

Medicaid Works

Kentucky's Medicaid Buy-In Program for Individuals with Disabilities

In order to be eligible for Medicaid Works, an individual must:

1. be between the age of 14 through age 64;
2. be actively employed or self-employed;
3. be determined totally and permanently disabled;
4. not have an ineligible spouse, or if the applicant has an ineligible spouse, that spouse must have countable income below \$3,750;
5. have monthly unearned income below the SSI Federal Benefit Rate + the standard General Income Exclusion of \$20 (\$657 for 2008, \$699 for 2009),
6. have total countable income of less than 250% of the current Federal Poverty Guidelines found at: <http://aspe.hhs.gov/poverty/08Poverty.shtml>; and
7. have countable resources of less than \$5,000 for an individual or \$10,000 for a couple.

NOTE: In the DCBS operations manual governing eligibility determinations for Medicaid Works, it defines being permanently and totally disabled as being unable to engage in SGA level employment. In 2008 the SGA guidelines are \$940 for non-blind individuals and \$1,570 for blind individuals. In 2009, the SGA guidelines are \$980 and \$1,640. The Kentucky State Medicaid regulations never reference the SGA test eligibility determination process for Medicaid Works.

Currently, to qualify for the Medicaid Works program, applicants cannot have countable earned income of over the applicable SGA guideline, even if they meet the unearned income limit and the total income is less than \$250 of the FPL. KY Protection & Advocacy is investigating the discrepancy between the state regulations and the DCBS operations manual, but for now, the SGA limits are in force.

For the most part, DCBS uses the SSI income and resource methodologies when making Medicaid eligibility determinations, including for the Medicaid Works program. This means that work incentives such as Impairment Related Work Expenses (IRWEs), Blind Work Expenses (BWEs) and PASS are all disregarded when income and resource determination are made. There are some additional income and resource exclusions which KY Medicaid allows that the SSI program does not recognize. The DCBS Manual governing all Medicaid determinations can be found online at http://manuals.chfs.ky.gov/dcbs_manuals/DFS/index_dfs.asp.

Benefits of Medicaid Works

Eligible individuals are afforded regular Medicaid coverage, but may have to pay a monthly premium for coverage, depending on income. The maximum premium is currently \$55 per month.

Medicaid coverage continues as long as the individual meets all eligibility requirements. If employment is lost, coverage may continue for up to 6 months if the individual intends to return to work

A basic summary of the Medicaid Works Program may be found online at

<http://chfs.ky.gov/dms/Medicaid+Works.htm>

Who Would be a Candidate for Medicaid Works?

Because of the way Kentucky is currently defining disability, our Medicaid buy-in program does not afford coverage to very many people with disabilities who are working. Basically, the Medicaid Works program would offer Medicaid coverage to individuals who receive a title II disability benefit under \$657, who are working at a level below SGA, and who were unable to establish concurrent eligibility for SSI and/or Medicaid due to deemed income from a spouse or excess resources. While the Medicaid buy-in option was intended to be a work incentive, the way Kentucky has designed its program does not encourage beneficiaries to work beyond a part-time level. Those eligible for Medicaid Works typically would still qualify for title II disability benefits and Medicare (once the 24 month Medicare Qualifying Period is served) and would receive Medicaid in addition to Medicare.