Example of Household Size for SSI-Related A/R
Living with Non-SSI-Related Spouse and Minor Child

MA SSI-Related Eligibility

John and Ethel Scott and their seven year old son, Mark, are applying for Medical Assistance because they have no health insurance. John is certified disabled and Ethel babysits part-time.

<table>
<thead>
<tr>
<th>Monthly Income</th>
<th>Resources</th>
</tr>
</thead>
<tbody>
<tr>
<td>John - $400 SSA Disability (No Medicare)</td>
<td>John - Life insurance: Face Value $1800</td>
</tr>
<tr>
<td>Ethel - $227 Wages</td>
<td>Cash Value $1200</td>
</tr>
<tr>
<td>Mark - $200 SSA Dependent</td>
<td>Ethel - Life insurance: Face Value $1600</td>
</tr>
</tbody>
</table>

Mark has no resources.

MA SSI-RELATED BUDGET
John Scott's eligibility

Countable Resources

In households consisting of an SSI-related applicant/recipient (A/R) and his/her spouse, the countable resources of the couple are compared to the MA standard for two to determine the SSI-related spouse's eligibility. In determining the eligibility of the SSI-related parent, there is no allocation of resources to any child(ren).

Cash value of life insurance: $1200
Bank account: $2000
Total countable resources: $4200
MA resource standard (Household of two) $4300

John is resource eligible

Under prior policy, in effect since August 1985, the MA resource standard would have been based on a household of three.
Income

Step 1 - Allocation

Allocation to non-SSI-related child(ren) (under age 18). If a non-SSI-related child's income is less than the standard allocation amount ($217), allocation to that child is applicable. The amount to be allocated to each non-SSI-related child is the difference between the child's income and the standard allocation amount. The allocation is taken from the non-SSI-related parent's income (unearned income first).

Mark Scott's income: $200
Amount allocated to Mark: 17
Ethel Scott's income: $227
Amount allocated to Mark: 17
Remaining income: $210

Step 2 - Deeming

The non-SSI-related spouse's income after allocation is compared to $217, the standard allocation amount, effective January 1, 1991.

If the remaining income is less than $217, no income is deemed to the SSI-related spouse. If the remaining income is equal to or greater than $217, the entire amount is deemed available to the SSI-related spouse.

Income after allocation: $210
Allocation amount: $217
Since the income after allocation is less than $217, the non-SSI-related spouse's income is not deemed to the SSI-related spouse and the spouse is not counted in the SSI-related A/R's household size.

Step 3 - Income Disregards

The SSI-related spouse's own income, (including any income deemed from the spouse) both earned and unearned, is subject to certain disregards, i.e., $20 disregard and $65 plus 1/2 of the remainder. (Taxes and mandatory deductions are no longer allowed.)

Total unearned income: $400
$20 disregard: -20
Countable unearned income: $380

Step 4 - Comparison of Total Countable Income to MA Income Standards

The total countable income is compared to the MA standard for a household of one or two. If income is deemed from the non-SSI-related spouse to the SSI-related spouse, the MA income standard for two would be used. When income is not deemed, the MA income standard for one is used.

Total countable income: $380
MA income standard*: *500

John Scott is fully eligible
* or PA standard, if higher.

Under the prior policy in effect since August 1985, the MA income standard would have been $725, based on a three person household rather than $500 based on a one person household.
**MA ADC-RELATED ELIGIBILITY**

<table>
<thead>
<tr>
<th>Gross earned income:</th>
<th>$227</th>
<th>Total resources:</th>
<th>$4200</th>
</tr>
</thead>
<tbody>
<tr>
<td>Earned income disregard:</td>
<td>-90</td>
<td>MA resource standard:</td>
<td>$4350</td>
</tr>
<tr>
<td>Net earned income:</td>
<td>$137</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unearned income:</td>
<td>+600</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Net Income:</td>
<td>$737</td>
<td></td>
<td></td>
</tr>
<tr>
<td>MA Income Standard for three*</td>
<td>-725</td>
<td>Excess Income:</td>
<td>$12 per month</td>
</tr>
</tbody>
</table>

* or PA standard, if higher.

John Scott is fully eligible using SSI-related budgeting methodology.

Ethel and Mark Scott have a $12 a month spenddown using ADC-related budgeting methodology and are resource eligible.

Since John Scott is also ADC-related, he would be given the option of the most beneficial budgeting methodology. In this case SSI-related budgeting is more advantageous.