

H-1020 REGULAR AND SPEND DOWN MEDICALLY NEEDED-MAGI-BASED

H-1021 ELIGIBILITY DETERMINATION PROCESS

Determine eligibility by applying the following criteria. The elements are listed in the most logical order, but all steps should be performed simultaneously.

H-1021.1 Determine Assistance Unit

Include anyone who was not eligible in a MAGI Related group because of income. Refer to I-1550, MAGI Determinations.

Reminder:

Do not include sanctioned individuals. Do not add anyone to the original MAGI-based household

H-1021.2 Establish Categorical Requirements

Categorical requirements must have been established in the Parents and Caretaker Relatives Group, Pregnant Women Group or Children Under Age 19 Group.

H-1021.3 Establish Nonfinancial Eligibility

Non-financial eligibility requirements must have been established in Parents and Caretaker Relatives Group, Pregnant Women Group or Children Under Age 19 Group:

- Age I-100
- Assignment of Rights I-200
- Citizenship/Identity/Alienage I-300
- Enumeration I-600
- Residence I-1900

H-1021.4 Establish Need

Household composition for MAGI Based MNP shall only include those individuals that were in the original MAGI household. Refer to I-1550, MAGI Determinations.

Regular Medically Needy

Compare the total countable income to the monthly MNIES for the number of people in the MAGI-household.

If income is equal to or less than the MNIES, the assistance unit is income eligible for Regular MNP.

If income is greater than the MNIES, the assistance unit is ineligible for Regular MNP. Consider for Spend-down MNP.

Spend-down Medically Needy

If the applicant has been determined income ineligible for Regular MNP, convert monthly MAGI income to quarterly MAGI income by multiplying by three, subtract quarterly MNIES for the number of people in the MAGI household, and subtract medical bills from the excess income in the following order:

- Step 1. Subtract allowable bills for individuals other than the applicant who are included in the MAGI Household.
- Step 2. Subtract unpaid bills for services received up to 3 months prior to the month of application in chronological order.
- Step 3. Subtract allowable health insurance premiums. Refer to H-1011.5, Bills Allowed in the Spend-down process.

Note:

Liability for health insurance premiums arises in the month payment is due, rather than in the month (or months) for which coverage is purchased.

Step 4. Subtract paid and unpaid bills including insurance co-payments and deductibles incurred for services received within the spend-down quarter in chronological order (per diem if necessary), oldest to most recent. Hospital bills shall be used before physician bills in the spend-down process.

On the date excess income is “spent down” (income equal to allowed medical expenses) the applicant is eligible for Spend-down MNP. This date is referred to as the spend-down date. Eligibility begins the date the excess income is spent down. If there is no Medicaid liability in the month that the income is spent down, eligibility begins, the first day of the month after the spend-down date in which there is a Medicaid liability or the first day of the month of the requested period of coverage whichever is earlier.

Note:

Refer to H-1011.4 for limited 1 or 2 month certifications.

H-1021.5 Eligibility Decision

Regular MNP

Evaluate all eligibility requirements and verification received to make the eligibility decision.

Spend-down MNP

Evaluate all eligibility requirements and verification received to make the eligibility decision.

H-1021.6 Certification Period

Regular MNP

The certification period shall not exceed 6 months

Spend-down MNP

Certification begins no earlier than the spend-down date and shall not exceed three months. This certification will be automatically closed. Refer to H-1011.3 Eligibility/Budget Period.

To correct the spend-down date to an earlier date after MEDS

certification open an eligibility determination, work corrected budget, and back up start date.

H-1021.7 Notice of Decision

Send the appropriate notice of decision to the applicant/enrollee.

H-1021.8 Form 110-MNP

BHSF Form 110-MNP must be completed listing each provider who rendered medical services on the spend-down date. Refer to [Application Processing \(non-LTC\)](#) in the Eligibility Administrative Procedures Manual for instructions on completing the form.