

# Financial Rules

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### Eligibility: Who Makes the Call?

<p><b>“Screening” for Eligibility</b></p> <ul style="list-style-type: none"> <li>☛ Seeing if someone <i>might</i> qualify</li> <li>☛ Anyone can do this</li> <li>☛ <b>Cover Virginia, Healthcare.gov, and CommonHelp</b> screening tools</li> </ul>	<p><b>“Determining” Eligibility</b></p> <ul style="list-style-type: none"> <li>☛ Deciding if someone <i>does</i> qualify</li> <li>☛ <b>ONLY</b> done by:               <ul style="list-style-type: none"> <li>– Local Department of Social Services (LDSS)</li> <li>– Cover Virginia Central Processing Unit (CPU)</li> <li>– Health Insurance Marketplace</li> </ul> </li> </ul>
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### Eligibility Screening Steps

- ☛ When screening an individual or family for eligibility for Medicaid/FAMIS, it is important to assess **each household member’s eligibility separately**.
- ☛ Follow these three steps **for each** household member when screening for eligibility:
  - Step 1:** Assess person’s **household composition**.
  - Step 2:** Assess the **income** for the person’s household.
  - Step 3:** **Compare** household size and income to the income limits for the program in question.

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**Step 1:**  
**Assess Household Composition**

First, figure out what **type of household member** each person will be.

☉ Individuals will fit into one of three categories:

1. **Tax filer**  
(not claimed as a dependent on anyone's taxes)
2. **Tax dependent**
3. **Non-filer and not claimed as a tax dependent**

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**Household Composition:**  
**Tax Filer**

Household =  
Tax filer +  
Any joint filers +  
All dependents



*(Note: Married couples living together, who file taxes separately, are considered to be in the same household)*

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**Example: Single Person**

John is a single adult living on his own. He files taxes and is not claimed as anyone else's dependent. He has no dependents of his own.



**John's household size = 1**

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## Household Composition: Tax Dependents

Household is the **same as the tax filer** who claims them as a dependent.



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## Example: Married Couple with Children

Bob and Jane are married and have two children. They file a joint tax return and claim both of their children as dependents.

**Bob's household size = 4**  
*Bob + Jane (joint filer) + 2 children (dependents)*



**Jane's household size = 4**  
*Jane + Bob (joint filer) + 2 children (dependents)*

**Each child's household size = 4**  
*Household size = household size of the tax filer claiming them as a dependent*

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## Example: Young Adult Dependent Living Outside the Home

Claire is an 18-year-old college student at James Madison University. She is claimed as a dependent by her married parents, and has no siblings.

**Claire's household size = 3**  
*Self + 2 parents*



**Each parent's household size = 3**  
*2 parents + Claire*

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### Example: Young Adult Living Outside the Home

Fast forward to next year. Claire, now age 19, works full-time and goes to school part-time. She'll file her own taxes. She no longer lives at home, and her parents no longer provide her with support. They won't claim her as a tax dependent.



**Claire's household size = 1**  
*Just herself*

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### Household Composition: Tax Dependent Exception #1

If individual is a **tax dependent** who is not a child or spouse of the tax filer, then...



**Household =**  
**Individual +**  
**Their spouse** (if living with him/her) +  
**Their children under age 19** (if living with them)

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### Example: Multi-Generation Household

Rose lives with and supports her 60-year-old mother, Maria. Rose also has a 9-year-old daughter, Natalie. Rose is the tax filer. She claims her mother and her daughter as dependents.



**Rose's household size = 3**  
*Herself + 2 dependents (mom and daughter)*

**Maria's (Rose's Mother) household size = 1**  
*Only herself (Exception #1 for tax dependents)*

**Natalie's (Rose's Daughter) household size = 3**  
*Same as the tax filer claiming her (her mother, Rose)*

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## Household Composition: Tax Dependent Exception #2

If individual is a child living with both parents who are *not* married, then...

Household =  
Child +  
Their parents +  
Their siblings (under age 19 and living in the home)



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## Example: Non-married Parents

Dan and Jen live together with their 2 kids.  
They both work and are not married.  
They file taxes separately. Dan claims both children.

Dan's household size = 3  
*Himself + 2 children*

Jen's household size = 1  
*Just herself*

Each child's household size = 4  
*Self + sibling + both parents*



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## Household Composition: Tax Dependent Exception #3

If individual is a child claimed as a tax dependent by a *non-custodial* parent, then...

Household =  
Child +  
Their siblings +  
The parent(s) with whom he/she is living  
(can be biological, adoptive, or step-parents)



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### Example: Child Claimed by a Non-Custodial Parent

Lisa lives with her daughter, Alex. Lisa files her taxes as an individual without dependents. Alex is claimed as a dependent by her father, who she does not live with.

**Lisa's household size = 1**  
*Just herself*

**Alex's household size = 2**  
*Alex and the parent she lives with (Lisa)*



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### Household Composition: Non-File/Non-Dependent

☺ For an **adult** who does not file taxes and is not a tax dependent...

☺ For a **child** (≤18 years old) in a non-filing household...

<p><b>Household =</b></p> <p><b>Individual +</b> <b>Their spouse</b> <i>(if living with them) +</i></p> <p><b>Biological, adoptive or step-children</b> <i>(if living with them)</i></p>	<p><b>Household =</b></p> <p><b>Child +</b> <b>Their siblings</b> <i>(biological, adoptive, or step, if living with them) +</i></p> <p><b>Parents</b> <i>(biological, adoptive, or step, if living with them)</i></p>
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### Warning! Pregnant Person Counts as 2 (or More)

When figuring out household size(s) for a family that includes a pregnant individual:

☺ The unborn child(ren) **only increases the size of the pregnant person's household**

- The pregnant person counts as **one** person for determining the eligibility of all other household members.

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## Step 2: Assess Household Income

- ☛ Total up the Modified Adjusted Gross Income (MAGI) of all persons **who are included in the applicant's household**.
  - ☛ Eligibility for Medicaid/FAMIS is based on **monthly income for the month prior to application**
    - Income will be verified electronically.
    - If reported monthly income **is** reasonably compatible with income tax records, no income verification is necessary.
- If **not**, LDSS or Cover Virginia will request income verification.

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## What Income is Counted?

- ☛ **Taxable income:**
  - Gross earnings from jobs (cash, wages, salaries, commissions/tips)
  - Unemployment
  - Pensions and annuities
  - Rents and royalties received
  - **Self-employment income** (allow for deductions for depreciation and capital losses to determine profit)
  - **Alimony** received\*
- ☛ **Social Security** income
- ☛ **Foreign-earned income**
- ☛ **Tax-exempt interest**

*Note: a lump-sum payment is included only in the month during which it is received.*

\*Only for divorce decrees prior to January 1, 2019

**Blue Handout**

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## What is Not Counted?

- ☛ Supplemental Security Income (SSI) payments
- ☛ Temporary Assistance to Needy Family (TANF) payments
- ☛ Assets or resources (not considered for eligibility)
- ☛ Child Support received
- ☛ Alimony received\*
- ☛ Certain Veterans Administration benefits
- ☛ Workers compensation
- ☛ Educational grants, loans, scholarship or fellowship income
- ☛ Gifts and inheritances
- ☛ Certain Native American and Alaska Native payments
- ☛ Income of a dependent†
- ☛ Social Security income of a dependent (except in limited circumstances)

\*Only for divorce decrees filed after January 1, 2019

†Unless the dependent has a filing requirement (annual earned income over \$14,600, or unearned income over \$1,300).

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## Subtractions from Income

The following things should be **subtracted** from income:

- ☛ **Alimony** paid out\*
- ☛ **Student loan interest** paid
- ☛ Any **pre-tax deductions from pay**
  - Flex spending accounts (FSAs) for medical or child care expenses,
  - Health savings account (HSA) contributions, and
  - Retirement account (401K/403B) contributions.

\*Only for judgments prior to January 1, 2019

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## Converting Income to a Monthly Figure

Apply conversion factors based on pay frequency to calculate monthly income figures.

- ☛ If income is **weekly**, **multiply** the average weekly income **by 4.3**
- ☛ If income is **bi-weekly** (every two weeks), **multiply** the average bi-weekly income **by 2.15**
- ☛ If income is **twice monthly** (on 1<sup>st</sup> and 15<sup>th</sup>), **multiply** the average semi-monthly income **by 2**
- ☛ If income is **monthly**, **use the figure reported**
- ☛ If income is irregular, use average income over a 3-month period

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## Step 3: Compare to Program Income Guidelines

Once you have determined the **household size** and **income** for each household member, compare it to the income charts to see which of the following insurance programs the person is likely eligible for:

- ☛ **Medicaid Expansion for Adults (MedEx) ≤138% FPL\***
- ☛ **FAMIS Plus or MPW ≤148% FPL\***
- ☛ **FAMIS or FAMIS MOMS between 149-205% FPL\***
- ☛ **Plan First between 139-205% FPL\***

\* 5% FPL standard disregard included in these figures

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## 2024 Income Guidelines

Household Size	Medicaid Expansion for Adults (MedEx)		FAMIS Plus & Medicaid for Pregnant Women		FAMIS, FAMIS MOMS, FAMIS Prenatal, & Plan First	
	up to 138% FPL*		up to 148% FPL*		up to 205% FPL*	
	Monthly	Yearly	Monthly	Yearly	Monthly	Yearly
1	\$1,732	\$20,783	\$1,858	\$22,289	\$2,573	\$30,873
2	\$2,351	\$28,208	\$2,521	\$30,252	\$3,492	\$41,902
3	\$2,970	\$35,632	\$3,185	\$38,214	\$4,411	\$52,931
4	\$3,588	\$43,056	\$3,848	\$46,176	\$5,330	\$63,960
5	\$4,207	\$50,481	\$4,512	\$54,139	\$6,250	\$74,989
6	\$4,826	\$57,905	\$5,176	\$62,101	\$7,169	\$86,018
7	\$5,445	\$65,330	\$5,839	\$70,064	\$8,088	\$97,047
8	\$6,063	\$72,754	\$6,503	\$78,026	\$9,007	\$108,076
Additional person add	\$619	\$7,425	\$664	\$7,963	\$920	\$11,029

\*These figures include the 5% FPL Standard Disregard and are effective as of January 17, 2024.

Section 2 and Yellow Handout

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## LIFC Monthly Income Guidelines

Effective July 1, 2023

Household Size	Group I	Group II	Group III
1	\$368	\$463	\$664
2	\$550	\$657	\$888
3	\$696	\$824	\$1,089
4	\$842	\$985	\$1,281
5	\$993	\$1,158	\$1,513
6	\$1,120	\$1,308	\$1,686
7	\$1,263	\$1,467	\$1,880
8	\$1,414	\$1,624	\$2,079
Additional person add	\$150	\$167	\$196

\*These figures include the 5% FPL Standard Disregard

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