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C Deposits to Financial Accounts

Policy

1) Direct Deposit

2) Treatment of Other Deposited Income

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1) Direct Deposit

When an person has income deposited directly to a bank account, the funds may be posted before or after the month in which they are payable. The funds are considered income in the month they would normally be received.

2) Treatment of Other Deposited Income

The following describes how other deposits to a person's financial account are treated:

If deposits are made...	Then...
By the customer or their spouse	<p>All deposits are assumed to be countable income to the budget group unless proof is provided to show that the deposited money is:</p> <ul style="list-style-type: none"> • From an excluded income type, • A transfer of resources, or • Money from the sale of a resource. <p>Exception:</p> <p>An ALTCS customer's deposits are not counted as income to the spouse when the spouses are not living together. Instead, only the allocated amount is counted as unearned income to the spouse. See MA606.H for details about allocated income.</p>

Into a person's joint account by a co-owner of the account or a third party	The deposits are considered contributions to the person unless proof is provided that the income is not available to, or used by the person (see MA705.T) for details on rebutting ownership of a joint account).
On behalf of another person	<p>Payments a person receives as an agent for a minor child or incapacitated adult is considered income to the child or incapacitated adult. For example, this would include receipt of child support as a guardian or Social Security as a representative payee.</p> <p>The deposit must be clearly identified as the child or incapacitated adult's income. The child or incapacitated adult's name does not need to be on the account.</p> <p><Example - Income received on behalf of another person></p>

Definitions

Term	Definition
Agent	Is a person or organization acting in a fiduciary capacity on behalf of another person. An agent includes a power of attorney, representative payee, conservator, or guardian
Fiduciary	A person legally appointed and authorized to manage the income and resources for the benefit of the other person rather than for his or her own profit.

Proof

Proof that a deposit was a resource transfer includes:

- Documentation showing the withdrawal of the funds from another account; or

- A bill of sale for a resource.

Proof that the deposit was from an excluded income type or belongs to a child or incapacitated adult includes

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

Programs and Legal Authorities

This requirement applies to the following programs:

Program	Legal Authorities
ALTCS	42 USC 1382a(a) and (b)
SSI-MAO	20 CFR 416.1102, 1110, 1111, and 1120
MSP	
FTW	
Caretaker Relative	42 CFR 435.603
Pregnant Woman	
Child	
Adult	
KidsCare	



Effective Until 06/17/2015

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D Frequency of Payment

Policy

Definitions

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Income eligibility is based on the income received during a calendar month or the monthly equivalent. In order to calculate the amount of income received during a specific month, the frequency of the payment must be determined. Income received other than monthly may be treated differently depending on the type of MA program

If income is received...	Then...
Weekly	<p><u>MAGI coverage groups</u></p> <p>The weekly amounts received are averaged then multiplied by 4.3 to account for the four extra pay periods per year. This prorates the extra pay periods over the year and provides a consistent monthly equivalent.</p>
	<p><u>Non-MAGI coverage groups</u></p> <p>The amounts actually received in the month are totaled.</p> <p>NOTE There are months when a person may receive a fifth paycheck. Each month needs to be determined separately. The person may be denied the month the five paychecks are received due to excess income. However, the person may qualify for the months that only four paychecks are received.</p> <p>See <Example - Five weekly payments received in a month></p>
Bi-weekly	<u>MAGI coverage groups</u>

	<p>The bi-weekly amounts received are averaged then multiplied by 2.15 to account for the two extra pay periods per year. This prorates the extra pay periods over the year and provides a consistent monthly equivalent.</p>
	<p><u>Non-MAGI coverage groups</u></p> <p>The amounts actually received in the month are totaled.</p> <p>NOTE There are months when a person may receive a third paycheck. Each month needs to be determined separately. The person may be denied the month the three paychecks are received due to excess income. However, the person may qualify for the months that only two paychecks are received.</p> <p>See <Example - three bi-weekly payments received in a month></p>
Semi-monthly	The two amounts received for the month are added together.
Monthly	The amount received in the month is the counted amount.
Yearly	<p><u>MAGI coverage groups</u></p> <p>The yearly amount is divided by 12 to get a monthly equivalent, which is counted in each month.</p>
	<p><u>Non-MAGI coverage groups</u></p> <p>The yearly amount is counted in the month it is received.</p>
One-time (lump sum)	The lump sum amount is counted only in the month received.
Irregularly or infrequently	<p><u>MAGI coverage groups</u></p> <p>The total amount received in the last 30 days is the counted amount.</p>
	<p><u>Non-MAGI coverage groups</u></p>

- Exclude the first \$30.00 of all earned income received infrequently or irregularly. Count the remaining amount.
- Exclude the first \$60.00 of all unearned income received infrequently or irregularly. Count the remaining amount.

Definitions

Term	Definition
Semi-monthly	A payment received twice a month. This results in 24 payments in a year.
Bi-weekly	A payment received every other week. This results in 26 payments in a year.
Weekly	A payment received every week. This results in 52 payments in a year.
Infrequent Income	Income that is received no more than once in a calendar quarter from a source. For example, a cash gift from an adult child every six months to help pay living expenses.
Irregular Income	Income that cannot reasonably be expected to be received. This is income that is: <ul style="list-style-type: none"> • Not subject to scheduling; or • Is unpredictable so that it cannot be counted on.
Calendar quarter	A calendar year is divided into four calendar quarters as follows: <ul style="list-style-type: none"> • January 1 to March 31 • April 1 to June 30 • July 1 to September 30 • October 1 to December 31
Lump Sum	

	A lump sum payment is a one-time only payment like an insurance or lawsuit settlement, inheritance, lottery winnings or retroactive cash benefits.
Monthly equivalent	Monthly countable income amount determined by averaging, prorating, or converting a person's income.

Programs and Legal Authorities

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MSP	
FTW	
Caretaker Relative	42 CFR 435.603
Pregnant Woman	R9-22-1422, 1423 and 1424
Child	
Adult	
KidsCare	

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