

Introduction to the

M_{odified} **A**_{adjusted} **G**_{ross} **I**_{ncome}

Model of Income Eligibility

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Webinar Courtesy: Considering others in attendance

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There will be a question and answer section at the end of each segment.

The Question and Answer pod can be utilized at any point in the presentation with a verbal answer when Q&A begins.



You may use the Raise Hand option to hold you place for Q & A portion.

Please hold all verbal questions until presenter indicates your turn.

Segment 1: Overview – *Dr. Maras*

Segment 1.5: Overview Questions and Comments

Segment 2: New Web Application Demonstration and Instruction – *Melissa Turley*

Segment 2.5: New Web Application Question and Comments


Segment 3: New PROVIDE application for ADAP/CHIC, Demonstration and Instruction – *Melissa Turley*

Segment 3.5: New Provide Application Questions and Comments?

Segment 4: New PROVIDE Client Profile Instruction – *Bryan Walsh*

Segment 4.5: New Provide CARE Certification Questions and Comments

Segment 5: Final Questions and Comments



In preparation for the highly anticipated Affordable Care Act, the Illinois Department of Public Health Ryan White Part B Programs will implement the MAGI model of income eligibility on July 15, 2013.

The traditional definition of Modified Adjusted Gross Income is the total of the adjusted gross income and tax exempt interest earned.

Illinois Ryan White Programs will adopt a version of MAGI that will also match the HRSA and Illinois Medicaid Criteria for MAGI.

Changes for you?

- You will see changes in regards to what income types are included in calculations, and what are not.
- There will be fields required that are not included in the MAGI calculations for income, but are necessary for reporting requirements.
 - These fields are designated for reference
- Client Only income vs. Total Household Income for eligibility
- Changes in documentation requirements to enhance ease of use for clients.

What IS included in MAGI:

- **Wages, Salaries, tips, etc.**
- **Taxable Interest**
- **Tax Exempt Interest**
- **Ordinary Dividends**
- **Qualified Dividends - Tax Exempt**
- **Taxable refunds of State/Local Income Taxes**
- **Alimony or other Spousal Support Received**
- **Business Income**
- **Capital Gains**
- **Other Gains**
- **IRA Distributions - Taxable amount**
- **Veteran's Pension or Disability**
- **Private Retirement, Pension, or Disability**
- **Rental Real Estate, partnerships, S Corporations, Trusts, ect.**
- **Farm income**
- **Unemployment Income**
- **Retirement Income from Social Security (SSA)**
- **Disability Income from Social Security (SSDI)**
- **Other income (Jury Duty Pay, Gambling Winnings)**



Not included in MAGI calculations:



- **Supplemental Income from Social Security (SSI)**
- **Child Support Received**
- **Workers Compensation**
- Alimony Paid
- Qualified Dividends - Tax Exempt
- Health Savings Account
- Student Loan Interest Deduction
- Domestic Production Activities
- Deductible Part of Self Employment Tax
- Self Employed SEP, SIMPLE plans
- Self Employed Health Insurance Deduction
- Penalty on Early Withdrawal of Savings
- Monetary Gifts
- Educator Expenses
- Business Expenses
- Moving Expenses
- IRA deductions
- Tuition and Fees

Client Income vs. Total Household Income

- In accordance with the new standards, all Ryan White Part B Programs will begin calculating income eligibility by using the Total Household Income Model.
 - This method of calculations is currently used for ADAP/CHIC eligibility, but will now include CARE Programs as well.
 - Exception – the HOPWA Program will continue to use the Area Median Income Calculation
- There will be a change as to where documentation is required for attachment, we will review these changes during the demonstrations
 - These changes were implemented to reduce confusion for clients, and allow a smooth transition to the new income eligibility calculation

Income Eligibility

MAGI will use the current monthly income for applicant and all legal household Members.

Income Eligibility Criteria:

CARE Services

- Clients between 0%- 400% FPL qualify for Services
- Clients over 400% FPL do not qualify for Services

ADAP/CHIC

- Clients between 0%-300% FPL qualify for Services
- Clients between 300%-500% FPL qualify for Services only if they have Insurance Coverage
- Clients over 500% FPL do not qualify for services

300% Federal Poverty Level by Household Size

| Family Size | 300% Annual Income | 300% Monthly Income |
|-------------|--------------------|---------------------|
| 1 | \$34,470 | \$2,873 |
| 2 | \$46,530 | \$3,878 |
| 3 | \$58,590 | \$4,883 |
| 4 | \$70,650 | \$5,888 |
| 5 | \$82,710 | \$6,893 |

For each additional person, add

\$12,060

\$1,005

400% Federal Poverty Level by Household Size

| Family Size | 400% Annual Income | 139% - 400% Monthly Income |
|-------------|--------------------|----------------------------|
| 1 | \$45,960 | \$3,830 |
| 2 | \$62,040 | \$5,170 |
| 3 | \$78,120 | \$6,510 |
| 4 | \$94,200 | \$7,850 |
| 5 | \$110,280 | \$9,190 |

For each additional person, add

\$16,080

\$1,340

500% Federal Poverty Level by Household Size

| Family Size | 500% Annual Income | 500% Monthly Income |
|-------------|--------------------|---------------------|
| 1 | \$57,450 | \$4,788 |
| 2 | \$77,550 | \$6,463 |
| 3 | \$97,650 | \$8,138 |
| 4 | \$117,750 | \$9,813 |
| 5 | \$137,850 | \$11,488 |

For each additional person, add

\$20,100

\$1,675

* By October 1, 2013 – additional changes for Ryan White Part B service eligibility will occur.

Income Documentation Requirements

The current documentation requirements will not change, with the exception of adding the Tax Return from the most recent tax year.

- Client's who DID NOT file a Tax Return will be required to submit a Mock MAGI Worksheet, complete with signature and date.
- If client filed an extension for the most recent tax year, they will be required to fill out the MOCK MAGI sheet and submit with documentation of extension (IRS Form 4868).

Tax Return from most recent Tax Year OR Mock MAGI dated within the last 90 days

+ PLUS +

(all that apply)

Dated within the last 90 days:

- Pay Stubs
- Alimony Received
- Unemployment Benefit Statement
- IRA Distributions
- Jury Duty Pay
- Attestation letter stating paid in cash/do not receive pay stubs

OR

Dated for the current year:

- Social Security Award Letter (SSA, SSDI)
- Private or Veteran's Pension Award Letter
- Private or Veteran's Disability Award Letter

Letter of Support and Employer Verification Removals

- To allow for a unified set of documentation, we have eliminated the Letter of Support and Employer Verification forms
- The Mock MAGI form will be used for circumstances that would have previously required a Letter of Support or Employer Verification Form

Mock MAGI Worksheet



Mock MAGI Worksheet

Only for use with applicant's who have not filed a Tax Return for the most recent Tax Year

Income types listed in ALL CAPS are not calculated in MAGI, but are required fields

For any income losses, enter negative \$ amount

| Income Sources | | | |
|---|--|-------------------------------------|------------------|
| Total Monthly \$ Amount for all Legal Household Members | | | |
| Wages, Salaries, tips, etc. | | IRA Distributions - Taxable | |
| Taxable Interest | | Pensions & Annuities (Veteran's | |
| Tax Exempt Interest | | Rental real estate, partnerships, S | |
| Ordinary Dividends | | Farm income or loss | |
| Taxable refunds of State/Local | | Unemployment Income | |
| Alimony or other Spousal Support | | Retirement Income from Social | |
| Business Income/Loss | | Disability Income from Social | |
| Capital Gain/Loss | | SUPPLEMENTAL INCOME | Specialty Line A |
| Other Gains/Losses | | Other income (Jury Duty Pay, | |
| IRA Distributions - Taxable | | CHILD SUPPORT RECEIVED, | Specialty Line B |
| Total Column 1 | | Total Column 2 | |
| Total Income (Total Column #1 plus Total Column #2) | | | |
| Non MAGI (Not calculated but, required) | | | |
| Total Monthly \$ Amount for all Legal Household Members | | | |
| Educator Expenses | | Savings | |
| Business Expenses | | Alimony Paid | |
| Health Savings Account | | IRA deduction | |
| Moving Expenses | | Student Loan Interest Deduction | |
| Employment Tax | | Tuition and Fees | |
| plans | | Domestic Production Activities | |
| Deduction | | | |
| Total Column 1 | | Total Column 2 | |
| Total Adjustments (Total Column #1 plus Total Column #2) | | | |
| Add Specialty Line A | | | |
| Add Specialty Line B | | | |
| = Non MAGI Subtotal | | | |
| Total Income minus Non MAGI Subtotal | | | |
| Modified Adjusted Gross Income (MAGI) | | | |
| Notes | | | |

- All fields must have an entry, zero for any that do not apply to client
- For any income losses, place a negative number in the field
- Incomes listed in ALL CAPS are required fields, but are NOT calculated in MAGI
- Client signature required
- Dated within the last 90 days

NOTE We are in the process of partnering with Illinois Unemployment Income Benefits Office for access to their income verification system.

Any fraudulent information reported could result in corrective action from the Ryan White Part B Program, to include possible removal.

Client Signature

Date

(Signature, Date and Supporting Documentation is also required)

Revised 7/15/13

Residency Documentation Requirement:

For ease of use to clients, all Ryan White programs will implement the option to use the Verification of Residency form.

This document is used for client's who are unable to provide an acceptable proof of residency, and requires a third party signature attesting to accuracy (Supporter, Case Manager, Shelter Staff, etc.)

Verification of Residency Form

All signatures are required. 3rd party signature must be Person Supporting, Case Manager, Shelter Representative, etc.



Pat Quinn, Governor
525-535 West Jefferson Street • Springfield, Illinois 62761-0001 • www.idph.state.il.us

ILLINOIS DEPARTMENT OF PUBLIC HEALTH VERIFICATION OF RESIDENCY

Current Residence

| | | |
|------------------------|------------------------|-----------------|
| Legal First Name | M.I. | Legal Last Name |
| Date of Birth | Social Security Number | |
| Street Address | | |
| Appt #, Lot #, Suite # | | |
| City | | |
| ILLINOIS State | | |
| Zip | | |

Certification

By signing this form, I hereby certify that the residence listed above is the primary residence for the applicant listed below. I understand that this form must be signed and dated by a third party who cannot be a member of my household.

| | |
|--------------------------|------|
| Applicant's Signature | Date |
| Applicant's Printed Name | |
| Signature of Third Party | Date |



Overview

Questions ?



Web Application Demonstration

A handout with examples of page by page requirements is attached for your use and reference.



WEB APPLICATION QUESTIONS?

PROVIDE Application Demonstration

A handout with examples of page by page requirements is attached for your use and reference.

** PROVIDE Enterprise is the system used for application processing, database administration, as well as webpage support. **



PROVIDE
APPLICATION
QUESTIONS?



PROVIDE Client Profile Demonstration

A handout with examples of page by page requirements is attached for your use and reference.



PROVIDE
PROFILE
QUESTIONS?



FINAL
QUESTIONS ?

Additional Questions or Information

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