

Modified Adjusted Gross Income (MAGI)-Based Eligibility Groups

The Affordable Care Act: January 1, 2014 Changes to Medicaid Eligibility Determination

The Affordable Care Act (ACA) contains significant reforms to the country's health care system and gives primary responsibility for many of these reforms to the state Medicaid system. One change that will result from these reforms is how income will be counted for some Medicaid applicants and beneficiaries. A series of State Plan Amendments (SPAs) will be submitted to the Centers for Medicare and Medicaid Services (CMS) in Fall 2013 to request approval for South Carolina's plan to implement these mandated changes.

The ACA mandates the use of Modified Adjusted Gross Income (MAGI) methodology for eligibility determinations for specific groups of Medicaid applicants and beneficiaries. Under current eligibility rules, certain income is not counted (referred to as income disregards) when determining Medicaid eligibility. For individuals whose income will be determined under MAGI, for eligibility effective January 1, 2014 and beyond, these income disregards will no longer be permitted.

The South Carolina Department of Health and Human Services (SCDHHS) has established MAGI income limits with a process approved by CMS. The process converts current income limits to MAGI income limits. The goal of this MAGI conversion process is to establish a MAGI-based income standard that, despite the elimination of disregards, is not less than the current income eligibility standard for the MAGI eligibility groups under Medicaid. The income limit for MAGI eligibility groups will change effective January 1, 2014. As outlined in the table below, the MAGI-based income limit is higher than the current income limit for each eligibility group.

MAGI Eligibility Group	Medicaid Category	Current Income Limit (%FPL)	MAGI-Based Income Limit (%FPL)
Parents and other Caretakers	Low Income Families (LIF)	50%	62%
Pregnant Women	Pregnant Women	185%	194%
Infants and Children Under Age 19	Partners for Healthy Children (PHC)	200%	208%
Non IV-E Adoption Assistance	Adoption Assistance (Special Needs/Subsidized)	50%	62%
Former Foster Children (Age 18-26)	New mandatory coverage group	N/A	No income standard
Family Planning	Family Planning	185%	194%

For questions regarding Medicaid eligibility and the Affordable Care Act, please call the Healthy Connections Call Center at 888-549-0820.