



COMBINED MEDICAID 002

Table of Standards: Medically Needy Income

Supersedes: CMA 002 (01/01/2025)

Reference: 42 CFR 435.811; ARM 37.82.101, .1106; 42 U.S.C. 415

Overview: ACA/Family: An individual or family that meets all the nonfinancial criteria for non-medically needy Family Medicaid assistance, but fails to meet the income standards, may qualify for medically needy Medicaid. Eligibility for medically needy Medicaid (with or without a spend down) is based on income received or reasonably anticipated for the month. Use the appropriate income level from the table on page 3 of this section.

The needs of parents/specified caretaker relatives are **not covered** under the Family medically needy Medicaid program, whether or not there is a spend down.

MEDICALLY NEEEDY INCOME DEDUCTION:

ABD: Effective -January 1, 2026, an additional \$391-is deducted from a medically needy filing unit's total countable net income when calculating the spend down amount. See CMA 602-1 Income Disregards and Deductions for more information.

ABD Only: This deduction does not apply to institutional eligibility. Step 1 only determines if the applicant is categorically needy or medically needy. Step 2 budgeting of liability toward cost of care also does not include this deduction.

SPEND DOWN OBLIGATION:

Medically needy clients can establish medically needy coverage by:

1. Using incurred medical expenses to meet their spend down obligation (CMA 702-1 Medical Expense Option);
2. Choosing the cash option and paying the spend down obligation amount to the Department (CMA 701-1 Cash Option); or
3. Using a combination of incurred medical expenses and the cash option.

MULTIPLE FILING UNITS IN A HOUSEHOLD (ACA/Family only):

Regardless of the number of filing units in a household, test the income of each filing unit against the appropriate income standards based on household size and circumstances.

ABD MEDICALLY NEEDY INCOME LEVELS (MNIL):

Effective July 1, 2001 Individual...\$525 Couple...\$525

ACA/FAMILY COMPUTATION:

Use the table of income levels to determine:

1. Income eligibility for medically needy; or
2. The amount of spend down required before medically needy eligibility may be granted.

When the individual or family income (after appropriate disregards -- see 602-1) is more than the countable monthly income standard (CMA 002) but equal to or less than the appropriate Medically Needy Income Level (MNIL), the child(ren) is eligible for medically needy without a spend down. When the individual or family income (after appropriate disregards) is more than the applicable MNIL, the child(ren) is eligible for medically needy with a spend down.

ACA/FAMILY MEDICALLY NEEDY INCOME LEVELS (MNIL):

Effective July 1, 2001

Family Size	Net Income Level
1	\$525
2	\$525
3	\$658
4	\$792
5	\$925
6	\$1058
7	\$1192
8	\$1317
9	\$1383
10	\$1450
11	\$1508
12	\$1558
13	\$1608
14	\$1658
15	\$1700
16	\$1742

Effective Date: 01/01/2026