

Implementation Guide: Medicaid State Plan Eligibility Income Standard

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Income Standard

BACKGROUND

This screen is used in conjunction with the **AFDC Income Standards** reviewable unit (RU) and the eligibility group RUs to enter an income standard expressed in fixed dollar amounts by household size. Once completed, the results will display in the corresponding RU.

Certain eligibility groups that include an income standard provide options for states (including the District of Columbia and territories) to define those income standards. Some income standards are defined as percentages of the federal poverty level (FPL) or other known income levels (e.g., income levels for the SSI program), while other standards are defined as fixed dollar amounts. When an eligibility group permits a fixed dollar amount for the income standard, the structure of the standard may vary in several ways, as follows:

- Fixed dollar amounts vary based on household (i.e., family) size, and an additional incremental amount may be added for households larger than the maximum household size described. For example, a state establishes fixed dollar amount standards for each household size up to a household of 8, and defines the income standard for a household of 8 as \$1,000. The state may add an additional incremental amount of \$100 for each household member greater than 8. In this example, the income standard for a household of 9 would be \$1,100 and the income standard for a household of 10 would be \$1,200.
- One standard may be applied to the entire state, or the standard may vary by region or living arrangement or in some other way.
- The fixed dollar standards may be adjusted automatically each year based on an inflationary factor, such as the consumer price index for all urban consumers (CPI-U).

INSTRUCTIONS

This screen may only be accessed through an RU that uses an income standard expressed as a dollar amount. Upon selecting an option to use a fixed dollar amount for the income standard from within an RU, a separate **Income Standards** screen will be displayed.

First, select one of the following options:

- Statewide standard,
- Standard varies by region,
- Standard varies by living arrangement, or
- Standard varies in some other way.

Statewide standard

If *Statewide standard* is selected:

- A table will be displayed with the **Household Size** of “1” already filled in.
- Next to **Household size**, under the column heading **Standard**:
 - Enter the income standard amount for the household size of 1.
 - Select the + **Add a household size** link to add additional household sizes. Each time this is selected, the household size will increase by 1.

- Enter the income standard amount for each household size, up to as large a household as is defined in your state’s policy.
- To delete a household size row, select the **X** to the right of the amount. When you do this, any rows below the row you removed will move up one household size. You may need to correct the dollar amounts for these rows.
- Select **Yes** or **No** to indicate whether an additional incremental amount for larger household sizes is used.
 - If **Yes** is selected, enter the incremental amount in the text box.
- Select **Yes** or **No** to indicate if the dollar amounts increase automatically each year.
 - If **Yes** is selected:
 - Select one of the two options for the basis of the increase.
 - If **Other basis** is selected, enter the name of the basis in the text box.
 - Select the day and month the automatic annual increase occurs.
- Select the **Save Income Standard** button to save the data entered and display it in the RU.

Standard varies by region

If **Standard varies by region** is selected:

- Enter the name and description of the first region by which the income standard varies.
- A table will be displayed with the **Household Size** of “1” already filled in.
- Next to **Household size**, under the column heading **Standard**:
 - Enter the income standard amount for the household size of 1.
 - Select the + **Add a household size** link to add additional household sizes. Each time this is selected, the household size will increase by 1.
 - Enter the income standard amount for each household size, up to as large a household as is defined in your state’s policy.
- To delete a household size row, click on the **X** to the right of the amount. When you do this, any rows below the row you removed will move up one household size. You may need to correct the dollar amounts for these rows.
- Select **Yes** or **No** to indicate whether an additional incremental amount for larger household sizes is used.
 - If **Yes** is selected, enter the incremental amount in the text box.
- To add other regions, select the **Add Regions** link and follow the instructions above for each region added.
- To delete a region, select the **Delete** link underneath the region fields, on the far right. This action will remove the region and its data.
- Select **Yes** or **No** to indicate if the dollar amounts increase automatically each year.
 - If **Yes** is selected:
 - Select one of the two options for the basis of the increase.
 - If **Other basis** is selected, enter the name of the basis in the text box.
 - Select the day and month the automatic annual increase occurs.
- Select the **Save Income Standard** button to save the data entered and display it in the RU.

Standard varies by living arrangement

If **Standard varies by living arrangement** is selected:

- Enter the name and description of the first living arrangement by which the income standard varies.
- A table will be displayed with the **Household Size** of “1” already filled in.
- Next to **Household size**, under the column heading **Standard**:
 - Enter the income standard amount for the household size of 1.
 - Select the + **Add a household size** link to add additional household sizes. Each time this is selected, the household size will increase by 1.
 - Enter the income standard amount for each household size, up to as large a household as is defined in your state’s policy.
- To delete a household size row, select the **X** to the right of the amount. When you do this, any rows below the row you removed will move up one household size. You may need to correct the dollar amounts for these rows.
- Select **Yes** or **No** to indicate whether an additional incremental amount for larger household sizes is used.
 - If **Yes** is selected, enter the incremental amount in the text box.
- To add other living arrangements, select the **Add Living Arrangements** link and follow the instructions above for each living arrangement added.
- To delete a living arrangement, select the **Delete** link underneath the living arrangement fields, on the far right. This action will remove the living arrangement and its data.
- Select **Yes** or **No** to indicate if the dollar amounts increase automatically each year.
 - If **Yes** is selected:
 - Select one of the two options for the basis of the increase.
 - If **Other basis** is selected, enter the name of the basis in the text box.
 - Select the day and month the automatic annual increase occurs.
- Select the **Save Income Standard** button to save the data entered and display it in the RU.

Standard varies in some other way

If **Standard varies in some other way** is selected:

- Enter the name and description of the first variation of the income standard.
- A table will be displayed with the **Household Size** of “1” already filled in.
- Next to **Household size**, under the column heading **Standard**:
 - Enter the income standard amount for the household size of 1.
 - Select the + **Add a household size** link to add additional household sizes. Each time this is selected, the household size will increase by 1.
 - Enter the income standard amount for each household size, up to as large a household as is defined in your state’s policy.
- To delete a household size row, select the **X** to the right of the amount. When you do this, any rows below the row you removed will move up one household size. You may need to correct the dollar amounts for these rows.
- Select **Yes** or **No** to indicate whether an additional incremental amount for larger household sizes is used.
 - If **Yes** is selected, enter the incremental amount in the text box.
- To add other variations, select the **Add Variations** link and follow the instructions above for each variation added.

- To delete a variation, select the **Delete** link underneath the variation fields, on the far right. This action will remove the variation and its data.
- Select **Yes** or **No** to indicate if the dollar amounts increase automatically each year.
 - If **Yes** is selected:
 - Select one of the two options for the basis of the increase.
 - If **Other basis** is selected, enter the name of the basis in the text box.
 - Select the day and month the automatic annual increase occurs.
- Select the **Save Income Standard** button to save the data entered and display it in the RU.

REVIEW CRITERIA

The description of regions, living arrangements or other ways that standards may vary should be sufficiently clear, detailed and complete to permit the reviewer to determine that the description meets applicable federal statutory, regulatory and policy requirements. For example, if the name of the region is “Northwest,” the description might include all the counties included in the Northwest Region. These names and descriptions should reflect the unique organization used in the state.