

## 3455.05.20 PARENTAL DEEMED INCOME (MED 1)

The policies in this section apply to the MA A, MA B, and MA D categories of assistance.

Income is deemed from the non-recipient biological or adoptive parent's income when the applicant/recipient is:<sup>15</sup>

- Living with the parent/s; and
- Under age 18 and not receiving Home and Community-Based Services under an approved Medicaid waiver

When the applicant/recipient is a student between the ages of 18 and 21, the parents' income is not deemed. (Effective 1-1-2001).

When the applicant/recipient is institutionalized (including hospitalization), income is not deemed from the non-recipient biological or adoptive parents beginning in the month following the month of admission or beginning in the month of birth if the child remains institutionalized/hospitalized in the following month. If the newborn institutionalized child passes away prior to the 30th day of institutionalization, it is assumed to the child would have remained institutionalized for more than 30 days and the parent's income would not be deemed.

**See IHCPM 2406.20.10 regarding residency for individuals under 21 years of age.**

The institutionalized child must have a valid MRT decision or Social Security disability determination.

An allocation is deducted from the income of the parent to his spouse (the applicant's/recipient's stepparent) if the spouse has income of less than the income standard specified for a stepparent in Chapter 3000. The amount to be allocated is the income standard minus the stepparent's nonexempt income remaining after deducting an amount for the stepparent's child (stepsibling of the applicant/recipient) who has income of less than the income standard specified in Chapter 3000. An allocation is not deducted from the income of the applicant's/recipient's parent to the parent's stepchildren.

An allocation is deducted from the parent's income for a biological or adoptive nonrecipient child or child receiving MA under a category other than blind or disabled who:

- Is under age 18 or age 18 - 21 and a student
- Is not receiving TANF or Adoption Assistance
- Has income of less than the standard specified in Chapter 3000

The amount to be allocated is the income standard minus the child's nonexempt income.

The general income disregard of \$15.50 is deducted after allocations to dependent children, first from unearned income and then from earned. The general income disregard is \$20. After the

earned income disregards are applied to the parent's earned income, the countable unearned and earned income are totaled and compared to the applicable income standard in Chapter 3000. If the parent's income exceeds the income standard, the excess is deemed as income to the child applicant/recipient. If two or more children are applicants/recipients, a proportionate share of the parent's income is deemed to each. This budget is displayed on the Non-MAGI Income Budget page.

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<sup>15</sup> 42 CFR 435.403