

Medical Assistance Purchase Plan Budget Summary

The Governor's Budget adjusts funding to reflect changes to the MAPP program that will reduce disincentives to increase earnings, support meaningful employment of people with disabilities, and allow recipients to increase savings without worrying about losing health care coverage. The following proposed changes are illustrated in the tables below.

- Eliminate the distinction between earned and unearned income in the income eligibility and premium calculations.
- Strengthen work requirements; require MAPP participants to prove they are paying, or having withheld, taxes on earned income.
- Disregard up to \$500 of medical/remedial expenses and long term care expenses per month.
- Establish a premium of 3% of earned and unearned income for participants with gross monthly income at or above 150% FPL, with the minimum monthly premium equal to \$50.
- Compare individual income to 150% FPL for an individual to determine premium eligibility.
- Exclude retirement assets accumulated while in MAPP from countable assets for MA eligibility as an incentive to work and save.

MAPP Eligibility Methodology

	<i>Current</i>	<i>Proposed</i>
Total Income for Eligibility	<ol style="list-style-type: none"> 1. Take earned income (applicant & spouse) 2. Subtract \$65 3. Divide by 2 4. Subtract IRWE 5. Add unearned income (applicant & spouse) 6. Subtract \$20 general disregard <p>Compare total to 250% FPL for family size</p>	<ol style="list-style-type: none"> 1. Take total earned and unearned income (applicant & spouse) 2. Subtract \$65 3. Divide by 2 4. Subtract IRWE 5. Subtract \$500 in MREs and LTC costs 6. Subtract \$20 general disregard <p>Compare total to 250% FPL for family size</p>
Work Verification	None	Formal documentation of tax payment or withholding from earned income
Eligible retirement and deferred compensation accounts considered countable assets?	Yes	No

MAPP Premium Methodology

	<i>Current</i>	<i>Proposed</i>
Total Income for Premium Eligibility	150% FPL (for family size)	150% FPL (for individual)
Portion of Unearned Income Paid as Premium	Any unearned income (minus deductions) above \$801	3% after deductions
Portion of Earned Income Paid as Premium	3%	3% after deductions
Round Premium	Down to nearest \$25	Down to nearest \$25 above \$50
Minimum Premium (if total income above 150% FPL)	None	\$50