

# Beneficiary Eligibility Bulletin

**Distribution:** Beneficiary Eligibility 01-02

**Issued:** October 1, 2001

**Subject:** Individual Development Accounts (IDAs)

**Effective:** October 1, 2001

**Programs Affected:** Medicaid, MIChild, State Medical Program, TMA Plus, MTMA

Recent federal legislation allows low-income families and individuals to invest funds in an Individual Development Account (IDA) to improve their economic independence, stability of individuals and families, and to promote and support their transition to economic self-sufficiency. IDAs provide federal funds to match the amount of earnings that low-income working individuals and families put into savings for a first home, post-secondary education, or to start a new business.

For purposes of determining program eligibility, Michigan is disregarding the funds on deposit in an IDA, interest earned on an IDA, and matching funds deposited in the IDA as assets. Interest earned on an IDA is also excluded as income. This is consistent with federal initiatives to promote self-sufficiency among low-income individuals and families.

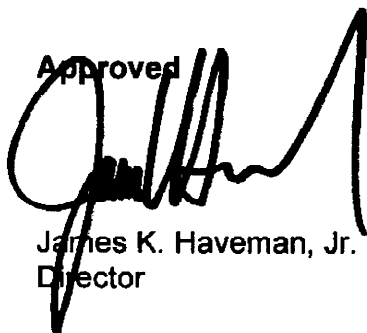
## Manual Maintenance

Retain this bulletin until further notice.

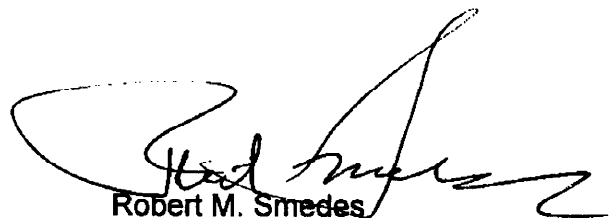
## Questions

Any questions regarding this bulletin should be directed to: Eligibility Policy Section, Medical Services Administration, P.O. Box 30479, Lansing, Michigan 48909-7979. Questions and policy clarifications should be directed to (517) 241-7185.

Approved



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