DEPARTMENT POLICY

Medicaid (MA) Only

This item applies to SSI-related MA for adults. Adult means a person who is married or age 18 or over. Apply the deductions in the order listed to countable income as determined by using BEM 500 and 530.

Exception: This item does **not** apply to Extended-Care; see BEM 164.

COURT ORDERED CHILD SUPPORT

Deduct court-ordered child support paid by an initial person's spouse to a child who does not live with the fiscal group. The amount deducted is: the amount specified in the court order or the actual amount if less than the court order or the actual amount if more than the court order and the amount includes arrearages. Arrears must be paid on behalf of a dependent child to allow the deduction.

BLIND AND IMPAIRMENT-RELATED WORK EXPENSES

Blind work expenses are costs which are reasonably attributable to a blind person earning income.

Impairment-related work expenses are the cost of certain impairment-related services and items that a disabled person needs in order to work.

Subtract allowable work expenses paid by a blind or disabled person from his own countable earned income.

See BEM 260 for definitions of blindness and disability.

See *allowable work expenses* in this item for a list of allowable blind work expenses (BWE) and impairment-related work expenses (IRWE). Do **not** deduct:

- Normal living expenses such as meals outside work hours and cosmetics.

- Costs paid (or reimbursed) by an employer, other person or other source (such as insurance and Medicaid).

ALLOCATION TO NON-SSI-RELATED CHILDREN

Allocate parents' and stepparents' income to meet the needs of their non-SSI-related child(ren) living with them; see BEM 211. A non-SSI-related child is a child who:

- Is unmarried and under age 18; and
- Is **not** an SSI, FIP, SDA or title IV-E recipient; and
- Is **not** a department ward; and
- Is **not** an applicant for, or recipient of, MA based on disability or blindness.

Allocation Calculation

Calculate the allocation for each non-SSI-related child (defined above) separately as follows:

1. Determine the non-SSI-related child's countable unearned income; see BEM 500 and 530. Go to 2.

2. Determine the non-SSI-related child's countable earned income; see BEM 500 and 530. If the child is a full-time or half-time student (as determined by the institution), subtract $135 from his countable earned income. Go to 3.

3. Add the non-SSI-related child's countable unearned income and his remaining earned income (1 + 2 above). Go to 4.

4. Deduct the following from the non-SSI-related child's remaining income (3 above):

   - Court-ordered support paid by the child, and
   - $83 for guardianship/conservator expenses if verified paid by the child; see *guardianship/conservator expenses* in this item.

   The income left after these deductions is called net income. Go to 5.

5. If the non-SSI-related child's net income (4 above) is less than $498, the difference ($498 minus net income) is the allocation

to this non-SSI-related child. Otherwise, the allocation to this child is zero.

Note: Use $484 for months in calendar year 2025.

Repeat steps 1-5 separately for each non-SSI-related child before proceeding to step 6.

6. Add up the individual allocations to get the total allocation. Go to 7.

7. Deduct the total allocation from the parents'/stepparents' countable unearned income first. If unearned income is reduced to zero, deduct the remainder of the total allocation from the parents'/stepparents' remaining earnings.

If the parent/stepparent has no countable unearned income, deduct the total allocation from the parents'/stepparents' remaining earnings.

$20 DISREGARD

Subtract $20 from the fiscal group's remaining unearned income. Subtract $20 from the fiscal group's remaining earnings if there is no remaining unearned income.

$65 + 1/2 DISREGARD

Disregard $65 plus 1/2 of the fiscal group's remaining earnings.

GUARDIANSHIP/ CONSERVATOR EXPENSES

Deduct $83 for court-appointed guardian and/or conservator expenses paid by a fiscal group member from the remaining combined income of the fiscal group. Verification of the expense is required.

Guardianship/conservator expenses include:

- Basic fee.
- Mileage.
- Other costs of performing guardianship/conservator duties.

ALLOWABLE WORK EXPENSES

TYPE OF EXPENSE	DEDUCTIBLE AS BWE	DEDUCTIBLE AS IRWE	AMOUNT DEDUCTIBLE
A guide dog	x	x	The cost of purchasing the dog and all associated expenses (such as its food, breast straps, licenses, veterinary services, etc.)
Fees **Examples:** • Licenses • Professional association dues • Union dues	x	X	The amount paid.
Transportation to and from work	x	x	Actual cost of bus, carpool or cab fare. Private automobile; see BAM 825 for rate.
Vehicle modifications	x	x	
Training to use an impairment-related item or an item which is reasonably attributable to work **Examples** • Cane travel • Braille • Use of special equipment • Grammar • Use of vision and sensory aids for the blind • Use of one-handed typewriter • Computer program course for a computer operator • Stenotype instruction for a typist **Note:** Training does not include general education courses.	x	x	The cost of the training plus travel expense to and from the training facility. Compute travel expenses to and from the training facility in the same manner as transportation to and from work (shown previously in this chart). **+** To be deductible as an IRWE, the training must be for an impairment-related item or service (such as a one-handed typewriter, telecommunication device for a deaf person, etc.).
Federal, State and local income taxes	**X**		The amount withheld. Assume the amount withheld reflects the individual's tax liability.
Social Security taxes	**X**		The actual amount paid on wages and self-employment income.

TYPE OF EXPENSE	DEDUCTIBLE AS BWE	DEDUCTIBLE AS IRWE	AMOUNT DEDUCTIBLE
Mandatory pension contributions	X		The actual amount of the contribution. **Note**: Mandatory pension contributions are considered reasonably attributable to earning income and, therefore, deductible. Voluntary pension contributions are considered savings plans and, as such, are life maintenance expenses and not deductible.
Meals consumed during work hours	X		The actual value of the meals.
Attendant care services which are rendered in the: • Work setting, or • Process of assisting an individual in making the trip to and from work.	X	X	
Structural modifications to the individual's home to create a work space or to allow the individual to get to and from work.	X	X	The cost of the modification.
Medical devices **Examples**: • Wheelchair • Respirator • Pacemaker • Inhalers • Braces	X	X	The cost of the items plus maintenance and repair of such items whether the individual works at home or at the employer's place of business.
Prostheses	X	X	The cost of the item plus maintenance and repair of such item.
Other work-related equipment/services **Examples:** • One-handed typewriters • Typing aids (e.g. page turning devices)	X	X	The cost of the item plus maintenance and repair of such item whether the individual works at home or at the employer's place of business.

TYPE OF EXPENSE	DEDUCTIBLE AS BWE	DEDUCTIBLE AS IRWE	AMOUNT DEDUCTIBLE
• Vision and sensory aids for the blind • Telecommunications devices for the deaf • Special tools designed to accommodate an individual's impairment • Translation of materials into braille			
Nonmedical equipment/services **Examples:** • Safety shoes • Tools used on the job • Uniforms • Child care costs • Air conditioners • Air cleaners • Humidifiers • Posture chairs • Portable room heaters	**X**	**+**	The cost of the item plus maintenance and repair of such item whether the individual works at home or at the employer's place of business. + To be deductible as an IRWE, the item or service must be impairment-related.
Drugs and medical services which are essential to enable the individual to work (e.g., medication to control epileptic seizures)	**X**	**X**	The amount paid.
Physical therapy	**X**	**X**	The amount paid.
Expendable medical supplies • Bandages • Face masks • Catheters • Incontinence pads	**X**	**X**	The amount paid.

LEGAL BASE

MA

Social Security Act, Section 1902(a)(10)
42 CFR 435.831(a)(2)

MCL 400.106