

Tip Sheet: Household Determination for MAGI Medicaid

- For Modified Adjusted Gross Income (MAGI) Medicaid, household composition is determined based on Filer or Non-Filer rules. Each individual is designated a Filer or a Non-Filer based on tax filing status. Once designated either a Filer or Non-Filer, a household size can be constructed for each eligible individual. An individual DOES NOT have to be applying for assistance to be included in a household.

<p>Filer Group: This includes those individuals considered either a tax filer or a tax dependent:</p> <ol style="list-style-type: none">1. A tax filer is an individual who intends to file an income tax return for the benefit year and no other tax payer will claim this person as a dependent. This includes spouses filing a joint income tax return; or2. A tax dependent is an individual for whom someone else claims a personal exemption deduction during the taxable year. The household size for an individual designated a Filer includes all members of the tax household. This determination is made based on client attestation on how the individual intends to file federal income taxes the next possible filing year. All members of the tax household are included in the household size regardless of living situation.	<p>Non-Filer Group: This is an individual who either does not intend to file taxes or meets one of exceptions listed below.</p> <ol style="list-style-type: none">1. The individual expects to be claimed as a dependent by someone other than a spouse, biological, adopted or step-parent;2. A child under the age of 19 living with both parents and the parents do not intend to file jointly;3. A child under age 19 who will be claimed by a non-custodial parent. <p>The household size for an individual considered a non-filer includes the individual plus the following members if living together: a. Spouse; b. The individual's children if they are under the age of 19; and c. If the individual is under age 19, includes the individual's parents and any siblings under the age of 19. Note: Spouses who reside together count in each other's household size, regardless of tax filing status.</p>
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Here are a few helpful scenarios about household determination for MAGI Medicaid:

- **Chuck Smith (Student) Scenario:** Chuck, a 23-year-old individual, applies for medical assistance. He states he is a full-time student who maintains his own residence, but is claimed as a dependent on his parent's taxes. He states his parent's file "married filing jointly," and he is the only dependent claimed. The 23-year-old meets the definition of a tax dependent, therefore he falls under Filer rules and his household size would be 3. His parents are included in his household even though they are not applying for assistance. Policy Note: If he works and files taxes to recover his withholdings, he is both a filer and dependent. Medicaid defaults to dependent rules in these situations.
- **Johnson Family (Claiming Adult Child) Scenario:** A 60-year-old man, Clarence, and his 24-year-old adult son, James, reside together and both are applying for medical assistance. Clarence states he is a tax filer and claims James as a dependent. The household size is 2 for both members. Clarence falls under Filer rules and James falls under Filer rules (even though James is an adult, because he is claimed by his father). In this scenario, the household size is determined by tax household as no exceptions apply in this situation.
- **Grandparent & Grandchild Scenario:** Grandmother, Maggie, is applying for financial assistance for herself and her 14-year-old granddaughter, Ariel. She files as head of household with Ariel as her dependent. Ariel's EDG is 1 as she falls under Non-Filer rules. She is being claimed by someone other than a parent and therefore meets an exception. Maggie's household size is 2 as she falls under Filer rules and everyone is included in her tax household.