

Bulletin Number: MSA 15-09

Distribution: Bridges Eligibility Manual (BEM) Holders

Issued: September 1, 2015

Subject: Eligibility Criteria for the Freedom to Work Medicaid Program

Effective: October 1, 2015

Programs Affected: Supplemental Security Income (SSI)-Related Medicaid

This bulletin is being issued to publish the changes to the Freedom to Work Program made in Public Act No. 518 of 2014, which amends Public Act 280 of 1939. The changes to the Freedom to Work Program encompass the asset and income tests for eligibility, as well as the calculation of the premium payment sliding scale.

Asset and Income Tests

The current asset test for Freedom to Work is limited to \$2,000 of countable assets, which aligns with other Supplemental Security Income (SSI)-related Medicaid categories. The new asset test will align with the Medicare Savings Program limit which, in 2015 is \$7,280 of countable assets. The asset limit will adjust annually effective January 1 of each year. The Medicare Savings Program asset limit is published by the federal government. This legislation does not make changes in the types of assets that are countable or excludable for the Freedom to Work Program.

Accumulated Internal Revenue Service (IRS) recognized retirement accounts, which are excluded (not countable) from the Freedom to Work Program while the individual is enrolled in the Freedom to Work Program will continue to be excluded if the beneficiary loses eligibility for the Freedom to Work program and has a determination of eligibility in another SSI-related Medicaid category.

The income limit changes from the current 100% of the Federal Poverty Level of unearned income to 250% of the Federal Poverty Level of countable income for a group of one. There are no other changes to the income limit for Freedom to Work Program.

Calculation of the Premium Payments

The premium fees scale for Freedom to Work participants changes as follows:

- There will be no premium for individuals with a Modified Adjusted Gross Income (MAGI) less than 138% of the Federal Poverty Level for a group of one.
- A monthly premium of 2.5% of MAGI income will be assessed for individuals who have a total MAGI between 138% of the Federal Poverty Level and \$75,000 annual MAGI income.
- A premium of 100% of the average Freedom to Work Program participant cost will be assessed for an enrolled individual with a MAGI over \$75,000 annually.

Failure to pay premiums will result in loss of Medicaid coverage under the Freedom to Work Program.

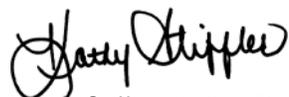
Manual Maintenance

Retain this bulletin until the information is incorporated into the Bridges Eligibility Manual.

Questions

Any questions regarding this bulletin should be directed to Provider Inquiry, Department of Health and Human Services, P.O. Box 30731, Lansing, Michigan 48909-8231, or e-mail at ProviderSupport@michigan.gov. When you submit an e-mail be sure to include your name, affiliation, and phone number so you may be contacted if necessary. Providers may phone toll-free 1-800-292-2550.

Approved

A handwritten signature in black ink, appearing to read "Kathy Stiffler". The signature is written in a cursive, flowing style.

Kathy Stiffler, Acting Director
Medical Services Administration