

## H-2100 MEDICAID PURCHASE PLAN (MPP)

### H-2110 GENERAL INFORMATION

The Ticket to Work and Work Incentives Improvement Act of 1999 (Public Law 106-170, also known as TWWIIA) became law on December 17, 1999. This legislation allowed states to adopt the option of allowing individuals with disabilities to purchase Medicaid coverage that is necessary to enable such individuals to work.

Act 207 of the First Extraordinary Session of 2003 of the Louisiana Legislature directed the Department of Health and Hospitals (DHH) to implement a buy-in program for working persons with disabilities using the provisions of the TWWIIA effective January 1, 2004.

Effective January 1, 2014 DHH eliminated buy-in premiums from the Medicaid Purchase Plan.

To qualify for MPP coverage, an individual must:

- Have a medically determinable physical or mental impairment which meets or equals the Social Security Administration's definition of disability. Substantial gainful activity is not a factor;
- Be employed;
- Be at least age 16 but not yet age 65;
- Have countable income less than 100 percent Federal Poverty Limit (FPL);
- Have countable assets less than \$10,000; and
- Take no-cost health insurance, if available.

Enrollees are eligible for full Medicaid coverage.

**Note:**

Eligibility for this program terminates the month the enrollee turns age 65.

### H-2120 ELIGIBILITY DETERMINATION PROCESS

Determine eligibility by applying the following criteria. The elements

have been listed in the most logical order, but work on all steps simultaneously.

### **H-2120.1 Determine Assistance Unit**

The assistance unit consists of the applicant/enrollee.

### **H-2120.2 Establish Categorical Requirement**

Verify that the applicant/enrollee:

- Is at least age 16, but not yet 65;
- Has a medically determinable physical or mental impairment which meets the Social Security Administration's definition of disability. Substantial gainful activity is not a factor; and
- Is employed or self-employed.

There is no minimum work or earnings requirement. Employment is defined as a reasonable work effort for which a person receives financial compensation and pays all applicable federal, state, and payroll taxes. If tax withholding amounts are not available, do not deny coverage.

**Note:**

An individual must be employed or self-employed at the time of the certification start date. If employment is lost for any reason following certification, eligibility may be continued for up to six (6) months, as long as the individual intends to return to the workforce. If the individual is no longer working at the time of initial certification, and does not intend to return to the workforce, then certify the individual in a limited MPP certification period. The close date should equal the last day of the month their employment ended.

### **H-2120.3 Establish Non-Financial Eligibility**

Verify eligibility for the applicant/enrollee with regard to the following factors:

- [Assignment of Third Party Rights I-200](#)
- [Citizenship/Alien Status I-300](#)

- [Enumeration](#) [I-600](#)
- [Residence](#) [I-1900](#)
- Health insurance coverage - verify eligibility and coverage for no-cost health insurance such as Medicare Part A and certain employer sponsored group health plans.

#### **H-2120.4 Establish Need**

##### **A. Determine Composition of the Income/Resource Unit**

The income/resource unit consists of the:

- Applicant/enrollee;
- Applicant/enrollee and the ineligible spouse (is not aged, blind, or disabled) living in the home;
- Applicant/enrollee who is a minor and his parent(s) living in the home. [Refer to I-1420 Need - Deeming](#); or
- Applicants/enrollees who are a couple.

##### **B. Determine Need/Countable Resources**

Determine the total countable resources of the resource unit including resources deemed from the parent(s). [Refer to I-1630 Need - SSI-Related Resources](#).

Compare the total countable resources to the MPP resource limit of \$10,000. [Refer to Z-900 Resource Limits by Program](#)

If the countable resources are greater than the resource limit, the applicant/enrollee is resource ineligible for MPP.

If the countable resources are equal to or less than the resource limit, the applicant/enrollee is resource eligible for MPP. Continue the eligibility determination process.

### C. Determine Need/Countable Income

Determine the total countable income of the income unit. Refer to [I-1530 through I-1536 – SSI Related Income](#).

#### **Individual**

If the applicant/enrollee is an individual with no spouse or with an ineligible spouse with no income, go to Step 1.

#### **Parent(s) to Child Deeming**

If the applicant is a minor child, apply deeming policy. Any income deemed from the parent(s) is considered unearned income of the child. Go to Step 1.

Complete the following budget steps:

- Step 1. Determine the total gross unearned income.
- Step 2. Subtract the \$20 Supplemental Security Income (SSI) general income disregard.
- Step 3. The remainder is the countable unearned income.
- Step 4. Determine the total gross earned income.
- Step 5. Enter any known taxes withheld from the applicant/enrollee's income.
- Step 6. Subtract any remainder of the \$20 SSI general income disregard from the gross earnings.
- Step 7. Subtract the SSI earned income deduction from the remaining gross earnings. The earned income deduction is \$65 and one-half of the remainder of the earnings.
- Step 8. Add the remainders from Step 3 and Step 7.
- Step 9. Compare the total to 100% FPL for one (1) person. Refer to [Z-200 Federal Poverty Income Guidelines](#).

If the remainder is greater than the allowable income limit, the applicant/enrollee is income ineligible for MPP.

If the remainder is equal to or less than the allowable income limit, the applicant/enrollee is income eligible for MPP. Continue with the eligibility determination process.

### **Ineligible Spouse Deeming**

If there is an ineligible spouse with income, complete budget steps 1 through 9 above using only the applicant/enrollee's income. If the income is greater than the MPP limit for one (1) person, the applicant/enrollee is income ineligible and there is no deeming. Consider for MNP.

If the applicant/enrollee's income is less than or equal to the MPP limit for one (1) person, apply deeming policy in [I-1420 Need - Deeming](#). Go to Step 1 of the couple budget.

### **Couple**

If both members of a couple are categorically eligible, complete the following steps:

Step 1. Determine the total unearned income by combining the couple's unearned income.

Step 2. Subtract the \$20 SSI general income disregard.

Step 3. The remainder is the couple's countable unearned income.

Step 4. Determine the total gross earned income by combining the couple's gross earned income.

Step 5. Subtract any remainder of the \$20 SSI disregard from gross earnings.

Step 6. Subtract one earned income deduction from remaining gross earnings of the income unit. The earned income deduction is \$65 and one-half of the remainder of the earnings.

Step 7. The remainder is the couple's countable earned income

Step 8. Add the remainders in Step 3 and Step 7.

Step 9. Compare total to 100 percent FPL for two (2) persons.  
Refer to [Z-200 Federal Poverty Income Guidelines](#).

If the remainder is greater than the allowable income limit, the applicant(s)/enrollee(s) is/are income ineligible for MPP.

If the remainder is less than or equal to the allowable income limit, the applicant(s)/enrollee(s) is/are income eligible for MPP. Continue with the eligibility determination process.

**Exception:**

If one spouse is in a nursing facility or receiving Waiver services and the other spouse is at home and not receiving Waiver services, consider income of each individual separately.

**H-2120.5 Eligibility Decision**

Evaluate all eligibility requirements and verification received to make the eligibility decision to either reject, close, certify, or extend eligibility.

**H-2120.6 Certification Period**

A MPP certification period shall not exceed twelve (12) months.

**H-2120.7 Retroactive Eligibility**

Coverage can start as early as three (3) months before application as long as all eligibility requirements are met.

**H-2120.8 Notice of Decision**

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