

TO: Local District Commissioners, Medicaid Directors

FROM: Judith Arnold, Director
Division of Coverage and Enrollment

SUBJECT: Medicaid Buy-In Program for Working People with Disabilities: Work Requirement

EFFECTIVE DATE: Immediately

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The purpose of this General Information System (GIS) message is to clarify the work requirement for the Medicaid Buy-In program for Working People with Disabilities (MBI-WPD).

The MBI-WPD program is a Medicaid work incentive program. It is unlike other Medicaid programs in that work activity is a requirement of eligibility. The program includes two groups: the Basic Coverage group; and the Medical Improvement group. For eligibility in either group, work activity must be documented.

There is no minimum number of hours that an individual in the MBI-WPD Basic Coverage group must work per month nor is there a minimum wage requirement. Recipients in the Medical Improvement group, however, must work at least forty hours per month at no less than the federal minimum wage. For both groups there needs to be work activity in each month that MBI-WPD coverage is sought, unless the individual has been granted a grace period.

Work consists of engagement in a work activity for which financial compensation is received and all applicable income and payroll taxes are paid. If an individual is not required to pay taxes, for example a sheltered workshop employee, the applicant is not denied eligibility for the MBI-WPD program. For individuals who are not required to file an income tax return, work activity may be documented by pay stubs or a letter from the employer stating the hours worked and wages paid. If the individual presents a personal check as a "paycheck," a statement from the employer is needed to document that the check is for work activity.

A time-limited activity that prepares an individual for work, such as a training program, does not meet the work requirement because it is preparation for work. Once a training program is completed and employment secured, an individual may be eligible for the MBI-WPD program.

Seasonal work may be considered work for the MBI-WPD program for the duration of the employment. If the work ends, a grace period of up to 6 months in a twelve-month period may be granted if the individual continues to look for employment. If the recipient has not secured employment by the end of the grace period, his or her eligibility for MBI-WPD ends and continued eligibility under other Medicaid programs must be considered.