



ADMINISTRATIVE RULES OF MONTANA



37.82.1107 INCOME ELIGIBILITY, NONINSTITUTIONALIZED MEDICALLY NEEDY

- (1) Medically needy income eligibility for non-institutionalized and family-related persons will be computed using a one month prospective budget period.
 - (a) For groups covered under ARM 37.82.1101 (1)(a) through (1)(e), monthly countable income will be determined using family-related medicaid income requirements, in particular those with respect to prospective budgeting and earned income disregards, set forth in the Family Medicaid Program Policy Manual, sections 601-1 and 602-1.
 - (i) In the case of individuals whose income must be deemed when determining eligibility, the family-related medicaid income requirements contained in the Family Medicaid Program Policy Manual, section 603-1 will be used.
 - (ii) In the case of individuals under age 21 who reside in an inpatient psychiatric facility, only income which belongs to the individual or which is actually contributed to the individual will be used to determine eligibility.
 - (b) For groups covered under ARM 37.82.1101 (4)(a) and (b), countable income will be determined using the SSI income requirements set forth in 20 CFR, part 416, subpart K, as amended through January 1, 2022, which contains the SSI criteria for evaluating income, including the income of financially responsible relatives. The department adopts and incorporates by reference 20 CFR, part 416, subpart K, as amended through January 1, 2022. A copy of these federal regulations may be obtained from the Department of Public Health and Human Services, Human and Community Services Division, Public Assistance Bureau, 1500 E. 6th Ave., P.O. Box 202925, Helena, MT 59620-2925.
 - (i) The exemption from the income requirements relating to financially responsible relatives as described at ARM 37.82.903 (2)(b) applies to individuals applying as medically needy.
- (2) When an otherwise eligible family, individual or couple covered under ARM 37.82.1101 has countable income equal to or less than the applicable medically needy income level, the family, individual or couple is eligible for medicaid without an incurment of medical expenses.
- (3) When an otherwise eligible individual or family covered under ARM 37.82.1101 has countable income which exceeds the medically needy income level, the individual or family will become eligible:
 - (a) on the first day of the month if the individual or family pays the cost-share amount for the month in cash to the department, eligibility begins on the first day of the month. The cost-share amount is equal to the difference between the individual's or family's countable income and the medically needy income level for that household size;

- (i) Medical expenses may be used to reduce the cost-share amount. The only medical expenses which may be used are:
 - (A) expenses incurred by:
 - (I) eligible or ineligible individuals who are considered members of the household for family-medicaid; or
 - (II) eligible individuals or the eligible individual's spouse if there was income deemed from the spouse to the eligible individual for SSI related medicaid.
 - (B) expenses which are not the liability of a third party other than another public program of the state of Montana;
 - (C) expenses which have not been used to meet a prior incurment or used to reduce the cost-share amount in a prior period;
 - (D) expenses incurred by the individual or family or financially responsible relatives for necessary medical and remedial services that are recognized under state law but are not Montana medicaid covered services; or
- (b) after a medical expense incurment is satisfied. The incurment is equal to the difference between the countable income and the medically needy income limit for the family size, less a living allowance deduction of \$269. The living allowance deduction will adjust each year with the annual Social Security Cost of Living Adjustment (COLA). Eligibility will extend to the end of the budget period. The only medical expenses which may be used to meet the incurment requirement are:
 - (i) expenses incurred by:
 - (A) eligible or ineligible individuals who are considered members of the household for family-related medicaid; or
 - (B) eligible individuals or the eligible individual's spouse if there was income deemed from the spouse to the eligible individual for SSI related medicaid.
 - (ii) expenses which are not the liability of a third party other than another public program of the state of Montana or any of its political subdivisions;
 - (iii) expenses which have not been used to meet a prior incurment requirement;
 - (iv) expenses will be deducted in the following order:
 - (A) medicare and other health insurance premiums, deductibles, or coinsurance charges;
 - (B) expenses for necessary medical and remedial services that are recognized under Montana law but are not provided for under this chapter;
 - (C) expenses for necessary medical and remedial services that are provided for under this chapter.
 - (v) for the retroactive budget period:
 - (A) paid and unpaid expenses incurred during the retroactive budget period; and

- (B) paid or unpaid bills incurred in the three months immediately prior to the retroactive budget period.
- (vi) for the prospective budget period:
 - (A) paid and unpaid expenses incurred during the three months immediately preceding the prospective budget period;
 - (B) paid and unpaid expenses incurred during the prospective budget period.
- (4) Medicaid will pay only unpaid medical expenses:
 - (a) incurred by an eligible individual in the retroactive or prospective budget period;
 - (b) which have never been used to meet an incurment requirement;
 - (c) provided for under this chapter; and
 - (d) for which no third party payment is available.
- (5) An unborn child is considered a family member when determining medicaid eligibility.
- (6) A medically needy individual or family who paid the cost-share obligation but did not incur medical expenses equal to that cost-share obligation may request a refund of funds which exceed the provider billed charges.

Authorizing statute(s): 53-2-201, 53-4-212, 53-6-113, 53-6-402, MCA

Implementing statute(s): 53-2-201, 53-4-231, 53-6-101, 53-6-131, 53-6-402, MCA

History: NEW, 1982 MAR p. 729, Eff. 4/16/82; AMD, 1983 MAR p. 863, Eff. 7/15/83; AMD, 1983 MAR p. 1079, Eff. 8/15/83; AMD, 1986 MAR p. 678, Eff. 4/25/86; AMD, 1987 MAR p. 1655, Eff. 9/25/87; AMD, 1991 MAR p. 265, Eff. 3/1/91; AMD, 1993 MAR p. 1398, Eff. 7/1/93; AMD, 1998 MAR p. 3281, Eff. 12/18/98; TRANS, from SRS, 2000 MAR p. 476; AMD, 2000 MAR p. 746, Eff. 3/17/00; AMD, 2002 MAR p. 1773, Eff. 6/28/02; AMD, 2022 MAR p. 1887, Eff. 9/24/22.