

**South Carolina Department of Health and Human Services  
Medical Care Advisory Committee  
Item for Committee Advise ment**

**PREPARED BY:** Betty Moses, Lori Risk

**PRESENTED BY:** Michael Jones, Program Director  
Eligibility, Enrollment & Member Services

**DATE:** July 16, 2013

**SUBJECT:** MAGI Income Methodology

**OBJECTIVE:** Align South Carolina income determination methodology with mandated MAGI-based income determination.

**BACKGROUND:** The Affordable Care Act mandates the use of MAGI-based income determination for Medicaid eligibility for defined groups. Use of MAGI-based income eligibility helps to create consistency among states in determining Medicaid eligibility and aligns methodologies across insurance affordability programs, including premium tax credits. The state is required to affirm compliance with MAGI and specify state policy on determining family size, household composition and financial eligibility for current beneficiaries.

**BUDGETARY IMPACT:** CMS anticipates that methodology for Modified Adjusted Gross Income will be cost neutral.

**EXPECTED OUTCOMES:** A clearly defined methodology for determining income for all Medicaid eligible MAGI-based categories.

**EXTERNAL GROUPS AFFECTED:** Medicaid applicants and beneficiaries who would be eligible under the following categories: Low Income Families (LIF), Partners for Healthy Children (PHC), Family Planning (FP) and Optional Coverage for Women and Infants (Pregnant Women).

**RECOMMENDATION:** Amend State Plan with appropriate language and make necessary policy and procedure updates to ensure compliance.

**EFFECTIVE DATE:** January 1, 2014 (Implemented Oct 1, 2013 for eligibility effective January 1, 2014.)