The following is excluded for the person who owns the ABLE account:

- Money deposited into the ABLE account by anyone other than the person who owns the account
- Transfers into the ABLE account from the account owner's special needs trust, supplemental needs trust, or pooled trust
- Distributions from the ABLE account
- Earnings from interest, dividends, or appreciation in value of the ABLE account

Legal Citations

Minnesota Statutes, section 256Q

Achieving a Better Life Experience Act of 2014, Public Law 113-295

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I. Section 2.3.3.3.2.1 MA-ABD Countable Income

Medical Assistance for People Who Are Age 65 or Older and People Who Are Blind or Have a Disability

2.3.3.3.2.1 Countable Income

This policy provides information on types of income that must be counted when calculating a person's income for Medical Assistance for People Who Are Age 65 or Older and People Who Are Blind or Have a Disability (MA-ABD) and Medicare Savings Programs (MSP). Some of these types of income are subject to disregards and deductions; see the MA-ABD Disregards and Deductions policy for more information. See the MSP chapter for more information.

What is not Income

Some items received by a person are not counted as income in the month received. See MA-ABD Countable Assets and MA-ABD Excluded Assets for more information on how these items are treated if retained after the month of receipt. Items that are not income include, but are not limited to:

- Amounts withheld from unearned income, if both of the following conditions are met:
 - The income is being reduced to repay a prior overpayment from the same source; and
 - The overpaid amount was previously counted as unearned income for MA eligibility.
- Bona fide loans, including student loans, because of the obligation to repay
- Conversion of assets. This includes, but is not limited to, cash received from the sale of assets, money withdrawn from savings accounts or other liquid assets, reverse mortgages, etc.
- Distributions from a Health Flexible Spending Arrangement
- Distributions from a Health Savings Account
- Interest on countable assets
- In-kind benefits or payments

Earned Income

Earned income is cash or in-kind benefits people receive in exchange for work or service, including employment and self-employment. See Appendix B Income Types for descriptions of the different types of income. The following types of earned income is counted:

- Employee income, including, but not limited to:
 - Cash payments to clergy for housing
 - Commissions

- Severance pay, based on accrued leave time
- Tips
- Vacation donation compensation
- Wages
- Irregular or infrequent earned lump sum, non-gift, or income from an employer, trade or business. See MA-ABD Disregards and Deductions, earned lump sum income, for more information.
- Net earnings from self-employment, which is the gross income minus all expenses the Internal Revenue Service (IRS) allows as a self-employment expense
- Net rental income, which is the gross rental income minus verified rental and repair expenses, when the person spends an average of at least 10 hours per week maintaining or managing the property. Rental deposits are not income while subject to return to the tenant. Rental deposits used to pay rental expenses become income at the point of use. Verified expenses for providing a room or food or both to a roomer or boarder are subtracted from rental income.
- Other income received in exchange for work or service, including, but not limited to:
 - Jury duty pay
 - Picket duty pay
 - Blood and blood plasma sales
 - Royalties and honoraria

Unearned Income

Unearned income is cash that people receive without being required to perform work or service. The following types of unearned income is counted in a person's income calculation:

- Annuity payments
- Child support and arrearage payments made for a deceased child are counted for the person who receives the payment.
- Child support and arrearage payments are unearned income for the child, excluding:
 - Court ordered medical support
 - Payments to reimburse the custodial parent for medical expenses
 - Child support and arrearage payments received and retained by the county child support enforcement agency on behalf of a child enrolled in the Minnesota Family Investment Program (MFIP) or foster care
 - Child support payments received by or on behalf of children who:
 - Receive services through the Brain Injury (BI), Community Alternative Care (CAC), Community Access for Disability Inclusion (CADI) or Developmental Disabilities (DD) waiver

- Are enrolled in MA under the TEFRA option
- Disability payments that are part of the employer's benefit package
- Extended income support payments through the Trade Adjustment Reform Act (TAA)
- Interest and dividends earned on excluded assets, unless otherwise excluded. See MA-ABD Countable Assets and MA-ABD Excluded Assets for more information on how these items are treated.
- Irregular or infrequent unearned lump sum income from an individual, organization, or investment. See MA-ABD Disregards and Deductions, unearned lump sum income, for more information.
- Net rental income when the person spends an average of less than 10 hours per week maintaining or managing the property. Rental deposits used to pay rental expenses or repairs become income to the landlord at the point of use. Verified expenses for providing a room or food or both to a roomer or boarder are subtracted from rental income.
- Regular and frequent gift income
- Retirement, Survivor's, and Disability Insurance (RSDI). See MA-ABD Disregards and Deductions, dependent RSDI benefits, for more information.
- RSDI or Veterans Benefits for the Elderly reissued because an individual representative payee of 15 or more beneficiaries or an organization representative payee misused benefits is counted as income in the month received only if the original payment was not used to determine eligibility
- Retroactive RSDI lump sum payments are counted in the month received
- Pension or retirement benefits from public or private sources
- Severance pay that is not based on accrued leave time
- Spousal maintenance
- Student financial aid, in the following situations:
 - Earnings through the Federal Work Study program are counted for MA for Employed Persons with Disabilities (MA-EPD) if:
 - Average gross monthly earnings exceed \$65
 - Social Security and Medicare taxes are withheld
 - Non-Title IV of the Higher Education Act (HEA) and Non-Bureau of Indian Affairs (BIA) grants, scholarships, fellowships and other non-loan financial aid not used for or set aside for educational expenses.
 - Distributions from a Coverdell Educational Savings Accounts (ESA) not used for or set aside for educational expenses.
- Tribal per capita payments from casinos
- Unemployment Insurance

- Veteran's Administration (VA) benefits
- Workers' Compensation

Availability of Income

For MA-ABD and MSP, income is available when the person has a legal interest and the ability to use that income for support and maintenance. Income is usually available in the following situations:

- The person receives the income
- Someone else receives the income on the person's behalf
- The employer or other payer owes the person money, but withholds the income at the person or the court's request
- Income is withheld from payments due to a garnishment or to pay a legal debt or obligation

For MA-ABD and MSP, income is unavailable when the person:

- Cannot gain access to the income
- Receives money to cover someone else's expenses and then uses that money to pay those expenses
- Receives benefits under credit life and disability insurance coverage. Payments under these policies cover payments on loans, mortgages, etc. in the event of death or disability. These insurance payments are sent directly to the loan or mortgage company and are not available to the person.

A person must try to gain access to potentially available income.

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J. Section 2.3.3.3.2.2 MA-ABD Disregards and Deductions

Medical Assistance for People Who Are Age 65 or Older and People Who Are Blind or Have a Disability

2.3.3.3.2.2 Disregards and Deductions

Disregards and deductions reduce the household income of a person under Medical Assistance for People Who Are Age 65 or Older and People Who Are Blind or Have a Disability (MA-ABD).

This section provides information on disregards and deductions and the conditions that must be met to apply them.

Unearned Income Deductions

The following list are the disregards and deductions that are deducted from the specific unearned income:

- Unearned Lump Sum Income Disregard
- Child Support Disregard

The following disregards and deductions are then deducted in the specific order listed:

- Disabled Widow and Widower Disregard
- Widow and Widower Disregard
- Pickle Disregard
- Disabled Adult Child Disregard
- Retirement, Survivor, Disability Insurance (RSDI) Cost of Living Adjustment (COLA) Disregard
- Plan to Achieve Self-Support (PASS) Deduction

Earned Income Deductions

- This section provides information on the disregards and deductions that are deducted from specific earned income:
- Earned Lump Sum Income Disregard

The following disregards and deductions are then deducted in the specific order listed:

- Plan to Achieve Self-Support (PASS) Deduction
- Student Earned Income Exclusion
- Earned Income Disregard

- Impairment Related Work Expense Deduction
- Remaining Earned Income Disregard
- Blind Work Expense Deduction

Blind Work Expenses

Blind Work Expenses (BWE) that are reasonably attributable to earning income are excluded from earned income.

BWEs can be excluded if the blind person:

- is younger than age 65; or
- is age 65 or older and received Supplemental Security Income (SSI) payments due to blindness for the month before attaining age 65.

The BWEs are excluded from earned income after applying all other earned income exclusions except for PASS.

Work-related items paid by a blind person may be excluded as BWE regardless of:

- any non-work benefit that may be derived from the item; or
- the item's relationship to the person's blindness.

BWEs include, but are not limited to:

- Attendant care services in the:
 - Home, if related to preparing to go to work or assistance immediately upon returning home from work
 - Process of assisting a person making the trip to and from work
 - Work setting
- Drugs and medical services which are essential to enable the person to work
- Expendable medical supplies including bandages, catheters, etc.
- Federal, State and local income taxes
- Social Security and Medicare taxes
- Service dog, including cost of dog and associated expenses
- Fees, including licenses, professional association dues, union dues, etc.
- Mandatory contributions, including pensions, disability insurance, etc.
- Meals during work hours
- Medical devices including wheelchairs, braces, etc.

- Non-medical equipment and services including child care, uniforms etc.
- Other work-related equipment and services including job coaching, vision and sensory aids, etc.
- Physical therapy
- Prosthesis
- Structural modifications to the person's home to create a work space or to allow the person to get to and from work
- Training reasonably attributable to work. General education courses are not included.
- Transportation to and from work
- Vehicle modification

The following items cannot be excluded as BWE:

- In-kind payments
- Expenses deducted under other provisions (e.g., PASS)
- Expenses which will be reimbursed
- Life maintenance expenses, including, but not limited to:
 - meals consumed outside of work hours;
 - self-care items (including items of cosmetic rather than work-related nature);
 - general educational development;
 - savings plans (e.g., Individual Retirement Accounts (IRAs) or voluntary pensions); and
 - life and health insurance premiums
- Items furnished by others that are needed in order to work (the value of such items is not income)
- Expenses claimed on a self-employment tax return

Child Support Payments Exclusion

Child support payments are unearned income to the child and one-third of the amount is excluded. Any in-kind child support is not income.

Dependent RSDI Benefit Exclusion

RSDI dependent benefits for children who receive MA under the Tax Equity and Fiscal Responsibility Act (TEFRA) option or receive services through a Brain Injury (BI), Community Alternative Care (CAC), Community Access for Disability Inclusion (CADI), or Developmental Disabilities (DD) waiver are excluded.

Disabled Adult Child Disregard

The Disabled Adult Child Disregard allows for the disregard of Disabled Adult Child RSDI benefits.

To qualify for the Disabled Adult Child Disregard, a person must meet all of the following conditions:

- Is currently age 18 or older
- Became blind or disabled before reaching the age of 22
- Received SSI benefits on the basis of blindness or disability
- Lost eligibility for SSI on or after July 1, 1987, due to entitlement to RSDI Disabled Adult Child benefits, or increased RSDI Disabled Adult Child benefits based on disability, retirement or death of a parent

For people who meet the qualifications for the disregard, the Disabled Adult Child RSDI benefits are not counted.

People who receive Disabled Adult Child benefits as defined by the Social Security Administration (SSA), but do not meet the criteria above, are not eligible for the Disabled Adult Child Disregard.

Do not use the disregard on any other income, including RSDI benefits the person receives on their own account.

Disabled Widow and Widower Disregard

The Disabled Widow and Widower Disregard allows for the disregard of RSDI benefits.

To qualify for the Disabled Widow and Widower Disregard, a person must meet all of the following conditions:

- Is currently receiving either:
 - RSDI Disabled Widow or Widower benefits
 - Disabled Surviving Divorced Spouse benefits
- Is age 50 but not yet 60 and is certified disabled, or is age 60 but has not yet reached full retirement age
- Received SSI or Minnesota Supplemental Aid (MSA) benefits the month before the month they began receiving RSDI Disabled Widow or Widower or Disabled Surviving Divorced Spouse benefits
- Lost SSI or MSA eligibility on or after January 1, 1991, due to the SSI requirement to apply for and receive RSDI Disabled Widow or Widower or Disabled Surviving Divorced Spouse benefits
- Remaining income would be at or below the current SSI or MSA benefit rate if RSDI income is disregarded

- Is not entitled to Medicare Part A

Eligibility for the disregard ends the first full month a person is eligible for Medicare Part A.

Earned Income Disregard

The Earned Income Disregard allows for the disregard of a person's first \$65 of earned income, including income that deems to the person.

Earned Lump Sum Income Disregard

The first \$30 of irregular or infrequent earned lump sum, non-gift, income from an employer, trade or business is disregarded.

Impairment-Related Work Expense Deduction

The Impairment-Related Work Expense (IRWE) Deduction allows for the deduction of certain expenses incurred during the course of earning income. It applies to people who are certified disabled and under age 65, or people who received SSI or MSA as a disabled person the month before attaining age 65.

An IRWE is an expense for items or services that directly enable a person with a disability to work, and are incurred because of a physical or mental impairment.

IRWEs are deducted if all of the following are true:

- The severity of the impairment requires the person to purchase or rent items and services in order to work.
- The expense is reasonable.
- The person pays the cost and is not reimbursed from another source, such as Medicare or private insurance.
- One of the following occurs:
 - The person pays the expense in the month he or she receives the earned income, and the income is for work they did in the same month as using the item or service.
 - The person is working but pays the expense before receiving the earned income.

The IRWEs are excluded from earned income after applying one-half of the remaining earned income deduction. See Earned Income Disregard for more information.

IRWEs include, but are not limited to:

- Attendant care services in the:

- Home, if related to preparing to go to work or assistance immediately upon returning home from work
- Process of assisting a person making the trip to and from work
- Work setting
- Drugs and medical services which are essential to enable the person to work
- Expendable medical supplies including bandages, catheters, etc.
- Service dog, including cost of dog and associated expenses
- Medical devices including wheelchairs, braces, etc.
- Non-medical equipment and services directly related to the impairment
- Other work-related equipment and services including job coaching, vision and sensory aids, etc.
- Physical therapy
- Prosthesis
- Structural modifications to the person's home to create a work space or to allow the person to get to and from work
- Training reasonably attributable to work. General education courses are not included.
- Transportation to and from work
- Vehicle modification

Expenses for a transportation method also used by people who are not disabled, such as a bus or unmodified vehicle, is not deductible.

Plan to Achieve Self Support (PASS) Deduction

The Plan to Achieve Self Support (PASS) deduction allows for the deduction of earned and unearned income set aside under an approved PASS plan. The PASS exclusion is not available for people age 65 and older, unless they were receiving SSI payments for the month before they became 65. The PASS plan can only be approved by SSA. For this deduction the PASS plan must be verified.

~~The plan is approved by:~~

- ~~● SSA for SSI recipients~~
- ~~● The county social service agency for:~~
 - ~~○ MA enrollees who have a disability or are blind~~
 - ~~○ MSA only recipients~~

~~A PASS is set initially for 18 months with a possible 18-month extension. A 48-month PASS is used only because of special educational or training requirements.~~

- ~~• For this deduction, the PASS must:~~
 - ~~○ Be in writing~~
 - ~~○ Be individually designed for the person~~
 - ~~○ Have a feasible occupational goal~~
 - ~~○ Explain what income will be used to meet the PASS objectives~~
 - ~~○ Explain how the person will keep income set aside to meet PASS objectives separate from other funds~~
 - ~~○ Set beginning and end dates for the plan~~

~~Earned and unearned income that is set aside under an approved PASS is deducted for up to 48 months, as long as the PASS continues to be approved.~~

- ~~• The PASS deduction ends the month after the month one of the following occurs:~~
 - ~~○ The person does not comply with the plan~~
 - ~~○ The person voluntarily stops participating in the plan~~
 - ~~○ The person reaches the occupational goal of the plan~~
 - ~~○ The plan's time limit expires and no extension is granted~~

~~When an expense qualifies as both a work expense deduction and a PASS deduction, the person must choose between them. A deduction cannot be applied twice for the same expense.~~

Pickle Disregard

The Pickle Disregard allows for the disregard of RSDI cost of living adjustment (COLA) amounts.

To qualify for the Pickle Disregard, a person must:

- Currently receive or is entitled to receive RSDI benefits
- Have been eligible for 1619(b) or was eligible for and received SSI, MSA or 1619(a) benefits while concurrently entitled to or receiving RSDI in any month since April 1, 1977
- Lost eligibility for SSI, MSA, 1619(a) or 1619(b) for any reason

If a person meets the above requirements, they are referred to as a “potential Pickle.” The Pickle threshold date must then be determined. A person’s Pickle threshold date is the more recent of the following two dates:

- April 1, 1977; or

- The last month the person was eligible for and received at least one of the following benefits at the same time the person received RSDI benefits or was entitled to RSDI benefits:
 - 1619a/b,
 - MSA, or
 - SSI

After determining the Pickle threshold date, the amount of the RSDI benefit the person received on the threshold date must be determined. All RSDI COLA increases received back to the Pickle threshold date are excluded.

A person who meets all of the conditions listed must have a net income, with the Pickle Disregard and all applicable earned and unearned income disregards, that is less than the current SSI payment amount. If the person’s net income is greater than the SSI payment amount, they may still receive the Pickle Disregard if their net income is less than the MSA standard.

When a person eligible for the Pickle Disregard also has a spouse or parent that is eligible for the Pickle Disregard, the disregard is applied when deeming income.

RSDI COLA Disregard

The RSDI COLA Disregard allows for the disregard of the annual RSDI COLA increase. The COLA increase amount for RSDI benefits is excluded from January 1 through June 30 of each calendar year. Beginning each July 1, all gross RSDI benefits are counted.

Remaining Earned Income Disregard

One-half of the remaining earned income is excluded.

Student Earned Income Exclusion

The student earned income exclusion allows for the limited disregard of a student’s earned income. There is a cap on how much of a student’s earned income is excluded for MA-ABD eligibility in a calendar year. The amount changes annually. See Appendix F Standards and Guidelines for the current cap amount.

To qualify for the student earned income exclusion a person must:

- Have earned income
- Be younger than age 22
- Be certified as blind or disabled by the SSA or State Medical Review Team (SMRT)
- Regularly attend school by taking one or more courses of study and attend classes:
 - in a college or university for at least eight hours per week under a semester or quarter system

- in grades 7–12 for at least 12 hours per week
- in a course of training to prepare for a paying job at least 15 hours per week if the course involves shop practice, or 12 hours per week if it does not involve shop practice
- for less than the required time for reasons beyond the student’s control, such as illness, if the circumstances justify the reduced credit load or attendance
- A person must meet the following additional requirements in these situations:
 - Homeschooled students must:
 - be in grades 7–12, and
 - follow Minnesota home school laws
 - Homebound students must:
 - stay home because of a disability;
 - study a course or courses given by a school in grades 7–12, college, university, or government agency; and
 - have a home visitor or tutor from school who directs the studying or training.
 - Online students must:
 - study a course or courses given by a school in grades 7–12, college, university, or government agency; and
 - enroll in an online school authorized by the laws of the state in which the online school is located.

A person maintains status as a student while classes are out on a standard school break if the student attended classes regularly prior to the break and intends to resume classes regularly when school reopens.

Unearned Lump Sum Income Disregard

The first \$60 of irregular or infrequent unearned lump sum income is disregarded.

Widow and Widower Disregard

The Widow and Widower’s Disregard allows for the disregard of RSDI COLA increases. To qualify for the disregard, a person must:

- Currently receive RSDI
- Have filed an MA application before July 1, 1988
- Has been entitled to receive RSDI continuously since December 1983
- Have been a disabled widow or widower in January 1984
- Established a right to receive RSDI benefits before age 60

- Have been eligible for SSI or MSA benefits before application of the revised actuarial reduction formula
- Lost eligibility for SSI or MSA benefits as a result of the change in the actuarial reduction formula

If a person meets the above requirements, all RSDI COLA increases effective on and after January 1, 1984 are excluded.

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K. Section 2.4.2.5.1 MA-LTC LTC Income Calculation Deductions

Medical Assistance for Long-Term Care Services

2.4.2.5.1 LTC Income Calculation Deductions

Certain deductions from countable gross income are allowed in the long-term care (LTC) income calculation to determine the amount a person is required to contribute toward the cost of LTC services, if any. Deductions, like income, count in the month in which they occur. Deductions must be verified at each request for Medical Assistance for Long-Term Care Services (MA-LTC), at each renewal, and when a change is reported.

A person's eligibility for MA-LTC is not denied or closed if the person does not provide required proof of a deduction. However, the deduction is not used in the LTC income calculation if it is not verified.

The following deductions are subtracted from gross countable income in the LTC income calculation in the order listed below:

- C. Special Supplemental Security Income (SSI) Deduction
- D. Minnesota Supplemental Aid (MSA) Deduction
- E. Special Personal Allowance from earned income
- F. Medicare premiums paid by the enrollee
- G. Applicable LTC Needs Allowance
- H. Fees paid to a guardian, conservator, or representative payee
- I. Community Spouse Income Allocation
- J. Family Allocation
- K. Court-ordered child support
- L. Court-ordered spousal maintenance
- M. Health insurance premiums, co-payments and deductibles
- N. Remedial Care Expense
- O. Medical expenses

Special Supplemental Security Income (SSI) Deduction

Supplemental Security Income (SSI) payments received by an enrollee are deducted when the Social Security Administration (SSA) approves continued community level SSI benefits for a person who lives in a long-term care facility (LTCF) because either:

- the person is expected to live in the LTCF for less than three months and continues to maintain a home in the community; or

- the person had 1619(a) or 1619(b) status in the month prior to the first full month of LTCF residence.

Minnesota Supplemental Aid (MSA) Deduction

Minnesota Supplemental Aid (MSA) payments received by an enrollee are deducted when the state approves continued community level MSA benefits for a person who lives in an LTCF because either:

- The person is expected to live in the LTCF for less than three months and continues to maintain a home in the community; or
- The person had 1619(a) or 1619(b) status in the month prior to the first full month of the LTCF residence.

Special Personal Allowance from Earned Income

A special personal allowance from earned income are deducted for a person who is:

- certified disabled by SSA or the State Medical Review Team (SMRT);
- employed under an Individual Plan of Rehabilitation; and
- living in an LTCF.

The following deductions are applied in the order listed but cannot reduce income to less than zero:

- The first \$80 of earned income
- Actual FICA tax withheld
- Actual transportation costs
- Actual employment expenses, such as tools and uniforms
- State and federal taxes if the person is not exempt from withholding

Medicare Premiums

Medicare premiums incurred by an enrollee that are not subject to payment by a third party are deducted. Medicare premiums subject to payment by a third party include Medicare premiums:

- The county, state or tribal agency reimburse to the enrollee as cost effective health insurance
- Paid through the Medicare Buy-In
- Paid through Medicare Part D Extra Help

LTC Needs Allowance

One of the following allowances is deducted:

Clothing and Personal Needs Allowance (PNA)

The Clothing and Personal Needs Allowance (PNA) is used when the enrollee is not eligible for any of the other LTC needs allowances. The PNA is adjusted each year on January 1.

Veteran's Improved Pension

A \$90 veteran's improved pension is available to people who are:

- veterans but who do not have a spouse or dependent child(ren)
- the surviving spouse of a veteran who does not have a dependent child(ren)

Home Maintenance Allowance (HMA)

The Home Maintenance Allowance (HMA) is equal to 100% of the federal poverty guidelines (FPG) for a household size of one. The HMA is adjusted each year on July 1. The HMA is used when all of the following apply:

- the person lives in an LTCF;
- the person is expected to be discharged from the LTCF within three full calendar months from the month in which MA-LTC is requested to begin;
- the person has expenses to maintain a home (owned or rented) in the community, including room and board charges in group residential housing (GRH) or assisted living; and
- the person meets one of the following conditions:
 - The person did not live with a spouse, a child under age 21, or a person who could be claimed as a dependent of the person for federal income tax purposes at the time he or she was admitted to an LTCF.
 - The person lived with a spouse at the time he or she was admitted to an LTCF, and the person's spouse was admitted to an LTCF on the same day.

Only one spouse can receive the HMA when both spouses live in an LTCF. The HMA is used for the spouse for which it is most advantageous.

Eligibility for the HMA is based on the anticipated discharge date at the time eligibility for MA-LTC is determined. Eligibility for the HMA is not delayed to see if the person will actually be discharged on the anticipated discharge date and is not retroactively adjusted if the person lives in the LTCF for more than three full calendar months.

A person must be discharged from an LTCF for a full calendar month before the HMA may be used again.

Special Income Standard Elderly Waiver (SIS-EW) Maintenance Needs Allowance (MNA)

The Special Income Standard Elderly Waiver (SIS-EW) maintenance needs allowance (MNA) is used for people requesting Elderly Waiver (EW) services and who have income at or below the Special Income Standard (SIS). The SIS-EW MNA is updated annually in July. The SIS-EW MNA is not used for a person with income above the SIS.

When an SIS-EW enrollee moves to or from an LTCF:

- The PNA or veteran's improved pension allowance is used beginning the month following the month the SIS-EW enrollee moves into the LTCF.
- The SIS-EW MNA is used beginning the month following the month the person is discharged from the LTCF and begins receiving EW services.

Fees Paid to a Guardian, Conservator, or Representative Payee

Five percent of the enrollee's gross monthly income, up to a maximum of \$100, for fees paid to a guardian, conservator or representative payee is deducted. This deduction cannot be increased over \$100 even if a higher amount is allowed to be paid by SSA or a court.

Community Spouse Income Allocation

An LTC spouse may allocate a portion of their income to the community spouse when the community spouse's income is insufficient to meet their monthly maintenance needs. The community spouse income allocation is calculated by comparing the community spouse's gross monthly income to the minimum monthly allowance plus any excess shelter costs. The income allocation cannot exceed the maximum monthly allowance.

The community spouse's gross monthly income includes all earned and unearned income, including income received from income-producing assets. No exclusions, disregards or deductions apply. If the community spouse's gross monthly income is greater than or equal to the community spouse's monthly maintenance needs, the community spouse does not qualify for an income allocation. If the community spouse's gross monthly income is less than the community spouse's monthly maintenance needs, the community spouse qualifies for an income allocation.

Calculation of the Community Spouse's Shelter Costs

The community spouse's shelter costs, in excess of the basic shelter allowance, are added to the minimum monthly allowance to calculate the community spouse income allocation. Shelter costs include:

- Rent
- Mortgage payments, including principal and interest
- Real estate taxes
- Homeowner's or renter's insurance
- Required maintenance charges for a cooperative or condominium

- Utility allowance

The amount of a shelter expense is based on the full amount that the community spouse must pay. Shelter expenses do not include charges for services received by a person who resides in a residential living arrangement. An itemized statement of monthly charges to identify the amount the community spouse must pay for rent or any other shelter expense is required.

Verification Requirements

A community spouse income allocation cannot be deducted unless the person, or their authorized representative, provides verification of the community spouse's income and shelter expenses at the time of the request for MA-LTC and at each renewal. The community spouse, or the community spouse's authorized representative, must report and verify changes in the income or shelter expenses of the community spouse.

When to Deduct the Community Spouse Income Allocation

The calculated community spouse income allocation is deducted when there is a community spouse at any time in a given month unless:

- There is a court order for spousal support for an amount that is greater than the calculated community spouse income allocation. When this occurs, the court ordered amount replaces the community spouse income allocation as a deduction. This only applies when a court order establishes support while the couple remains married. It does not apply to a court order in a divorce action.
- The LTC spouse does not have enough income remaining, after other allowable deductions, to allocate to the community spouse.
- Exceptional or unusual circumstances have occurred that result in a temporary financial hardship to the community spouse. In these cases, the community spouse income allocation may be temporarily increased while the community spouse takes the necessary steps to resolve the situation. The increased deduction cannot be applied if the situation is not temporary or the community spouse does not take the needed actions to resolve the situation.
- The LTC spouse can choose not to make an income allocation to the community spouse. A deduction can only be made if the income is actually made available to the community spouse.
- The community spouse chooses to accept a reduced income allocation or chooses not to accept any income allocation. The community spouse income allocation is counted as unearned income for the community spouse when determining eligibility for any Minnesota Health Care Program (MHCP). A community spouse may choose to not accept the income allocation if it will result in ineligibility for MA.

Family Allocation

A person may allocate a portion of their income to the following family members who have a calculated need:

- A minor child, who does not live with a community spouse
- The following relatives who live with a community spouse:
 - A child under age 21
 - A child age 21 or older who is claimed as a tax dependent
 - Parents who are claimed as tax dependents
 - Siblings who are claimed as tax dependents

Children Not Living with a Community Spouse

A family allocation may be made to the minor children of the person who does not live with a community spouse. The allocation is calculated by adding together the gross monthly earned and unearned income of all minor children not living with a community spouse and comparing it to 100% of the FPG for a family size equal to the number of minor children not living with the community spouse. No exclusions, disregards or deductions apply. The amount of the allocation is the difference between the gross income of the children and the applicable FPG amount. No allocation is allowed if the gross income of the children exceeds the applicable FPG standard.

Family Members Who Live with a Community Spouse

A separate family allocation may be made for each family member who lives with a community spouse. The allocation is calculated by adding together the gross monthly earned and unearned income of the family member who lives with the community spouse and subtracting it from the minimum monthly income allowance for a community spouse. No exclusions, disregards or deductions apply. No allocation is allowed if the gross income of the family member exceeds the minimum monthly income allowance for a community spouse.

Verification Requirements

The family allocation cannot be deducted unless the person, or their authorized representative, provides verification of the family member's income at the time of the request for MA-LTC and at each renewal. Changes in income for the family member must be reported and verified.

When to Deduct the Family Allocation

A family allocation is deducted in the LTC income calculation in each month that there is a family member eligible to receive an allocation. The family allocation is deducted regardless of whether it is made available to the family member if the income of the family member is verified.

A family allocation is counted as unearned income to the family member when determining eligibility for any MHCP.

Court-Ordered Child Support

Court-ordered child support that is garnished from the person's income up to a maximum of \$250 per month is deducted. The garnishment can be for current child support or arrearages. The garnishment must be verified.

This deduction does not apply when a family allocation is deducted for the child for whom the court-ordered child support obligation is due unless the calculated family allocation is less than \$250. The difference between the calculated family allocation and \$250 may be deducted.

Court-Ordered Spousal Maintenance

Court-ordered spousal maintenance is deducted for people who reside in a long-term care facility (LTCF) when the spousal maintenance is:

- court-ordered under a judgement and decree for dissolution or marriage; and
- garnished from a source of the person's income

In addition to the spousal maintenance amount, the fees associated with the garnishment can be deducted if also garnished from the person's income.

The garnishment of the spousal maintenance and fees must be verified.

Health Insurance Premiums, Co-payments and Deductibles

The cost of health insurance premiums, co-payments and deductibles incurred by the person that are not subject to payment by MA or a third party, including Extra Help through SSA for Medicare Advantage Plan or Part D coverage or ~~cost-effective~~ premium reimbursement through MA, are allowable deductions. Health insurance includes Medicare Advantage plans, dental and LTC insurance policies. Only the portion of the premium that reflects coverage for the person is an allowable deduction.

Remedial Care Expense

A remedial care expense deduction is an amount allowed for people who reside in a residential living arrangement or a housing with services establishment where a county agency has a GRH agreement. The amount can change twice a year, on January 1 and July 1.

Medical Expenses

Verified medical expenses incurred by the person that meet the criteria below are deductions in the LTC income calculation:

Medical expenses that are medically necessary and recognized under state law

Medically necessary expenses include medical services, supplies, devices, or equipment that are provided in any of these situations:

- In response to a life-threatening condition or pain
- To treat an injury, illness or infection
- To achieve a level of physical or mental function consistent with prevailing community standards for the diagnosis or condition

- To care for a mother and child through the maternity period
- To provide preventive health service
- To treat a condition that could result in physical or mental disability

People are not required to provide proof of medical necessity for a medical expense provided by a medical provider, such as a pharmacist or medical facility. These services are assumed to be medically necessary.

Medical expenses that MA will not pay

Medical expenses for MA covered services that the person incurred in a month that MA will pay because the person is, or will be, approved for MA are not deductions. A medical expense incurred in a month in which the person is or will be an MA enrollee is assumed an MA covered service unless the person provides proof that it is not.

Medical expenses that are included in the daily rate that MA pays to a Skilled Nursing Facility (SNF) or an Intermediate Care Facility for the Developmentally Disabled (ICF/DD) are medical expenses that MA will pay.

Medical expenses not covered by a third party

A medical expense is not a deduction if it is subject to payment by a third party. Third parties include people, entities or benefits that are, or may be, liable to pay the expense. This includes:

- Other health care coverage, such as coverage through Medicare, private or group health insurance, long-term care insurance or through the Veterans Administration (VA) health system
- Automobile insurance
- Court judgments or settlements
- Workers' compensation benefits

The person must provide proof of the exact amount of the third party payment, such as an Explanation of Medical Benefits (EOMB) statement. The person can also sign a release form so the county, tribal, or state agency can contact the third party directly.

If not yet known, the amount of the medical expense that will be covered by a third party is estimated at the time of the eligibility determination so that application processing is not delayed. The LTC income calculation is adjusted for the applicable month once the actual amount of the expense is verified. If not verified before, the person must provide proof of the actual amount of estimated medical expenses that were used in the LTC income calculation at the time of their next renewal. The deduction is removed from the applicable month if proof is not provided.

The medical expense was incurred during a month in which the person is receiving MA-LTC or during any of the three months prior to the month in which the person requested MA-LTC

Deductions are allowed for verified medical expenses the person incurred during the month the person requested MA-LTC or while the person is receiving MA-LTC, regardless of whether retroactive MA coverage was requested or approved. Medical expenses incurred during a retroactive month must be unpaid as of the date of the request for MA-LTC. Medical expenses incurred during the month the person requested MA may be paid or unpaid.

Medical expenses are not allowed as a deduction when:

- The medical expense is for LTC services incurred in a month that is included in a transfer penalty period or period of ineligibility for failure to name Minnesota Department of Human Services (DHS) a remainder beneficiary of certain annuities.
- The person paid the medical expense to reduce excess assets.
- The medical expense was previously used:
 - As a deduction in an LTC income calculation. However, the amount of a medical expense that exceeds the amount of the person's income remaining after all other deductions in one month can be carried forward to future months
 - To meet a medical spenddown

The following services received by a person who lives in an LTCF are not medical expenses:

- Personal care items such as shampoo, toothpaste or dental floss that are included in the daily rate (also referred to as a "per diem rate") paid through MA
- Oral hygiene instruction
- Certain house/extended care facility call charges. A charge for a provider to travel to a person's residence is not an allowable medical expense deduction unless the provider delivers a medical service on the same day.
- A charge for a provider to travel to a person's residence is also not an allowable medical expense deduction if the LTCF pays the cost for the provider to travel to the LTCF through an agreement between the LTCF and the provider.

Notification

People who report medical expenses must be notified of the:

- Medical expenses that were not allowed as a deduction and the reason(s) why they were not allowed
- Medical expenses that were deducted in the LTC income calculation based on estimated third party payments
- Amount of the allowed medical expense deduction
- Amount of medical expenses that can be carried forward as a deduction to future months

Legal Citations

Minnesota Statutes, section 256B.0575

Minnesota Statutes, section 256B.058

Minnesota Statutes, section 256B.0915

Minnesota Statutes, section 256B.35

Minnesota Statutes, section 256I.03

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L. Section 2.5.2.2.1 MA-CVT Bases of Eligibility

Medical Assistance Center for Victims of Torture

2.5.2.2.1 Bases of Eligibility

Minnesota provides Medical Assistance (MA) to certain groups of people as allowed under law. These groups are referred to as a basis of eligibility. A person's basis of eligibility determines the non-financial criteria and financial methodology used to determine MA eligibility.

MA for people receiving services at the Center for Victims of Torture (MA-CVT) has one basis of eligibility. MA-CVT enrollees may not have another MA basis of eligibility.

People who have an MA-CVT basis of eligibility may also be eligible for Emergency Medical Assistance (EMA) if they have a medical emergency. This allows the Minnesota Department of Human Services (DHS) to claim federal reimbursement for the medical emergency costs.

Beginning and Ending Bases of Eligibility

The MA-CVT basis of eligibility begins the month the person began receiving CVT services. The MA-CVT basis of eligibility ends the month after the month the enrollee stops receiving CVT services.

Change in Basis of Eligibility for Enrollees

A change in circumstances may affect an MA-CVT enrollee's basis of eligibility. A person whose CVT basis of eligibility ends is evaluated for other Minnesota Health Care Programs (MHCP) when coverage ends.

Additional information may be required to determine continued eligibility under another basis or for other MHCPs. Some changes that may affect an enrollee's basis of eligibility include, but are not limited to:

- CVT services end
- Change in immigration status
- Pregnancy

Legal Citations

Minnesota Statutes, section 256B.06, subdivision 4

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M. Section 2.5.3 EMA

2.5.3 Emergency Medical Assistance

Emergency Medical Assistance (EMA) covers emergency services for certain people who meet the financial and non-financial eligibility requirements for Medical Assistance (MA), but are not eligible due to their immigration status.

The following people may qualify for EMA:

- Noncitizens who do not have a lawfully present immigration status for MA eligibility, including noncitizens granted Deferred Action for Childhood Arrivals (DACA) status
- Noncitizens age 21 and older with a lawfully present immigration status who are not eligible for MA because they do not have an MA qualified immigration status or who have not resided in the United States in a qualified status for five or more years
- Sponsored noncitizens who are not eligible for MA because of their sponsors' income or assets

People enrolled in MA for people receiving services from the Center for Victims of Torture (MA-CVT) ~~who have a medical emergency~~ may also be eligible for EMA if they have a medical emergency. This allows the Minnesota Department of Human Services (DHS) to claim federal reimbursement for the emergency medical costs.

To qualify for EMA, a person must have a basis of eligibility for MA and must meet all the eligibility requirements for that basis of eligibility, with the exception of immigration status. A person's basis of eligibility determines the non-financial criteria and financial methodology used to determine EMA eligibility.

- MA for Families With Children and Adults (MA-FCA) Bases of Eligibility
- MA for People Who Are Age 65 or Older and People Who Are Blind or Have a Disability (MA-ABD) Bases of Eligibility

People may request retroactive eligibility for EMA for up to three months before the month of application.

This subchapter includes policies that apply to EMA and links to policies that apply to all MA programs and all Minnesota Health Care Programs (MHCP) programs.

General Requirements

MHCP Applications

EMA Mandatory Verifications

MA Responsibilities

MHCP Retroactive Eligibility

MHCP Rights

Non-Financial Eligibility

MA-ABD Bases of Eligibility

MA-ABD Non-Financial Eligibility

MA-ABD Certification of Disability

MA-FCA Bases of Eligibility

MA-FCA – Non-Financial Eligibility

MA County Residency

MA Living Arrangement

MHCP State Residency

MA-FCA Renewals

MA-ABD Renewals

Financial Eligibility

MA-ABD Financial Eligibility

MA-FCA Financial Eligibility

MA under the TEFRA Option

Post-Eligibility

MA Begin and End Dates

MA Benefit Recovery

MHCP Change in Circumstances

MA Cooperation

MA Cost Sharing

MHCP Fraud

EMA Health Care Delivery

MHCP Inconsistent Information

MA Referral for Other Benefits

MA-ABD Renewals

MA-FCA Renewals

Legal Citation

Code of Federal Regulations, title 42, section 435.139
Code of Federal Regulations, title 42, section 435.350
Code of Federal Regulations, title 42, section 440.255
Minnesota Statutes, section 256B.06, subdivision 4

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N. Section 2.5.4 IMD

2.5.4 Institutions for Mental Diseases

Minnesota provides health care for people who meet Medical Assistance (MA) eligibility criteria while living in an Institution for Mental Diseases (IMD). ~~who would be eligible for Medical Assistance (MA) if they were not living in an IMD. This health care is also known as Program IM and is state-funded. This health care may be federally or state-funded. State-funded MA for people living in an IMD is also known as Program IM.~~

An IMD is a hospital, nursing facility, or other institution of 17 beds or more that primarily provides diagnosis and treatment for people with mental illness or chemical dependency. See Appendix E Institutions for Mental Diseases for more information.

~~The following people continue to be eligible for MA while living in an IMD and do not need Program IM:~~

- ~~• People age 65 or older~~
- ~~• Children younger than 21 in an accredited licensed inpatient psychiatric hospital~~
- ~~• People residing in an IMD that is an accredited, licensed inpatient psychiatric hospital who received MA covered services prior to their 21st birthday. Enrollees, who continue to receive these services in the same facility after age 21, are covered by MA until they turn age 22.~~
- ~~• People who receive MA via managed care, and were placed in an IMD by the managed care plan, or for whom the plan was court-ordered to pay for treatment in the IMD.~~
- ~~• People enrolled in Refugee Medical Assistance~~

~~Program IM uses the same MA bases~~ People must have an MA basis of eligibility and ~~people must~~ meet all of the MA eligibility requirements associated with their basis. People are in one of the following eligibility groups:

- MA for People Who Are Age 65 or Older and People Who Are Blind or Have a Disability (MA-ABD)
- MA for Employed Persons with Disabilities (MA-EPD)
- MA for Families With Children and Adults (MA-FCA)

When an MA enrollee moves into an IMD, they do not need to file a new application for health care ~~Program IM.~~

~~Program IM is only available on days the person is living in an IMD. Program IM eligibility and coverage ends the day before the person is discharged from the IMD. Health care coverage can continue under MA, without a new application, if the person continues to meet all MA eligibility requirements.~~

The following people continue to be eligible for federally funded MA while living in an IMD:

- People age 65 or older
- Children younger than age 21 in an accredited, licensed inpatient psychiatric hospital
- People residing in an IMD that is an accredited, licensed inpatient psychiatric hospital who received MA covered services prior to their 21st birthday. Enrollees who continue to receive these services in the same facility after age 21 are covered by MA until they turn age 22.
- People enrolled in Refugee Medical Assistance (RMA)
- People ages 21 up to 65 enrolled in a managed care plan with a length of stay of no more than 15 days during the calendar month

This subchapter includes policies that apply to Program IM and links to policies that apply to all MA and all Minnesota Health Care Programs (MHCP) programs.

General Requirements

MA-ABD General Requirements

MA-EPD General Requirements

MA-FCA General Requirements

Non-Financial Eligibility

MA-ABD Bases of Eligibility

MA-ABD Certification of Disability

MA-FCA Bases of Eligibility

MA Citizenship and Immigration Status

MA County Residency

MA Social Security Number

MHCP State Residency

Financial Eligibility

MA-ABD Financial Eligibility

MA-EPD Financial Eligibility

MA-FCA Financial Eligibility

Post-Eligibility

MA Begin and End Dates

MA Benefit Recovery

MHCP Change in Circumstances

MA Cooperation
IMD Cost Effective Insurance
MA Cost Sharing
MHCP Fraud
IMD Health Care Delivery
MHCP Inconsistent Information
IMD Leave Days
MA-EPD Premiums and Cost Sharing
MA Qualifying Health Coverage
MA Referral for Other Benefits
MA-ABD Renewals
MA-FCA Renewals

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O. Section 2.5.4.4.1 Program IM Medicare

Program IM

2.5.4.4.1 Medicare ~~Cost Effective Insurance~~

Medicare Eligibility

People who are enrolled in an Institution for Mental Diseases (IMD) and who would otherwise qualify for Medical Assistance (MA) if they did not reside in an IMD must enroll in Medicare, if eligible, to be eligible for Program IM.

If a person eligible for Medicare is not enrolled in the program at the time they are placed in an IMD, they must apply for Medicare during the next available general enrollment period (January through March of each year) to remain eligible in Program IM.

~~People who would be eligible for a Medicare Savings Program (MSP) if they did not reside in an Institution for Mental Diseases (IMD) may be eligible to have their Medicare premiums reimbursed as cost effective coverage. People age 21 through 64 are not eligible for an MSP while living in an IMD. People age 20 and younger and people age 65 and older may be eligible for an MSP while living in and IMD.~~

~~The MA Cost Effective Insurance policy applies to people living in an IMD.~~

Medicare Part B Reimbursement

People who would be eligible for a Medicare Savings Program (MSP) if they did not reside in an IMD may be eligible to have their Medicare premiums reimbursed.

- People age 20 or younger and people age 65 or older may be eligible for an MSP while living in an IMD
- People age 21 through 64 are not eligible for an MSP while living in an IMD

Legal Citations

~~Code of Federal Regulations, title 42, section 435.1015~~

~~Minnesota Rules, part 9505.0430~~

~~Minnesota Statutes, section 256B.056~~

~~Minnesota Statutes, section 256B.0625, subdivision 15~~

~~Social Security Act, title 19, section 1906~~

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P. Section 2.5.4.4.2 Program IM Health Care Delivery

Program IM

2.5.4.4.2 Health Care Delivery

Program IM enrollees must follow guidelines for receiving medically necessary services.

Fee for Service

~~People already residing in an Institution for Mental Diseases (IMD) at the time of initial enrollment are excluded from managed care and medical services are provided via fee for service.~~

Fee-for-service is a method of payment where the medical provider bills MHCP for specific, individual services. Enrollees must use a medical provider enrolled with MHCP, except in special circumstances. A [directory of enrolled providers](#) is available online.

Managed Care

~~People who are already enrolled in an MA managed care health plan when they enter an IMD will remain enrolled if they were placed in an IMD by the managed care plan, or for whom the plan was court-ordered to pay for treatment in the IMD.~~

Most MHCP enrollees receive services from a managed care health plan or network of providers. The health plan coordinates the services provided. The Minnesota Department of Human Services (DHS) pays a fixed rate in advance for each enrollee.

People who are already enrolled in an MA managed care health plan when they enter an Institution for Mental Diseases (IMD) will remain enrolled in managed care.

Detailed information on managed care and managed care exemptions is in the Prepaid Minnesota Health Care Programs (PMHCP) Manual.

Covered Services

The MHCP Summary of Coverage, Cost Sharing and Limits ([DHS-3860](#)) explains covered services and cost-sharing requirements. People who reside or expect to reside for 30 days or more in a medical institution (including IMDs that are psychiatric hospitals and Rule 36 residential treatment programs) are exempt from co-payments.

Legal Citations

Minnesota Rules, parts 9500.1450 to 9500.1464

Minnesota Rules, part 9505.0285

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Q. Appendix A Types of Assets

Appendix A

Types of Assets

401(k) Plan

A retirement savings plan in which people contribute a portion of their earnings to a 401(k) account. Sometimes the person's employer may match these contributions.

403(b) Plan

A tax-deferred retirement plan available to employees of educational institutions and certain nonprofit organizations. This plan is also referred to as a tax-sheltered annuity.

457 Plan

A deferred-compensation program made available to employees of state and federal governments and agencies. A 457 plan is similar to a 401(k) plan.

Academic Achievement Incentive Scholarships

A student financial aid program created by Title IV of the Higher Education Act of 1965.

Academic Competitiveness Grants

A student financial aid program created by Title IV of the Higher Education Act of 1965.

Achieving a Better Life Experience (ABLE) Account

Tax-free savings account that allows people with disabilities to save and invest money without affecting their program eligibility.

Adoption assistance

An adoption assistance grant provided to adoptive parents. It is funded either federally through Title IV-E of the Social Security Act or by the state under Minnesota Statutes, section 259.67.

Agent Orange Settlement Fund payments

Payments made in connection with the case of *In re Agent Orange Product Liability Litigation*. Qualifying survivors of deceased veterans received a single lump sum payment. The settlement fund is now closed as all funds have been distributed.

Agricultural homestead

The property located on agricultural land that meets the definition of home and includes the dwelling, the garage, if any, and one acre of land immediately surrounding the dwelling. This applies to the home equity limit.

Alaska Native Claims Settlement Act (ANCSA) payments

Distributions received by Alaska natives and their descendants from Alaska Native Regional and Village Corporations (ANRVCs).

Annuities

A purchased contract in which one party (annuity issuer) agrees to pay the purchaser, or the person(s) the purchaser designates (the payee or payees), a return on money deposited with the annuity issuer (either in the form of a single lump sum or several payments deposited over several months or years) according to the terms of the annuity contract.

Asset conversion

A change from one type of asset to another.

Austrian Reparation payments (also called Austrian Social Insurance payments)

The nationwide class action lawsuit, *Bondy v. Sullivan*, involved Austrian social insurance payments which were passed, in whole or in part, on wage credits granted under Paragraph 500–506 of the Austrian General Social Insurance Act. (GSIA). These paragraphs grant credits to individuals who suffered a loss (i.e., were imprisoned, unemployed, or forced to flee Austria) during the period from March 1933 to May 1945 for political, religious, or ethnic reasons.

Blood product settlement payments

Payments made pursuant to the class settlement of *Susan Walker v. Bayer Corp., et al*, and to the release of any claims in that case that were entered into in lieu of class settlement.

Bureau of Indian Affairs (BIA) student financial aid

BIA funded student financial aid to eligible individuals.

Burial Assets

Funds paid or designated in advance for funeral expenses. Burial funds provide for preparation of the body, cremation, or burial services. The money is usually held in trust by a bank or other financial institution unless the agreement is funded by an insurance policy or annuity.

Cash Surrender Value (CSV)

The monetary or equity value that a life insurance policy or annuity acquires over time as the policy owner pays the premiums and dividend additions and interest are added to the policy. The CSV is the amount the life insurance policy or annuity owner would receive if the policy were cashed in. A loan against a life insurance policy reduces its CSV.

Certificate of Deposit (CDs)

A promissory note issued by a bank entitling the bearer to receive interest. A CD is a time deposit that restricts holders from withdrawing funds on demand. Although it is still possible to withdraw money, this action will often incur a penalty.

Client Funded Trusts

Trusts funded with the income or assets of the client and/or the client's spouse. The client and/or the client's spouse (grantor(s)) fund the trust by transferring liquid or non-liquid property to the trustee(s) of a trust for the benefit of the grantee(s) or others.

Clinical trial participation payments

Compensation for participation in a clinical trial that involves the research and testing of medical treatments for a rare disease or condition.

Clothing and Personal Needs Allowance Accumulation

Clothing and personal needs allowance of people in long-term care facilities retained between annual renewals.

Cobell v. Salazar Class Action Settlement (also known as Claims Resolution Act of 2010)

Fund reimbursing a large number of Individual Indian Money (IIM) account holders due to inadequate historical accounting of funds held in trust by the federal government.

College Assistance Migrant Program (CAMP)

A student financial aid program created by Title IV of the Higher Education Act of 1965.

Commercial annuity

An annuity that is purchased and set up via an insurance company or financial institution licensed or regulated by the Minnesota Department of Commerce or a similar agency of another state.

Continuing Care Retirement Community (CCRC) Entrance Fee

The entrance fee charged to a person who enters into a written contract with the CCRC. The CCRC offers a range of continuing care services while allowing the person to remain in a familiar setting. A CCRC may also be referred to as a life care community.

Contract for deed

A contract for deed is a conditional sales contract for the purchase of real property. It is similar to a mortgage.

Corporation for National and Community Service (CNCS) payments

Established by the National and Community Service Trust Act of 1993 (NCSTA) by combining two formerly independent agencies: the Commission on National Service and ACTION. CNCS funds payments to volunteers in programs authorized under the Domestic Volunteer Services Act, including:

- AmeriCorps
- Urban Crime Prevention Program
- Special volunteer programs under Title I
- Demonstration programs under Title II
- Senior Corps
 - Retired Senior Volunteer Program (RSVP)
 - Foster Grandparent Program
 - Senior Companions

Coverdell Education Savings Account (ESA) (also referred to as a Section 530 Plan and formerly known as an Educational Individual Retirement Account)

An account established to pay the educational expenses (elementary, secondary, and postsecondary school) of an individual who is the designated beneficiary and is under age 18 or a person with special needs.

Crime victim payments

Payments made to compensate crime victims for losses resulting from the crime.

Deemed Individual Retirement Account (IRA)

An employer sponsored retirement plan that offers the features of an IRA. The plan maintains a separate account or annuity to receive voluntary employee contributions to facilitate employee retirement savings.

Deferred annuity

An annuity contract under which periodic payments will begin sometime in the future. A deferred annuity contract provides the purchaser with the opportunity to accumulate savings over an extended period before the contract enters its payout phase.

Disability insurance

A policy that pays a fixed amount of income to a person who becomes disabled under the terms of the policy. Disability insurance is intended as an income replacement and is not health insurance.

Disaster Assistance, federal declaration

Payments issued pursuant to a presidential declaration of disaster or emergency. These payments may be made by the federal government (including, but not limited to, grants from the Federal Emergency Management Agency (FEMA), states, local governments, and disaster relief organizations such as the Red Cross and Salvation Army).

Disaster Assistance, state declaration

Payments issued pursuant to a state declaration of disaster or emergency. These payments may be made by the state government (including, local governments, and disaster relief organizations such as the Red Cross and Salvation Army).

Employee Stock Ownership Plans (ESOPs)

A form of defined contribution plan in which the investments are primarily in employer stock.

Employer-sponsored Individual Retirement Account (IRA)

An IRA which an employer establishes for an employee. Examples of Employer Based IRAs include:

- Simplified Employee Pension (SEP) IRAs are available to employees and self-employed individuals
- Savings Incentive Match Plans for Employees (SIMPLE) IRAs are available to employees and self-employed individuals
- Deemed IRAs
- Payroll Deduction IRAs

Escrow

A deed, bond, money, or piece of property held in trust by a third party to be turned over to the grantee only on fulfillment of a condition.

Face Value (FV)

The amount that is contracted for at the time the life insurance policy is purchased – it is the amount to be paid out when the insured dies.

Federal Family Education Loan (FFEL)

A student financial aid created by Title IV of the Higher Education Act of 1965. FFEL includes four components:

- Stafford loans (formerly Guaranteed student loans)
- Unsubsidized Stafford loans
- Federal PLUS loans
- Federal Consolidation loans

Federal Supplemental Educational Opportunity Grant (FSEOG) Program

A student financial aid program created by Title IV of the Higher Education Act of 1965.

Federal Work-Study (FWS) program

A student financial aid program created by Title IV of the Higher Education Act of 1965.

Filipino Veterans Equity Compensation (FVEC) fund payments

Section 1002 of the American Recovery and Reinvestment Act of 2009 (ARRA) established the FVECF to issue one-time payments to eligible Filipino veterans who aided American troops during World War II.

Fixed annuity

A type of annuity in which benefits have guaranteed or fixed dollar amounts.

Flexible spending accounts/arrangement (FSA)

Employer-established benefit plan that allows employees to be reimbursed for out-of-pocket medical, dependent-care, or transportation expenses. These may be offered in conjunction with other employer-provided benefits. FSAs are usually funded through voluntary salary reduction agreements

with an employer. Both employees and employers may contribute to the FSA. Self-employed individuals are not eligible for FSAs.

Foster care payments

A payment made to the foster care provider for the purpose of meeting the needs of the individual in care. Payments include:

- Federally funded foster care IV-E payments
- State funded, non-IV-E, foster care payments
- Adult foster care payments
- Other payments for the care of foster children or adults who live in the household

Gear Up (Gaining Early Awareness and Readiness for Undergraduate Programs)

A student financial aid program created by Title IV of the Higher Education Act of 1965.

Gifts to children with life threatening conditions

Payments made by tax-exempt organizations to or for the benefit of children under age 18 with life-threatening conditions. These gifts include gifts to the child's parents for the child's benefit and indirect benefits to other family members, such as payment to accompany the child on a trip. Such gifts can also include in-kind gifts, which is any food, shelter, or other item donated to the child or another individual on the child's behalf.

Guardianship account

An account established at a financial institution held by a guardian who acts on behalf of and administers the funds for the benefit of a minor under age 18 or a person who is incapacitated or otherwise unable to handle financial transactions.

Health Reimbursement Arrangement/Account (HRA)

An employer-established benefit plan where employees are reimbursed tax free for qualified medical expenses. These may be offered in conjunction with other employer-provided health benefits. Employees may not contribute and the contribution cannot be paid through a voluntary salary reduction agreement. Only employers may contribute to the HRA. Self-employed individuals are not eligible for HRAs.

Health Savings Account (HSA)

A tax-exempt trust or custodial account (an account managed for eligible employees by a custodian) that an individual sets up with a qualified HSA trustee to pay or reimburse certain medical expenses.

To qualify for an HSA an individual must have a high deductible health plan. An HSA trustee can be a bank, an insurance company, or anyone already approved by the IRS to be a trustee of Individual Retirement Arrangements (IRAs) or Archer MSAs. An employer may also contribute to an employee's HSA.

High School Equivalency Program (HEP)

A student financial aid program created by Title IV of the Higher Education Act of 1965.

Higher Education Act of 1965 (HEA)

A student financial aid program created by Title IV of the Higher Education Act of 1965.

Home equity

The market value of the home subtracted by any encumbrances on the home.

Homestead property

A homestead is any property in which a person or a person's spouse has an ownership interest and which serves as the person's principal place of residence. It includes the surrounding land and buildings on that land, provided the land is not separated by any property owned by others. It may be fixed or mobile and located on land or water.

Household goods and personal effects

Items of personal property found in or near a home that are used on a regular basis; items needed by the household for maintenance, use and occupancy of the premises as a home. Also includes personal property ordinarily worn or carried by the person, and articles having sentimental value to the person.

I-35W Bridge Collapse payment

Payments made to survivors of the I-35W Bridge Collapse under the I-35W Emergency Hardship Relief Fund and The Catastrophic Survivor Compensation Fund.

Immediate annuity

An annuity contract under which the periodic payments will begin following the payment of the annuity premium, rather than being deferred.

Individual Development Accounts (IDA)

A special bank account established under the Family Assets for Independence in Minnesota (FAIM) program that helps a person save for education, purchase of a first home, or to start a business. Eligible people must have earned income and have low income and assets.

Individual Retirement Arrangement (IRA)

An umbrella term used to describe a personal savings plan that provides the owner tax advantages for setting aside money for retirement. IRAs can be in the form of a trust, an account, or an annuity.

Interest

Money earned from a bank account, loan, or other investment. Earned interest may be credited to the account or paid directly to the owner.

Interest income from Indian trust land or restricted lands

Income from interests in restricted land allotted to an individual who is of Indian descent from a federally recognized Indian tribe.

Irrevocable trust

A trust that cannot be modified or terminated after its creation by the grantor or the grantor's representative.

James Zadroga 9/11 Health and Compensation Act of 2010.

Payments made to a worker or volunteer, or if deceased, his or her heir, under the World Trade Center (WTC) Litigation Settlement or distributed by the WTC Captive Insurance Company. These payments are considered disaster assistance.

Japanese-American and Aleutian restitution payments

Reparation payments to certain United States citizens of Japanese ancestry and resident Japanese noncitizens and certain eligible Aleuts who were interned or relocated during World War II.

Jensen Settlement Agreement payment

A fund resulting from settlement the lawsuit Jensen et al v. Minnesota Department of Human Services, et al. in which residents of the former Minnesota Extended Treatment Options (METO) program alleged they were unlawfully and unconstitutionally secluded and restrained.

Keogh plan

A tax deferred pension plan available to self-employed individuals or unincorporated businesses for retirement purposes. A Keogh plan can be set up as either a defined-benefit or defined-contribution plan, although most plans are defined-contribution plans.

Legal instrument or device similar to a trust

Any instrument that exhibits the general characteristics of a trust, but is not called a trust. This can include, but is not limited to, escrow accounts, investment accounts, pension funds and other similar devices managed by an individual or entity with fiduciary obligations.

Leveraging Educational Assistance Partnership (LEAP) student financial aid (formerly State Student Incentive Grants (SSIG))

A student financial aid program created by Title IV of the Higher Education Act of 1965.

Life annuity payments

Annuity payments that continue for the life of the annuitant.

Life estate

A life estate is a form of legal ownership that is usually created through a deed, will, or by operation of law. It is an interest in real property held only for the duration of a specified person's life, or some other condition specified in the life estate agreement. The person who is transferring ownership is referred to a life tenant or a life estate owner. The person who is receiving the property following the specified condition is referred to as a remainderman.

Life insurance

A type of policy that pays a beneficiary a designated sum upon the death of the insured person. There are two basic forms of life insurance policies: term and non-term.

Liquid assets

Cash or other types of assets that can be easily converted to cash, such as bank accounts, stocks, bonds, certificates of deposit, some retirement accounts and money market accounts.

Low Income Home Energy Assistance Program (LIHEAP) payments

Federal block grant for energy assistance payments to low income households. The LIHEAP in Minnesota is the Energy Assistance Program (EAP).

Lump sum income

One-time income that is not predictable. Periodic reoccurring income is not lump sum income. Examples of lump sum income include, but are not limited to:

- Winnings (lottery, gambling)
- Insurance settlements
- Worker's Compensation settlements
- Inheritances
- Retroactive Retirements, Survivors and Disability Insurance (RSDI); Supplemental Security Income (SSI); Veterans Administration (VA) and unemployment insurance benefits

Medicaid Qualifying Trust (MQT)

A trust or similar legal device established (other than by a will) by an individual (or spouse) under which the individual may be the beneficiary of all or part of the payments from the trust.

Medical Savings Account (MSA)

A tax-deferred savings account that can be offered by employers as part of a benefits package. Medical savings accounts are designed to help participants pay for medical and health care expenses by allowing them to save for those expenses in a tax-sheltered environment. This is an example of a Health Savings Account (HSA).

Minnesota Housing Finance Agency (MHFA) home improvement loan

Home improvement loans through the MHFA to help homeowners live in safe, accessible, and energy efficient homes.

Money market account

Type of savings account offered by banks and credit unions just like regular savings accounts. The difference is that they usually pay higher interest and have higher minimum balance requirements.

Mutual fund share

A mutual fund is an investment vehicle that is made up of a pool of funds collected from many investors for the purpose of investing in securities such as stocks, bonds, money market instruments and similar assets.

National Science and Mathematics Access to Retain Talent (SMART) Grants

A student financial aid program created by Title IV of the Higher Education Act of 1965.

Nazi Persecution payment

Benefits provided by countries to victims of Nazi persecution. These include:

- Austrian Reparation payments
- German Reparation payments
- Netherlands WUV payments
- Other payments received as a result of being a victim of Nazi persecution

Netherlands Act (WUV) payments to victims of Japanese persecution

The Dutch government makes payments under the Netherlands' Act on Benefits for Victims of Persecution 1940-1945. Payments are for both Dutch and non-Dutch people who, during the Japanese occupation of the Netherlands East Indies (now the Republic of Indonesia) in World War II, were victims of persecution.

Netherlands Act (WUV) payments to victims of Nazi persecution

The Dutch government makes payments under the Netherlands' Act on Benefits for Victims of Persecution 1940-1945. Payments are for both Dutch and non-Dutch people who, during the German occupation of the Netherlands and Netherlands in World War II, were victims of persecution.

Non-homestead Real Property

Land and buildings or immovable objects attached permanently to the land but is not the person's principal place of residence.

Non-term life insurance policy

Often referred to as whole life or universal life policies, non-term life insurance policies have both face value (FV) and cash surrender value (CSV). These types of policies also generate dividends. Generally, the person can borrow against the cash surrender value or the policy can be cashed in for the CSV.

Non-Title IV of Higher Education Act and non-Bureau of Indian Affairs student financial aid

Such aid includes grants, scholarships, gifts and so on.

Operating assets

Assets used in a trade or business such as bank accounts, stocks, bonds, mutual funds, certificates of deposit, trusts or property agreements.

Payroll Deduction Individual Retirement Account (IRA)

A retirement savings plan in which an employer sets up a payroll deduction to fund an IRA program with a financial institution, such as a bank, mutual fund or insurance company.

Pell grants

A student financial aid program created by Title IV of the Higher Education Act of 1965.

Pension payments

A fixed sum paid regularly to retired people or their dependents.

Perkins loan

A student financial aid program created by Title IV of the Higher Education Act of 1965.

Personal property

Property that is not considered real property.

Plan to Achieve Self Support (PASS) financial aid

A plan approved by the county agency for MA or MSA recipients or approved by the Social Security Administration for SSI recipients that allows certain assets or income of the person to be excluded in determining benefits for some assistance programs.

Pooled trusts

A trust established for the sole benefit of a person of any age with a certified disability and that contains a separate account for two or more persons who also have a certified disability for the purpose of investment and management of funds in the accounts. It is administered by a non-profit organization.

Presidential Access scholarships

A student financial aid program created by Title IV of the Higher Education Act of 1965.

Private annuity

An annuity that is set up by a person who is not an employee of an insurance company or financial institution.

Profit Sharing Plan

A plan that gives employees a share in the profits of the company. Each employee receives a percentage of those profits based on the company's earnings. Also known as a deferred profit-sharing plan (DPSP).

Promissory notes

A written, unconditional agreement whereby one party promises to pay a specified sum of money at a specified time (or on demand) to another party. It may be given in return of goods, money loaned, or services rendered.

Property agreements

A pledge or security of particular property for the payment of a debt or the performance of some other obligation within a specified period.

Public assistance appeal payments

Payments resulting from an appeal of public assistance benefits.

Qualified Tuition Program (QTP), also referred to as a Section 529 Plan

Allows individuals to prepay or contribute to an account established for paying a designated beneficiary's education expenses beyond high school at an eligible educational institution. QTPs can be established and maintained by states, agencies, instrumentalities of states, and eligible educational institutions. Individuals may contribute to a QTP regardless of the amount of their income.

Radiation Exposure Compensation Act payments

Payments made by the federal government to certain individuals (or their survivors) who were exposed to radiation from government nuclear testing and uranium mining.

Real property

Land, all buildings, structures, improvements, or other fixtures on it belonging or pertaining to the land, including mobile or manufactured homes attached to a permanent foundation on land owned by the client, all mines, minerals, fossils, and trees on or under it, and life estate and remainder interests.

Relocation Assistance payments, federal

Relocation assistance for displaced persons under Title II of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, the Housing and Redevelopment Act of 1965, or the Housing Act of 1965. This assistance is paid when the government requires an individual to move.

Relocation Assistance payments, state and local

Relocation assistance for displaced persons funded by state and local governments. This assistance is paid when the government requires an individual to move.

Representative payee misuse payments

Restitution payments of SSI, RSDI, and Special Veterans Benefits for the Elderly due to representative payee misuse.

Retirement plans

An arrangement to provide individuals and their spouses with income during retirement. Employers, insurance companies, the government or other institutions such as employer associations or trade unions may set up retirement plans.

Reverse mortgages

A special type of home equity loan for people age 62 or older. Reverse mortgages allow owners to convert some of the equity in their home to cash. The loan does not usually have to be repaid during the homeowner's lifetime.

Revocable trust

A trust in which the grantor(s) reserve the right to revoke, reclaim or take back the assets deposited in the trust.

Ricky Ray Hemophilia Relief Act payments

Settlements to people with blood-clotting disorders who may have contracted an HIV infection from a blood transfusion. The current and former spouses of these people as well as their children who also contracted HIV are also eligible for the settlement payment.

Robert C. Byrd Honors Scholarship Program (also known as Byrd Honors Scholarships)

A student financial aid program created by Title IV of the Higher Education Act of 1965.

Roth 401(k) Plan

A retirement savings plan option for employers to offer their employees. A Roth 401(k) is a hybrid that combines features of a Roth Individual Retirement Account and a traditional 401(k).

Roth Individual Retirement Account (IRA)

An IRA allowing a person to set aside after-tax income up to a specified amount each year.

Savings Incentive Match Plans for Employees (SIMPLE) Individual Retirement Account (IRA)

An IRA-based retirement savings plan designed specifically to make it easier for small employers to establish a retirement plan for employees. A Simple IRA is a salary-reduction plan that allows employees to divert some compensation into retirement savings. Contributions to a Simple IRA are deposited into a separate account for each participating employee.

Section 529 Plan (also known as Qualified Tuition Program (QTP))

See Qualified Tuition Program.

Self-employment assets

Property used in a trade or business, including vehicles, tools, machinery, farm implements, unsold inventory, business checking accounts, non-homestead real property, rental property, etc.

Settlement agreement

A resolution between disputing parties in a lawsuit, reached either before or after court action begins.

Simplified Employee Pension (SEP) Individual Retirement Account (IRA)

A special type of IRA that can be established by a small-business employer or by self-employed people. Under a SEP IRA, each participant has his or her own Traditional IRA to which the employer contributes. The contributions are excluded from the employee's pay and are not taxable until distributed from the plan.

Special Leveraging Educational Assistance Partnership (SLEAP) Program

A student financial aid program created by Title IV of the Higher Education Act of 1965.

Special Needs Trusts

A trust established for the sole benefit of a person who is certified disabled.

Spousal Individual Retirement Account (IRA)

An IRA set up by an employed spouse to contribute for a non-working spouse or for a spouse who has little or no income.

State annuities for certain veterans

An annuity paid by a state, to a person, and/or a person's spouse, on the basis of the state's determination that the person is a veteran and is over age 65, is blind, or has a disability.

State Student Incentive Grant Program (also known as the Leveraging Educational Assistance Partnership (LEAP) program)

A student financial aid program created by Title IV of the Higher Education Act of 1965.

Stocks

Shares of stock represent ownership in a business corporation.

Student financial aid

Loans, grants, scholarships, fellowships, internships, some training expenses, gifts and work study funds provided to a person enrolled in and attending an educational institution.

Supplemental Education Opportunity Grants (SEOG) Program

A student financial aid program created by Title IV of the Higher Education Act of 1965.

Supplemental Needs Trusts

Trust established and funded by a third party to provide for the reasonable living expenses and other basic needs of a person with a disability when benefits from publicly funded benefit programs are not sufficient to provide adequately for those needs.

Supplemental Security Income (SSI) Dedicated Child Account

This account is set up by the representative payee of a child under age 18 with past due monthly benefits. The account continues to be excluded after the child has reached age 18.

Tax credits

An amount of money that can be offset against a tax liability.

Tax refund

A state or federal refund of the difference between the taxes paid and taxes owed.

Teacher Education Assistance for College and Higher Education (TEACH) grants

A student financial aid program created by Title IV of the Higher Education Act of 1965.

Term certain annuity

An annuity under which payments are scheduled to continue for a specified period, such as for 10 years. The payments will be paid out to the annuitant's beneficiaries or estate if the annuitant dies before the payment term ends.

Term life insurance

Insurance policies that have Face Value (FV) but do not have a Cash Surrender Value (CSV) or pay dividends. The insured can cancel the policy but there is no cash value to receive. The death benefit is only available upon the insured's death.

Third Party Trusts

A trust established and funded by a person (third party grantor) during his or her lifetime or through a will for the benefit of another person.

Thrift Savings Plans (TSPs)

A federal government sponsored retirement defined contribution plan for federal employees. Contributions are held in individual accounts rather than in a trust fund.

Time deposits

Another term for a savings account or certificate of deposit (CD) held in a financial institution.

Title IV of the Higher Education Act of 1965 (HEA) student financial aid

A federal law that authorizes programs that provide student financial aid. These programs include, but are not limited to:

- Pell grants
- Academic Competitiveness Grants
- National Science and Mathematics Access to Retain Talent (SMART) grants

- Federal Family Education Loan (FFEL) Program. FFEL includes four components:
 - Stafford Loans
 - Unsubsidized Stafford Loans
 - Federal PLUS Loans
 - Federal Consolidation Loans
- Perkins Loans
- Federal Supplemental Education Opportunity Grant (SEOG) Program
- Supplemental Education Opportunity Grants (SEOG) Program
- Work Study Program
- Teacher Education Assistance for College and Higher Education (TEACH) Grants
- Direct Loan Program. Direct Loans include four components:
 - Direct Subsidized Loans
 - Direct Unsubsidized Loans
 - Direct PLUS Loans
 - Direct Consolidation Loans
- Leveraging Educational Assistance Partnership (LEAP) Program
- Special Leveraging Educational Assistance Partnership (SLEAP) Program
- Robert C. Byrd Honors Scholarship Program (also known as Byrd Honors Scholarships)
- TRIO Program
- Academic Achievement Incentive Scholarships
- Gear Up
- High School Equivalency Program (HEP)
- College Assistance Migrant Program (CAMP)
- State Student Incentive Grant Program
- Presidential Access Scholarships

Tort settlement

Rights, obligations, and remedies applied by courts in civil proceedings to provide relief for persons who have suffered harm from the wrongful acts of others.

Trade or business asset

Property used in a trade or business, including vehicles, tools, machinery, farm implements, unsold inventory, business checking accounts, non-homestead real property, rental property, etc.

Traditional Individual Retirement Account (IRA)

An IRA that allows individuals to direct pretax income, up to specific annual limits, toward investments that can grow tax-deferred (no capital gains or dividend income is taxed).

Treasury bill

A short-term debt obligation backed by the U.S. government with a maturity of less than one year.

Tribal Land Settlements or Judgements

Funds held in trust by the Secretary of the Interior or distributed per capita pursuant to a plan prepared by the Secretary of the Interior. Including:

- Judgment funds distributed per capita under P.L. 99-377 to the Mississippi Band Chippewa Indians of White Earth, Leech Lake, and Mille Lacs reservations.
- Distributions of claims settlement funds under P.L. 99-264, P.L. 100-153, and P.L. 100-212 to members of the White Earth Band of Chippewa Indians from the White Earth Reservation Land Settlement Act of 1985 (WELSA).
- Per capita payments made under 25 USC § 1407 to members of the Bois Forte Band of Chippewa Indians pursuant to the agreement to restrict tribal rights to hunt and fish in ceded territories.
- Per capita payments made under P.L. 85-794 to members of the Red Lake Band of Chippewa Indians from the proceeds of the sale of timber and lumber on the Red Lake Reservation.
- Receipts derived from trust lands and distributed under P.L. 94-114 to the White Earth Band of Chippewa Indians regarding submarginal land held in trust by the United States.
- Judgment funds distributed under P.L. 98-123 § 3 to the Red Lake Band of Chippewa Indians.
- Per capita and dividend payment distributions of judgment funds made under P.L. 99-130 to members of the Prairie Island Sioux, Lower Sioux, and Shakopee Mdewakanton Sioux Communities of Minnesota.
- Funds distributed per capita under P.L. 99-146 to members of the Chippewa of Lake Superior and the Chippewa of the Mississippi.

TRIO Programs (TRIO)

Student financial aid programs created by Title IV of the Higher Education Act of 1965. TRIO includes eight programs targeted to serve and assist low-income individuals, first-generation college students, and people with disabilities:

- Educational Opportunity Centers
- Ronald E. McNair Post-baccalaureate Achievement
- Student Support Services
- Talent Search
- Training Program for Federal TRIO Programs Staff
- Upward Bound
- Upward Bound Math-Science
- Veterans Upward Bound

Trust

Any arrangement, in which a grantor transfers money or property to a trustee with the intention that it be held, managed or administered by the trustee for the benefit of certain designated persons.

Uniform Gift to Minors Act (UGMA)/Uniform Transfer to Minors Act (UTMA)

The Uniform Gift to Minors Act (UGMA) established a way for a minor to own securities without requiring the services of an attorney to prepare trust documents or the court appointment of a trustee. The terms of this trust are established by a state statute instead of a trust document. The Uniform Transfer to Minors Act (UTMA) is similar, but also allows minors to own other types of property, such as real estate, fine art, patents and royalties, and for the transfers to occur through inheritance.

United States savings bond

A bond issued by the government and sold to the general public.

Universal Life Insurance

Provides insurance over a specified period, and builds cash value for policy owners over time. There are several types of universal life policies, including variable universal and equity indexed universal life. All universal life policies include a cash account in addition to the standard death benefit.

Variable annuity

A type of annuity in which periodic payments vary according to income generated by assets in an underlying investment portfolio. Payment amounts may fluctuate because the annuity payments vary based upon the performance of the market.

Vehicles

May be any registered or unregistered conveyance used on air, land, or water, including, but not limited to cars, trucks, motorcycles, boats, snowmobiles, animal-drawn vehicles, and animals.

Veterans Benefits for educational assistance

The Department of Veterans Affairs (VA) provides educational assistance through different programs, including vocational rehabilitation.

Veterans' Children with Certain Birth Defects payments

Payments made to children of Vietnam or Korean veterans born with spina bifida, or payments made to the children of women Vietnam veterans if they have certain birth defects.

Vietnamese Commando Compensation Act Payments

Payments made to an individual who was captured and interned by the Democratic Republic of North Vietnam as a result of that person's participation in certain military operations (known as OPLAN 34A or its predecessor, or OPLAN 35).

Voluntary Employees' Beneficiary Association (VEBA) payments

Benefits paid to members of the mutual association or their beneficiaries.

Whole Life Insurance

A form of life insurance that applies part of the premium payments to build an investment or savings value for the policy owner. The investment or savings value is the cash surrender value (CSV) of the policy. A modified whole life policy charges smaller premiums for a specified length of time after which the premiums increase for the remainder of the policy.

Women, Infant and Children (WIC) vouchers

A federal program authorized by the Child Nutrition Act of 1966 to provide nutritious food and nutrition education to low-income pregnant and postpartum women and their children.

Workers' compensation settlement

An agreement between a worker injured on the job and an employer-paid insurance program providing benefits in the form of medical expenses and lost wages. If a worker dies due to an injury on the job, the worker's beneficiaries are eligible to receive benefits on the worker's behalf, known as death benefits.

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R. Appendix B Types of Income

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Types of Income

Academic Achievement Incentive Scholarships

A student financial aid program created by Title IV of the Higher Education Act of 1965.

Academic Competitiveness Grants

A student financial aid program created by Title IV of the Higher Education Act of 1965.

Accelerated life insurance payments

Some life insurance policies, in certain circumstances, allow the policy owner to receive some or all of the proceeds of the life insurance policy in the form of accelerated life insurance payments prior to the death of the insured.

Adoption assistance

An adoption assistance grant provided to adoptive parents. It is funded either federally through Title IV-E of the Social Security Act or by the state under Minnesota Statutes, section 259.67.

AmeriCorps-National Civilian Community Corps (AmeriCorps NCCC) living allowances and other payments

A residential service program for young adults between the ages of 18 and 24 in which participants provide work teams for a variety of community service projects. Participants of AmeriCorps NCCC receive a stipend or living allowance generally based on minimum wage requirements. Participants are eligible to receive an educational award made upon completion of a specified term of service.

AmeriCorps State and National living allowances and other payments

A national service program authorized by the National and Community Service Act of 1990. The program provides grants to States, Indian tribes, private and public nonprofit organizations and Institutes of Higher Education for community service projects, such as educational programs, environmental activities, and disaster relief. Participants of AmeriCorps State and National receive a stipend or living allowance generally based on minimum wage requirements. Participants are eligible to receive an educational award made upon completion of a specified term of service.

AmeriCorps VISTA payments

This program provides full-time AmeriCorps VISTA members to community organizations and public agencies to create and expand community service programs. Participants of AmeriCorps VISTA receive a stipend or living allowance generally based on minimum wage requirements. Participants are eligible to receive an educational award made upon completion of a specified term of service.

Annuity payments

Payments from an annuitized contract either in the form of a single lump sum or several payments over several months or years according to the terms chosen when the contract was annuitized.

Austrian Reparation payments (also called Austrian Social Insurance payments)

The nationwide class action lawsuit, *Bondy v. Sullivan*, involved Austrian social insurance payments which were passed, in whole or in part, on wage credits granted under Paragraph 500–506 of the Austrian General Social Insurance Act. (GSIA). These paragraphs grant credits to individuals who suffered a loss (i.e., were imprisoned, unemployed, or forced to flee Austria) during the period from March 1933 to May 1945 for political, religious, or ethnic reasons.

Awards

Cash, merchandise, or products received primarily in recognition of employment, religious, charitable, scientific, educational, artistic, literary or civic achievement.

Blood and blood plasma sales

Compensation received for blood or blood plasma donations.

Blood product settlement payments

Payments made pursuant to the class settlement of *Susan Walker v. Bayer Corp., et al*, and to the release of any claims in that case that were entered into in lieu of class settlement.

Bureau of Indian Affairs (BIA) student assistance

BIA funded student financial aid to eligible individuals.

Cash assistance programs

Public programs established to provide for people's basic living expenses, including General Assistance (GA), Group Residential Housing (GRH), Minnesota Family Investment Program (MFIP), Minnesota Supplemental Aid (MSA), Refugee Cash Assistance (RCA), and emergency cash programs.

Child Care Assistance Program (CCAP)

Public program available to help low- and moderate-income families pursue employment or education leading to economic self-sufficiency by subsidizing their childcare.

Child Care and Development Block Grant Act (CCDBG) payments

Federally funded child care assistance payments for low income families and children with special needs. These payments are administered by the Child Care and Development Fund (CCDF).

Child support

A voluntary or court-ordered payment by non-custodial parents for the support of their children.

Clergy housing, in-kind

Housing provided to clergy in exchange for work or services. Cash is not provided in lieu of the housing.

Clergy housing, cash payment

Housing allowances paid in cash to members of the clergy as compensation for employment.

Clinical trial participation payments

Compensation for participation in a clinical trial that involves the research and testing of medical treatments for a rare disease or condition.

Cobell v. Salazar Class Action Settlement (also known as Claims Resolution Act of 2010)

Fund reimbursing a large number of Individual Indian Money (IIM) account holders due to inadequate historical accounting of funds held in trust by the federal government.

College Assistance Migrant Program (CAMP)

A student financial aid program created by Title IV of the Higher Education Act of 1965.

Commissions

Fees paid to a person for performing a service. (e.g., a percentage of sales).

Community Service Employment Program (Title V of the Older Americans Act)

Federally funded payments for supportive services or reimbursement for out-of-pocket expenses to employees performing services in such programs as the Experience Works program and the Senior Aides program.

Conservation and Youth Service Corps payments

Paid service work under the National and Community Service Act of 1990 under Title I.

Consumer Support Grant (CSG) program

A state-funded program providing funds to help people with functional limitations and their families purchase and secure supports that people need to live safely and independently in the community. CSG allows a person to convert the state portion of medical assistance payments for specific home care services into a cash grant. Eligible participants receive monthly cash grants to replace fee-for-service home care services payments.

Corporation for National and Community Service (CNCS) payments

Established by the National and Community Service Trust Act of 1993 (NCSTA) by combining two formerly independent agencies: the Commission on National Service and ACTION. CNCS funds payments to volunteers in programs authorized under the Domestic Volunteer Services Act, including:

- AmeriCorps
- Urban Crime Prevention Program
- Special volunteer programs under Title I
- Demonstration programs under Title II
- Senior Corps:
 - Retired Senior Volunteer Program (RSVP)
 - Foster Grandparent Program
 - Senior Companions

Coverdell Education Savings Account (ESA) (also referred to as a Section 530 Plan and formerly known as an Educational Individual Retirement Account)

An account established to pay the educational expenses (elementary, secondary, and postsecondary school) of an individual who is the designated beneficiary and is under age 18 or a person with special needs.

Credit disability insurance payments

Payments issued to, or on behalf of, borrowers on loans, mortgages, etc. in the event of disability. These insurance payments are made directly to the loan or mortgage companies, etc., and are not available to the person.

Credit life insurance payments

Payments issued to, or on behalf of, borrowers on loans, mortgages, etc. in the event of death. These insurance payments are made directly to the loan or mortgage companies, etc., and are not available to the person.

Crime victim payments

Payments made to compensate crime victims for losses resulting from a crime.

Direct Loan Program payments

Program in the Title IV of the Higher Education Act of 1965 that provides student financial aid in:

- Direct subsidized loans
- Direct unsubsidized Loans
- Direct PLUS loans
- Direct Consolidation loans

Disability payments that are part of the employer's benefit package

An employer's policy or practice that provides salary continuation or other payments to workers during periods of disability.

Disaster Assistance, federal declaration

Payments issued pursuant to a presidential declaration of disaster or emergency. These payments may be made by the federal government (including, but not limited to, grants from the Federal Emergency Management Agency (FEMA), states, local governments, and disaster relief organizations such as the Red Cross and Salvation Army).

Disaster Assistance, state declaration

Payments issued pursuant to a state declaration of disaster or emergency. These payments may be made by the state government (including, local governments, and disaster relief organizations such as the Red Cross and Salvation Army).

Diversionsary Work Program (DWP) payment

A short-term, work focused program for families applying for cash benefits. It provides a maximum of four consecutive months in a 12-month period of necessary services and supports to families that will lead to a subsidized employment, increased economic stability and reduced risk of needing longer term assistance under Minnesota Family Investment Program. (MFIP).

Dividend payment

The amount of the profit distribution a shareholder receives or the amount of the surplus distribution a policyholder of a participating insurance policy receives.

Dividend accumulation

Dividends that the policy holder has left in the custody of the insurer to accumulate interest.

Dividend addition

Amounts of additional life insurance purchased with dividends.

Domestic Volunteer Service Act payments

Established to provide funding and regulations for federally administered volunteer activity programs. Volunteers in such programs may receive payments in the form of a minimal stipend, payment for supportive services (such as housing, supplies, equipment), and expense allowance, and/or reimbursement of out-of-pocket expenses.

Earned income

Money received from employment or self-employment. This includes but is not limited to salaries, wages, tips, commissions, vacation and sick pay.

Emergency General Assistance (EGA) payments

Provides payments to adults without children and to families to meet emergency needs such as shelter and utility payments.

Employment and Training Reimbursements and Allowances

These include employment and training reimbursements and allowances received from local social services programs and the Workforce Investment Act (WIA) program.

Energy Assistance Program payments

Federally funded block grant for energy assistance payments to low income households.

Experience Works wages

Wages paid to participants in programs carried out under the Community Service Employment Program, Title V of the Older Americans Act.

Family Support Grants

A state-funded program that provides funds to help families provide home care for dependents with developmental disabilities. Includes both cash and non-cash payments provided under this program.

Farm income

Common types of farm income that are considered self-employment income include:

- Proceeds from sale of crops, livestock, or products
- Soil conservation payments, such as Conservation Reserve Payments (CRP)
- Proceeds from machine rental, including wages to the farmer/operator
- Capital gains or capital losses

Federal Family Education Loans (FFEL)

A student financial aid created by Title IV of the Higher Education Act of 1965. FFEL includes four components:

- Stafford loans (formerly Guaranteed student loans)
- Unsubsidized Stafford loans
- Federal PLUS loans
- Federal Consolidation loans

Federal Supplemental Opportunity Grant (FSEOG)

A student financial aid program created by Title IV of the Higher Education Act of 1965.

Federal Work-Study (FWS) program

A student financial aid program created by Title IV of the Higher Education Act of 1965.

Fellowships

Amounts paid to enable qualified individuals to further their education and training by scholastic or research work, etc.

Filipino Veterans Equity Compensation (FVEC) fund payments

Section 1002 of the American Recovery and Reinvestment Act of 2009 (ARRA) established the FVECF to issue one-time payments to eligible Filipino veterans who aided American troops during World War II.

Food Support Program

Former name of the Federal Supplemental Nutrition Assistance Program (SNAP).

Foster Care payments

A payment made to the foster care provider for the purpose of meeting the needs of the individual in care. Payments include:

- Federally funded foster care IV-E payments
- State funded, non-IV-E, foster care payments
- Adult foster care payments
- Other payments for the care of foster children or adults who live in the household

Foster Grandparent Program payments

A program funded by the Corporation for National and Community Service (CNCS) providing the opportunity for volunteers age 55 and older to work with children. Part of the Senior Corps Program.

Fundraiser income

Funds raised by a community group or organization.

Gambling winnings

Cash or other items won in a game of chance, lottery, or contest.

Gear Up (Gaining Early Awareness and Readiness for Undergraduate Programs) scholarships

A student financial aid program created by Title IV of the Higher Education Act of 1965.

General Assistance (GA) benefits

A program authorized under Minnesota Statutes 256D to provide cash assistance to needy individuals and couples without children.

German reparation payments

Passed in 1956 to provide for reparations payments to certain survivors of the Holocaust.

Gift income

Something a person receives which is not repayment for goods or services the person provided and is not given because of a legal obligation on the giver's part. Gift income can be cash or in-kind. To be a gift, something must be given irrevocably. (i.e., the donor relinquishes all control).

Gifts to children with life-threatening conditions

Payments made by tax-exempt organizations (e.g. Make a Wish) to or for the benefit of children younger than age 18 with life-threatening conditions. These gifts include gifts to the child's parents for the child's benefit and indirect benefits to other family members, such as payment to accompany the child on a trip. Such gifts can also include in-kind gifts, which is any food, shelter, or other item donated to the child or another individual on the child's behalf.

Grants

Amounts paid to enable qualified individuals to further their education and training by scholastic or research work, etc.

Group Residential Housing (GRH) payments

A program paying for room and board for low income seniors and adults with disabilities.

Gross income

Total earned and unearned income before any deductions or disregards are applied.

Gross Social Security Administration (SSA) Retirement, Survivors, Disability Insurance (RSDI) benefits

The RSDI benefit amount before deducting a Medicare premium and other withholdings.

High School Equivalency Program (HEP) financial aid

A student financial aid program created by Title IV of the Higher Education Act of 1965.

Honoraria

Honorary or free gifts, rewards, or donations usually provided gratuitously for services rendered (e.g., a guest speaker), for which no compensation can be collected by law. An honorarium may include a free gift of lodging, or payment of an individual's expenses.

Hostile fire, imminent danger and combat pay

Types of special pay to a service member.

Housing allowances

Housing allowances paid in cash as compensation for employment.

Housing assistance, federal

The Federal Government through the Office of Housing and Urban Development (HUD) and the U.S. Department of Agriculture's Rural Housing Service (RHS), formerly called the Farmers Home Administration, provides many forms of housing assistance, including: subsidized housing (e.g., public housing, reduced rent, cash towards utilities, etc.); loans for renovations; loans for construction, improvement, or replacement of farm homes and other buildings; mortgage or investment insurance; guaranteed loans and mortgages. This assistance may be provided directly by the federal government or through other entities such as local housing authorities, nonprofit organizations, etc.

Housing and Urban Development (HUD) subsidies

Rental payments made directly to a landlord through the Housing and Urban Development (HUD) agency, including Section 8 payments made through the Housing and Redevelopment Authority and refunds or rebates from HUD for excess rents charged.

Individual Development Account (IDA)

A special bank account established under the Family Assets for Independence in Minnesota (FAIM) program that helps a person save for education, purchase of a first home, or to start a business. Eligible people must have earned income and have low income and assets.

Infrequent income

Income is infrequent if a person receives it only once during a calendar quarter from a single source and did not receive it in the month immediately preceding that month or in the month immediately after that month, regardless of whether or not these payments occur in different calendar quarters.

Inheritance

Cash, a right, or noncash items received as the result of someone's death.

In-home day care payment

A form of self-employment in which a person provides day care services in their home.

In-kind income

Payment for a service in a form other than money, or receipt of non-cash gifts or non-cash contributions such as food or clothing.

Insurance benefit or settlement

Income paid by an insurance company to the insured or their beneficiary to settle an insurance claim within the guidelines of the insurance policy.

Interest

Money earned from of a bank account, loan, or other investment. Earned interest may be credited to the account or paid directly to the owner.

Interest income from Indian trust land or restricted lands

Income from interests in restricted land allotted to an individual who is of Indian descent from a federally recognized Indian tribe.

Irregular income

Income that a person cannot reasonably expect to receive.

IV-E Adoption Assistance

Adoption assistance placements funded under Title IV-E of the Social Security Act.

IV-E Foster Care

Foster care placements funded under Title IV-E of the Social Security Act.

IV-E Kinship Assistance

Assistance payments funded under Title IV-E of the Social Security Act.

James Zadroga 9/11 Health and Compensation Act of 2010

Payments made to a worker or volunteer, or if deceased, his or her heir, under the World Trade Center (WTC) Litigation Settlement or distributed by the WTC Captive Insurance Company. These payments are considered disaster assistance.

Japanese-American and Aleutian restitution payments

Reparation payments to certain United States citizens of Japanese ancestry and resident Japanese noncitizens and certain eligible Aleuts who were interned or relocated during World War II.

Jensen Settlement Agreement payment

A fund resulting from settlement the lawsuit Jensen et al v. Minnesota Department of Human Services, et al. in which residents of the former Minnesota Extended Treatment Options (METO) program alleged they were unlawfully and unconstitutionally secluded and restrained.

Jury duty, pay

Employer payments to employees while on jury duty.

Jury duty, compensation

Court payments to help cover out-of-pocket expenses incurred while on jury duty.

Kinship assistance payments

An assistance grant provided to grandparents and other relatives who have assumed legal guardianship of children for whom they have custody. It is funded either federally through Title IV-E of the Social Security Act or by the State under Minnesota Statutes, section 259.67.

Leveraging Education Assistance Partnership (LEAP) student financial aid (formerly State Student Incentive Grants (SSIG))

A student financial aid program created by Title IV of the Higher Education Act of 1965.

Life annuity payments

Annuity payments that continue for the life of the annuitant.

Lottery winnings

Cash or other items won in a game of chance, lottery, or contest.

Low Income Home Energy Assistance Program (LIHEAP) payments

Federal block grant for energy assistance payments to low income households. The LIHEAP in Minnesota is the Energy Assistance Program (EAP).

Lump sum income

One-time income that is not predictable. Periodic reoccurring income is not lump sum income. Examples of lump sum income include, but are not limited to:

- Winnings (lottery, gambling)
- Insurance settlements
- Worker's Compensation settlements
- Inheritances
- Retroactive Retirements, Survivors and Disability Insurance (RSDI); Supplemental Security Income (SSI); Veterans Administration (VA) and unemployment insurance benefits

Medical support payments

Health insurance coverage or cash payments that a parent provides or is court-ordered to provide to meet the medical needs of the parent's child.

Medicare Part B reimbursements

Reimbursement of the Part B premium.

Mille Lacs Band of Ojibwa Elder Supplement Assistance Program payments

This program makes payments to elderly tribal members who meet the program's income and asset limits.

Minnesota Family Investment Program (MFIP) payments

A program authorized under the federal Temporary Assistance to Needy Families (TANF) block grant and Minnesota Statutes 256J to provide cash assistance and employment support to needy families. MFIP replaced the Aid to Families with Dependent Children (AFDC) program.

Minnesota Supplemental Aid (MSA) benefits

A state-funded program that provides cash assistance to some SSI recipients and those who would be SSI eligible if not for other income.

National Science and Mathematics Access to Retain Talent (SMART) grants

A student financial aid program created by Title IV of the Higher Education Act of 1965.

Nazi Persecution payments

Benefits provided by countries to victims of Nazi persecution. These include:

- Austrian Reparation payments
- German Reparation payments
- Netherlands WUV payments
- Other payments received as a result of being a victim of Nazi persecution

Netherlands Act (WUV) payments to victims of Japanese persecution

The Dutch government makes payments under the Netherlands' Act on Benefits for Victims of Persecution 1940-1945. Payments are for both Dutch and non-Dutch people who, during the Japanese occupation of the Netherlands East Indies (now the Republic of Indonesia) in World War II, were victims of persecution.

Netherlands Act (WUV) payments to victims of Nazi persecution

The Dutch government makes payments under the Netherlands' Act on Benefits for Victims of Persecution 1940-1945. Payments are for both Dutch and non-Dutch people who, during the German occupation of the Netherlands and Netherlands in World War II, were victims of persecution.

Non-Title IV of Higher Education Act and non-Bureau of Indian Affairs student financial aid

Such aid includes grants, scholarships, gifts and so on.

Paid internships

Student financial aid that requires work.

Participation incentive payments

Incentive payments or cash-like cards for participation in projects with grant agreements.

Pell grants

A student financial aid program created by Title IV of the Higher Education Act of 1965.

Pension payments

A fixed sum paid regularly to retired people or their dependents.

Per capita distributions of all funds held in trust by the Secretary of the Interior to members of an Indian tribe

Payments that are made according to the number of individuals in a tribe and in which each individual tribe member shares equally.

Perkins loan

A student financial aid program created by Title IV of the Higher Education Act of 1965.

Picket duty pay

Strike benefits paid by a union to its members.

Plan to Achieve Self Support (PASS) financial aid

A plan approved by the county agency for MA or MSA recipients or approved by the Social Security Administration for SSI recipients that allows certain assets or income of the person to be excluded in determining benefits for some assistance programs.

Presidential Access scholarships

A student financial aid program created by Title IV of the Higher Education Act of 1965.

Prizes

Cash or other items won in a game of chance, lottery, or contest.

Public assistance appeal payments

Payments resulting from an appeal of public assistance benefits.

Public assistance payments

Benefits paid through the local, county, tribal, state or federal government.

Radiation Exposure Compensation Act payments

Payments made by the federal government to certain individuals (or their survivors) who were exposed to radiation from government nuclear testing and uranium mining.

Railroad Retirement Board (RRB) benefits

The RRB is an independent agency of the Federal Government. It administers benefits and Medicare for railroad workers and their families. Railroad workers and their families who meet certain service requirements are eligible for retiree, disability dependent or survivor benefits.

Refugee Cash Assistance (RCA)

A program that provides financial help to certain refugees.

Refunds for rental security and utility deposits

Security and utility deposit refunds, paid by the applicant or another party, including the Emergency Assistance (EA) or Emergency General Assistance (EGA) programs.

Reimbursements for expenses

Reimbursements for out-of-pocket expenses incurred while performing volunteer services, jury duty or employment.

Reimbursements for medical expenses

Reimbursements for out-of-pocket health care expenses.

Reimbursements for property

Cash or in-kind payments to replace personal or real property made by public agencies, issued by insurance companies, awarded by a court, or issued through public appeal.

Relative custody assistance payments

Monthly financial assistance administered by Social Services for relatives who take permanent legal and physical custody of children with special needs upon a juvenile court determination that children are unable to return to their parent's home.

Relocation assistance payments, federal

Relocation assistance for displaced persons under Title II of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, the Housing and Redevelopment Act of 1965, or the Housing Act of 1965. This assistance is paid when the government requires an individual to move.

Rental income

Payments that an individual receives from another person for the use of real or personal property such as land, housing, or machinery.

Retired Senior Volunteer Program (RSVP) reimbursements

A program funded by the Corporation for National and Community Service (CNCS) providing reimbursements for costs incurred to people age 55 and over for volunteer services. Part of the Senior Corps program.

Retirement payments

Cash and other assets paid from a private or public retirement fund.

Retirement, Survivor's and Disability Insurance (RSDI) payments

Monthly income provided by the Social Security Administration to retired people, survivors or dependents of insured people and people with disabilities who have contributed to Federal Insurance Contributions Act (FICA). Payments made to people with disabilities are referred to as Social Security Disability Insurance (SSDI) benefits.

Retroactive payments

A one-time payment or payments in installments for benefits retroactive back to the date of eligibility.

Ricky Ray Hemophilia Relief Act payments

Settlements to people with blood-clotting disorders who may have contracted an HIV infection from a blood transfusion. The current and former spouses of these people as well as their children who also contracted HIV are also eligible for the settlement payment.

Robert C. Byrd Honors Scholarship Program

A student financial aid program created by Title IV of the Higher Education Act of 1965.

Roomer/boarder income

Income that a person receives for lodging, meals, or related services from people living in the person's home. Different from rental income.

Royalties

Compensation paid to the owner for the use of property, usually copyrighted material (e.g., books, music, or art) or natural resources (e.g., minerals, oil, gravel, or timber). Royalty compensation may

be expressed as a percentage of receipts from using the property or as an amount per unit produced.

Salary

A form of monetary compensation/wage/income in exchanged for work or service.

Scholarships

Amounts paid to enable qualified individuals to further their education and training by scholastic or research work, etc.

Seasonal income

Income that is received for only part of the year.

Self-employment income

A form of income in exchange for work or service done by a self-employed person rather than by an employee for an employer.

Senior Aids Program wages

Wages paid to participants in programs carried out under the Community Service Employment Program, Title V of the Older Americans Act.

Senior Companions payments

A program funded by the Corporation for National and Community Service (CNCS) providing payments to volunteers age 55 and over who provide assistance and friendship to adults who have difficulty with daily tasks, such as shopping or paying bills. Part of the Senior Corps program.

Senior Corps

A program funded by the Corporation for National and Community Service (CNCS) linking volunteers age 55 and over to service opportunities, including:

- Retired Senior Volunteer Program (RSVP)
- Foster Grandparent Program
- Senior Companions

Severance pay

Payment made by an employer to an employee whose employment is terminated independently of his or her wishes or due to voluntary early retirement.

Social Security Disability Insurance (SSDI)

A benefit paid to people with a disability or blindness who have contributed to Federal Insurance Contributions Act (FICA). May also be called Retirement, Survivors, and Disability Insurance (RSDI).

Special Leveraging Educations Partnership (SLEAP) Program grants

A student financial aid program created by Title IV of the Higher Education Act of 1965.

Spousal maintenance income

An allowance for support that a court orders a person to pay to his or her current or former spouse. Formerly referred to as alimony.

State adoption assistance payments

Adoption assistance placement payments funded by Minnesota for the purpose of meeting the needs of the individual in care.

State foster care payments

Foster care placement payments funded by Minnesota for the purpose of meeting the needs of the individual in care.

State kinship assistance payments

Kinship assistance payments funded by Minnesota for the purpose of meeting the needs of the individual in care.

State Student Incentive Grant Program (also known as the Leveraging Educational Assistance Partnership (LEAP) program)

A student financial aid program created by Title IV of the Higher Education Act of 1965.

State work study income

A student financial aid program created by Minnesota.

Student financial aid

Loans, grants, scholarships, fellowships, internships, some training expenses, gifts and work study funds provided to a person enrolled in and attending an educational institution.

Student income

Earned income of a person enrolled in and attending an educational institution.

Supplemental Education Opportunity Grants (SEOG)

A student financial aid program created by Title IV of the Higher Education Act of 1965.

Supplemental Nutrition Assistance Program (SNAP)

A U.S. Department of Agriculture program that issues benefits in the form of electronic benefits to purchase food. May also be known as "Food Support" or "Food Stamps."

Supplemental Security Income (SSI) payments

Monthly benefits paid by the Social Security Administration based on financial need to low income people age 65 or older or people who are blind or have a disability.

Taxable income

Income subject to taxation.

Tax credits

An amount of money that can be offset against a tax liability.

Tax refund

A state or federal refund of the difference between taxes paid and taxes owed.

Teacher Education Assistance for College and Higher Education (TEACH) grants

A student financial aid program created by Title IV of the Higher Education Act of 1965.

Third party vendor payment (TPVP)

A payment made directly to a vendor by a third party for goods or services the vendor provided to an eligible individual or couple.

Tips

Gratuities paid to the employee by a customer of the employer and kept by the employee.

Title IV of the Higher Education Act of 1965

A federal law that authorizes programs that provide student financial aid. These programs include, but are not limited to:

- Pell grants
- Academic Competitiveness Grants
- National Science and Mathematics Access to Retain Talent (SMART) grants
- Federal Family Education Loan (FFEL) Program. FFEL includes four components:
 - Stafford Loans
 - Unsubsidized Stafford Loans
 - Federal PLUS Loans
 - Federal Consolidation Loans
- Perkins Loans
- Federal Supplemental Education Opportunity Grant (SEOG) Program
- Supplemental Education Opportunity Grants (SEOG) Program
- Work Study Program
- Teacher Education Assistance for College and Higher Education (TEACH) Grants
- Direct Loan Program. Direct Loans include four components:
 - Direct Subsidized Loans
 - Direct Unsubsidized Loans
 - Direct PLUS Loans
 - Direct Consolidation Loans
- Leveraging Educational Assistance Partnership (LEAP) Program
- Special Leveraging Educational Assistance Partnership (SLEAP) Program
- Robert C. Byrd Honors Scholarship Program (also known as Byrd Honors Scholarships)
- TRIO Program
- Academic Achievement Incentive Scholarships
- Gear Up
- High School Equivalency Program (HEP)
- College Assistance Migrant Program (CAMP)

- State Student Incentive Grant Program
- Presidential Access Scholarships

Tort settlement

Rights, obligations, and remedies applied by courts in civil proceedings to provide relief for persons who have suffered harm from the wrongful acts of others.

Trade Adjustment Reform Act of 2002 (TAA) assistance

Aid to workers who lose their jobs or whose hours of work and wages are reduced as a result of increased imports. Workers may be eligible for training, job search and relocation allowances, incomes support and other reemployment services.

Tribal land settlements and judgments

Funds held in trust by the Secretary of the Interior or distributed per capita pursuant to a plan prepared by the Secretary of the Interior. Including:

- Judgment funds distributed per capita under P.L. 99-377 to the Mississippi Band Chippewa Indians of White Earth, Leech Lake, and Mille Lacs reservations.
- Distributions of claims settlement funds under P.L. 99-264, P.L. 100-153, and P.L. 100-212 to members of the White Earth Band of Chippewa Indians from the White Earth Reservation Land Settlement Act of 1985 (WELSA).
- Per capita payments made under 25 USC § 1407 to members of the Bois Forte Band of Chippewa Indians or the Grand Portage Band of Lake Superior Chippewa Indians pursuant to the agreement to restrict tribal rights to hunt and fish in ceded territories.
- Per capita payments made under P.L. 85-794 to members of the Red Lake Band of Chippewa Indians from the proceeds of the sale of timber and lumber on the Red Lake Reservation.
- Receipts derived from trust lands and distributed under P.L. 94-114 to the White Earth Band of Chippewa Indians regarding submarginal land held in trust by the United States.
- Judgment funds distributed under P.L. 98-123 § 3 to the Red Lake Band of Chippewa Indians.
- Per capita and dividend payment distributions of judgment funds made under P.L. 99-130 to members of the Prairie Island Sioux, Lower Sioux, and Shakopee Mdewakanton Sioux Communities of Minnesota.
- Funds distributed per capita under P.L. 99-146 to members of the Chippewa of Lake Superior and the Chippewa of the Mississippi.

Tribal trust or restricted lands, individual interest

Payments an applicant or enrollee receives from his or her interest in Indian trust land or other restricted Indian lands.

Tribal per capita payments from gaming revenue (casino profits)

The distribution of money or other things of value to all members of the tribe, or to certain identified groups of members, paid directly from the net revenues of any tribal gaming activity.

Tribal per capita payments from a tribal trust

The distribution of money or other things of value to all members of the tribe, or to certain identified groups of members, paid directly from a tribal trust.

Trio Programs (TRIO)

Student financial aid programs created by Title IV of the Higher Education Act of 1965. TRIO includes eight programs targeted to serve and assist low-income individuals, first-generation college students, and people with disabilities:

- Educational Opportunity Centers
- Ronald E. McNair Post-baccalaureate Achievement
- Student Support Services
- Talent Search
- Training Program for Federal TRIO Programs Staff
- Upward Bound
- Upward Bound Math-Science
- Veterans Upward Bound

Unearned income

Cash or in-kind benefits received without being required to perform any work or service.

Unemployment Insurance (UI)

A state cash payment made to some people who have lost their jobs.

Vacation donation compensation

Income from the employer's vacation donation program.

Veterans' Administration (VA) benefits

Benefits and services provided by the VA to people who have served in the U.S. armed forces and their dependents.

Veterans Benefits for educational assistance

The Department of Veterans Affairs (VA) provides educational assistance through different programs, including vocational rehabilitation.

Veterans' Children with Certain Birth Defects payments

Payments made to children of Vietnam or Korean veterans born with spina bifida, or payments made to the children of women Vietnam veterans if they have certain birth defects.

Vietnamese Commando Compensation Act Payments

Payments made to an individual who was captured and interned by the Democratic Republic of North Vietnam as a result of that person's participation in certain military operations (known as OPLAN 34A or its predecessor, or OPLAN 35).

Vocational Rehabilitation payments

The Minnesota Department of Economic Security administers Minnesota's Vocational Rehabilitation program to assist individuals with disabilities with job training and independent living. The program issues grants to organizations, provides for payments to employers, educational or vocational programs on behalf of beneficiaries, and may make direct payments to individuals.

Voluntary Resettlement Agency Matching Grant Program grants

A grant offered by some Voluntary Resettlement Agencies (VOLAGs) to help some refugees attain self-sufficiency.

Voluntary Employees' Beneficiary Association (VEBA) payments

Benefits paid to members of the mutual association or their beneficiaries.

Wages

Money received in exchange for work or service.

Women, Infant and Children (WIC) vouchers

A federal program authorized by the Child Nutrition Act of 1966 to provide nutritious food and nutrition education to low-income pregnant and postpartum women and their children.

Workers' compensation payments

Employer-paid insurance benefits that cover medical expenses and lost wages to workers injured on the job.

Workforce Investment Act (WIA) income

Earned income of individuals facing serious barriers to employment through employment related services such as job training.

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S. Appendix F Standards and Guidelines

Appendix F

Standards and Guidelines

This appendix provides figures used to determine eligibility for a person, or in a specific calculation completed to determine eligibility.

Community Spouse Allowances

The Community Spouse Allowances are used when determining the long-term care (LTC) income calculation's community spouse allocation.

Basic Shelter Allowance

The Basic Shelter Allowance is used to determine if the community spouse has any excess shelter expenses.

Effective Dates	Basic Shelter Allowance
July 1, 2018 7 to June 30, 2019 8	\$609 <u>617</u>
July 1, 2017 6 , to June 30, 2018 7	\$602 <u>609</u>

Maximum Monthly Income Allowance

The Maximum Monthly Income Allowance, along with the Minimum Monthly Income Allowance, is used to determine the community spouse's monthly maintenance needs amount.

Effective Dates	Maximum Monthly Income Allowance
January 1, 2018 to December 31, 2018	\$3,090
January 1, 2017 to December 31, 2017	\$3,022.50

Minimum Monthly Income Allowance

The Minimum Monthly Income Allowance, along with the Maximum Monthly Income Allowance, is used to determine the community spouse's monthly maintenance needs amount.

Effective Dates	Minimum Monthly Income Allowance
July 1, 2018 7 to June 30, 2019 8	\$2034 <u>2,058</u>
July 1, 2017 6 – June 30, 2018 7	\$2,005 <u>2,031</u>

Utility Allowance

The Utility Allowance is allowed as a shelter expense if the community spouse is responsible for heating or cooling costs.

Effective Dates	Utility Allowance
October 1, 2017 to September 30, 2018	\$556
October 1, 2016 to September 30, 2017	\$532

The Electricity and Telephone Allowances are allowed as shelter expenses if the community spouse is not responsible for heating or cooling expenses, but is responsible for electricity or telephone expenses.

Effective Dates	Electricity Allowance
October 1, 2017 to September 30, 2018	\$172
October 1, 2015 to September 30, 2016	\$141

Effective Dates	Telephone Allowance
October 1, 2017 to September 30, 2018	\$41
October 1, 2016 to September 30, 2017	\$38

Federal Poverty Guidelines

The federal poverty guidelines (FPG) are used to determine income eligibility for the Minnesota Health Care Programs (MHCP).

Refer to Insurance and Affordability Programs (IAPs) Income and Asset Guidelines (DHS-3461A) for the current FPG.

Home Equity Limit

The Home Equity Limit is applied only in specific situations and at certain times.

Effective Dates	Home Equity Limit
January 1, 2018 to December 31, 2018	\$572,000
January 1, 2017 to December 31, 2017	\$560,000

IRS Mileage Rate

The IRS mileage rate is used in many calculations to determine eligibility or reimbursement costs.

Effective Dates	IRS Mileage Rate
January 1, 2017 to December 31, 2017	53.5 cents
January 1, 2016 to December 31, 2016	54 cents

Long-Term Needs Allowances

The LTC needs allowances provide figures for needs allowances used in the LTC income calculation and for determining the community spouse or family allocation amounts.

Clothing and Personal Needs Allowance

The Clothing and Personal Needs Allowance is used when the enrollee is not eligible for any of the other LTC needs allowances.

Effective Dates	Clothing and Personal Needs Allowance
January 1, 2018 to December 31, 2018	\$99
January 1, 2017 to December 31, 2017	\$97

Home Maintenance Allowance

The Home Maintenance Allowance can be deducted from a person's LTC income calculation if certain conditions are met.

Effective Dates	Home Maintenance Allowance
July 1, 2018 7 to June 30, 2019 8	\$1,005 <u>1,012</u>
July 1, 2017 6 to June 30, 2018 7	\$990 <u>1,005</u>

Special Income Standard for Elderly Waiver Maintenance Needs Allowance

The Special Income Standard for Elderly Waiver (SIS-EW) maintenance needs allowance is used in the LTC income calculation for persons who have income at or below the Special Income Standard (SIS).

Effective Dates	Maintenance Needs Allowance
July 1, 2018 7 to June 30, 2019 8	\$990 <u>1,003</u>
July 1, 2017 6 to June 30, 2018 7	\$988 <u>990</u>

Maximum Asset Allowance

The Maximum Asset Allowance is used for the community spouse asset allowance for an asset assessment.

Effective Dates	Minimum	Maximum
January 1, 2018 to December 31, 2018	No minimum	\$123,600
January 1, 2017 to December 31, 2017	No minimum	\$120,900

MinnesotaCare Premium Amounts

MinnesotaCare premiums are calculated using a sliding fee scale based on household size and annual income.

Refer to MinnesotaCare Premium Estimator Table (DHS-4139) for information about MinnesotaCare premiums. The table provides an estimate of the premium before receiving the actual bill. The premium calculated by the system and listed on the bill is the official calculation and the amount to be paid.

Pickle Disregard

The Pickle Disregard is a disregard of the Retirement, Survivors and Disability Insurance (RSDI) cost of living adjustment (COLA) amounts for Medical Assistance (MA) Method B and the Medicare Savings Programs (MSP).

Effective Date	Pickle Disregard
January 1, 2018 to December 31, 2018	1.02
January 1, 2017 to December 31, 2017	1.003

Remedial Care Expense

The Remedial Care Expense deduction amount can be used as a health care expense when meeting a spenddown or as an income deduction in an LTC income calculation.

Effective Dates	Remedial Care Expense
January <u>July</u> 1, 2018 to June <u>December</u> 31, 2018	\$188 <u>193</u>
July <u>January</u> 1, 2018 7 to December <u>June</u> 30 4 , 2018 7	\$186 <u>188</u>

Roomer and Boarder Standard Amount

The Roomer and Boarder Standard income is used in calculating the amount of self-employment income a person who rents or boards another person has to add to the MA Method A income calculation.

Roomer and Boarder Standard	Amount
Roomer Amount	\$71
Boarder Amount	\$155
Roomer plus Boarder Amount	\$226

Special Income Standard

The Special Income Standard (SIS) is used to determine certain criteria for the Elderly Waiver (EW) Program.

Effective Dates	SIS
January 1, 2018 to December 31, 2018	\$2,250
January 1, 2017 to December 31, 2017	\$2,205

Statewide Average Payment for Skilled Nursing Facility Care

The statewide average payment for skilled nursing facility (SAPSNF) care amount is used to determine a transfer penalty for MA. The SAPSNF is updated annually in July.

Effective Dates	SAPSNF
July 1, 2018 7 to June 30, 2019 8	\$7,106 <u>7,288</u>
July 1, 2017 6 to June 30, 2018 7	\$6,280 <u>7,106</u>

Student Earned Income Exclusion

The Student Earned Income Exclusion is a disregard of earned income for people who are under age 22 and regularly attending school. It is only available for MA Method B and MSP.

Effective Date	Monthly	Annual
January 1, 2018 to December 31, 2018	\$1,820	\$7,350
January 1, 2017 to December 31, 2017	\$1,790	\$7,200

Supplemental Security Income Maximum Payment Amount

These figures are the maximum benefit amounts for people eligible for Supplemental Security Income (SSI). A person's SSI benefit amount is based on the income of the person and certain responsible household members.

SSI benefit payments may be deducted from the LTC income calculation if the person qualifies for the Special SSI Deduction.

Effective Date	Individual
January 1, 2018 to December 31, 2018	\$750
January 1, 2017 to December 31, 2017	\$735

Effective Date	Couple
January 1, 2018 to December 31, 2018	\$1,125
January 1, 2017 to December 31, 2017	\$1,103

Tax Filing Income Threshold For Children and Tax Dependents

The tax filing income threshold refers to the income level at which a person must file a federal income tax return. The thresholds for tax dependents determines whether a child's or tax dependents income is counted or excluded when calculating household income for MA-FCA and MinnesotaCare eligibility.

The income threshold for tax filing varies based on the tax dependents age and marital status and whether the person is blind. If a child or tax dependent has income at or below these thresholds, his or her income will not count toward the household income for MA-FCA and MinnesotaCare eligibility.

The income threshold applies to the taxable income that a child or tax dependent is expected to receive in the tax year. Nontaxable income, such as Supplemental Security Income (SSI) and veteran's benefits, is not included in determining whether a child's or tax dependent's income is at or below the income threshold. Any nontaxable portion of a child's Social Security dependent or survivor benefits is not included.

The income thresholds for children and tax dependents are:

Tax Filing Income Threshold for Tax Dependents for the 2018 Tax Year

Marital Status	Age over 65?	Blind?	Income Type	Threshold Amount
Single	No	No	Earned Income	\$6,350
Single	No	No	Unearned Income	\$1,050
Single	No	No	Gross Income	Larger of \$1,050 or Earned Income Reported up to \$6,000 + \$350
Single	Yes	No	Earned Income	\$7,900

Marital Status	Age over 65?	Blind?	Income Type	Threshold Amount
Single	Yes	No	Unearned Income	\$2,600
Single	Yes	No	Gross Income	Larger of \$2,600 or Earned Income Reported up to \$6,000 + \$1,900
Single	No	Yes	Earned Income	\$7,900
Single	No	Yes	Unearned Income	\$2,600
Single	No	Yes	Gross Income	Larger of \$2,600 or Earned Income Reported up to \$6,000 + \$1,900
Single	Yes	Yes	Earned Income	\$9,450
Single	Yes	Yes	Unearned Income	\$4,150
Single	Yes	Yes	Gross Income	Larger of \$4,150 or Earned Income Reported up to \$6,000 + \$3,450
Married	No	No	Earned Income	\$6,350
Married	No	No	Unearned Income	\$1,050
Married	No	No	Gross Income	Larger of \$1,050 or Earned Income Reported up to \$6,000 + \$350
Married	Yes	No	Earned Income	\$7,600
Married	Yes	No	Unearned Income	\$2,300
Married	Yes	No	Gross Income	Larger of \$2,300 or Earned Income Reported up to \$6,000 + \$1,600
Married	No	Yes	Earned Income	\$7,600
Married	No	Yes	Unearned Income	\$2,300
Married	No	Yes	Gross Income	Larger of \$2,300 or Earned Income Reported up to \$6,000 + \$1,600
Married	Yes	Yes	Earned Income	\$8,850
Married	Yes	Yes	Unearned Income	\$3,550
Married	Yes	Yes	Gross Income	Larger of \$3,550 or Earned Income Reported up to \$6,000 + \$2,850

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