

Screening for Working Disabled Medicaid

This handout describes the eligibility criteria for the Working Disabled Medicaid category. The complete criteria are found in Section 28000 of the Arkansas DHHS *Medicaid Services Manual*.

Age Applicants must be at least 16 and less than 65.

Disability Applicants must have a disability by Social Security definition. Unlike Social Security, individuals may work full-time and earn more than the Substantial Gainful Activity limit. If an individual has not received SSI or SSDI benefits within the last 12 months, the Arkansas DHHS Medical Review Team will determine disability.

Work Requirement Applicants must be working, and provide proof of that they are receiving income which is reported to the IRS, such as paycheck stubs, tax returns, Form 1099, or proof of Quarterly Estimated Taxes for self-employment.

Income Only the applicant's own income is counted for this program. Income of the spouse and other family members is not counted for this program. There are **two income limits** for this program:

1. The applicant's monthly **Non-Work Income** (after subtracting the \$20 general exclusion) may not exceed the SSI individual benefit (\$603 in 2006), regardless of the applicant's family size. In other words, an individual is not eligible if their non-work income exceeds \$623 per month.
2. The applicant's monthly **Net Personal Income** (HALF of Work Income PLUS Non-Work Income) must be less than 250% of the Federal Poverty Level for their family size:
 - a. Subtract \$65 from the individual's monthly Work Income. If individual has no Non-Work Income, you can also subtract \$20 from Work Income. Divide the remaining Work Income by 2. This is the **Net Work Income**.
 - b. Add the **Net Work Income** (from a. above) and **Net Non-Work Income** (Non-Work Income minus \$20), if any. The total is the **Net Personal Income**. Net Personal Income must be less than the limit for the applicant's family size (see chart below).

Family Size	Monthly Income Limits		Resources	
	Unearned Income Limit	Net Monthly Income Limit*	Resource Limit	Approved Account
1	\$603 + 20	\$2,041.67	\$4,000	\$10,000.00
2	603 + 20	2,750.00	6,000	10,000.00
3	603 + 20	3,458.33	6,200	10,000.00
4	603 + 20	4,166.67	6,400	10,000.00
5	603 + 20	4,875.00	6,600	10,000.00

* The Net Monthly Income Limit is 250% of the Federal Poverty Level. The figures shown are based on the 2006 FPL, effective 4/1/06.

Income Eligibility Examples Less than half of work income is counted, so a single person could work and earn up to \$4,168 per month, if he or she has no income from non-work sources. A single person with \$623/month of non-work income could earn up to \$2,902 from work.

Resource Limits Resource limits are shown in the chart above. A home, household goods, and one car are not counted. A second car is allowed if the spouse needs it to work. Only resources belonging to applicants and their spouses are counted.

Applicants can also save up to \$10,000 in an *approved account*, separate from their regular checking and/or savings accounts, which can be used for expenses that give them more independence and employment opportunities, such as:

- Educational expenses to enhance employment and independent living.
- Work-related expenses, such as job accommodations, equipment or tools, service animals, computer software and hardware, or starting your own business.
- Home purchase, construction, and/or modification.
- Vehicle purchase, modification, maintenance, or repair.
- Medical expenses not covered by Medicaid, such as dental care.

To Apply for Working Disabled Medicaid

Contact the Arkansas Department of Health and Human Services (DHHS) office in your county. Currently, the DCO-777 form is used for applications. The DCO-777 form is also used to apply for Long Term Care and other Medicaid programs, so applicants should write “Working Disabled” on the top of their application.

Encourage applicants to keep a copy of their application. Financial eligibility should be determined within 45 days. Verifying a disability may take up to 90 days. Eligibility can be retroactive for 3 months prior to the date of application, if the individual met the eligibility criteria.

Problems with applying and eligibility determination

If individuals have problems applying for Working Disabled Medicaid, please contact:

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