

Medical Assistance (MA) [Chapter 600 Income Eligibility](#) >> [606 Types of Income](#) >> S Disability Insurance Payments

## S Disability Insurance Payments

|                                |
|--------------------------------|
| Policy                         |
| Definitions                    |
| Proof                          |
| Programs and Legal Authorities |

### Policy

How the disability insurance payments are treated depends on the following:

| If the program is...   | Then the treatment is...  |
|--|---|
| <ul style="list-style-type: none"> <li>● ALTCS</li> <li>● SSI-MAO</li> <li>● MSP</li> </ul>  | <p>Counted as unearned income.</p> <p><b>NOTE</b> If the insurance payment is reduced because the person has other disability benefits like Social Security Disability or Worker's Compensation, count only the reduced amount.</p> <p>See &lt;Example of reduced disability insurance amount&gt;</p> |
| <ul style="list-style-type: none"> <li>● Adult</li> <li>● Caretaker Relative</li> <li>● Pregnant Woman</li> <li>● Child</li> <li>● KidsCare</li> </ul> | <p>Excluded</p> <p><u>Exception:</u></p> <p>If the person's employer paid the premiums for the coverage, the payments are counted as unearned income. This is not common.</p>   |

### Definitions

| Term                          | Definition   |
|-------------------------------|--|
| Disability Insurance Payments | Payments from group or individual insurance policies to help pay the living expenses of a person who becomes disabled. Group disability insurance through employers is the most common type. Short-term disability coverage provides benefits for a specified length of time. Long-term disability coverage may provide benefits up to age 65, or normal retirement age. |

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## Proof

Income is first obtained through the Federal and State Data Services Hubs. If more proof is needed, the following can be used:

- Letter from the agency providing the benefit;
- Copies of check stubs; or
- Collateral contact with the company providing the payment.

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## Programs and Legal Authorities

This requirement applies to the following programs:

Effective Until 12/31/2013

| Program                  | Legal Authorities               |
|--------------------------|---------------------------------|
| ALTCS                    | 42 USC 1382a(a)(2)(B)           |
| SSI-MAO                  | 20 CFR 416.1121(b)              |
| Medicare Savings Program | AAC R9-22-1909                  |
| Adult                    | 26 USC 104                      |
| Caretaker Relative       | 42 CFR 435.603                  |
| Pregnant Woman           | 42 CFR 457.10, 300, 301 and 315 |
| Child                    |                                 |
| KidsCare                 |                                 |



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