INCOME

DETERMINATION OF ELIGIBILITY

(3) Compare the gross monthly income to 100% of the federal poverty level. If gross income exceeds 100% of the federal poverty level, the A/R is not eligible for Medicaid using LIF budgeting. If the gross monthly income is equal to or less than 100% of the federal poverty level, then

(4) Deduct the $90 work expense disregard;

(5) Deduct child/incapacitated adult care costs paid by the A/R up to the cap;

(6) Determine if the household received Medicaid under LIF budgeting in one of the previous four months. If so, subtract the earned income disregard from the A/R's earned income. (See **INCOME** LIF BUDGETING METHODOLOGY EARNED INCOME DISREGARD)

(7) Compare the resulting net income to the Medicaid Standard.

If the A/R did not receive Medicaid under LIF budgeting in one of the previous four months and the A/R's income is equal to or less than the Medicaid Standard, the earned income disregard is then applied.

If the A/R did not receive Medicaid under LIF budgeting in one of the previous four months and the A/R's income is more than the Medicaid Standard, no earned income disregard is applied. If a family's countable income exceeds the Medicaid Standard, the family may not spenddown to the Medicaid Standard. However, eligibility may exist and should be evaluated under one of the Medically Needy or Expanded Eligibility (poverty level) programs, Family Health Plus., or Family Planning Benefit Program.