



## SPECIAL STATUS MEDICAID (503, DAC, W/W)

Part 3



DHS/DHCAA/BEPS Training

April 2010



### Special Status Medicaid Disregards

When a person has received both an OASDI payment (SSDI/SSDC, etc) along with an SSI payment and loses that SSI payment s/he may be eligible for a disregard of a portion of his or her income when determining eligibility for Medicaid programs.



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## Special Status Medicaid Disregards



The disregard is only used in the eligibility determination, not in any post eligibility calculations such as cost shares and premiums.

## 503

Federal law requires that certain income disregards be allowed in the eligibility determination for individuals for whom the following two conditions exist:

- S/he is receiving Old Age, Survivors, Health and Disability Insurance Benefits.
- S/he was receiving Supplemental Security Income concurrently with OASDI but became ineligible for SSI.

## 503

A person meeting these two criteria is referred to as a "503" case. The name comes from Section 503 of the Medicaid Law.

When a "503" applies for Medicaid, disregard all OASDI Cost of Living Allowances (COLAs) the person has received since the last month s/he was eligible for and received both OASDI and SSI benefits.

## Disabled Adult Child (DAC)

**A Disabled Adult Child (DAC) is:**

- At least 18 years old at the time SSI was lost.
- Classified by the Social Security Administration as disabled before age 22.
- Receives an OASDI (DAC) payment that is based on the earnings of a parent who is disabled, retired, or deceased.
- Was receiving SSI, but lost SSI eligibility because the (DAC) payment exceeded the SSI income limits.

## Disabled Adult Child (DAC)

### Disregard for a DAC:

- All DAC payments which caused him/her to lose SSI eligibility
- All COLA increases since the last month s/he was eligible and received both OASDI and SSI benefits.

## Widow/Widower (W/W)

A widow or widower who lost SSI remains eligible for Medicaid if s/he meets all **six** of the following conditions:

- Disabled
- Age 50 or older
- Married to the deceased person at the time of death or at least 10 years, divorced from him or her and now single



## Widow/Widower (W/W)

A widow or widower who lost SSI remains eligible for Medicaid if s/he meets all **six** of the following conditions (*cont.*):

- Received SSI in the month before the month s/he began receiving the W/W benefit and lost SSI
- Would be eligible for SSI except for the receipt of the W/W payment.
- Not entitled to Medicare Part A

*Disregard the entire W/W payment.*

## To Exit

Congratulations, you have completed:

**The SPECIAL STATUS MEDICAID  
(503, DAC, W/W) Training**

Click the "X" on the navigation bar to exit properly.

