

Subject MA Income and Spenddown Limit

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Overview

This bill increases the MA income limit for persons with disabilities and persons age 65 or older from 100 to 133 percent of the federal poverty guidelines (FPG), and increases the MA spenddown limit for these groups of individuals to 133 percent of FPG. (133 percent of FPG is currently \$17,130 per year for a household of one and \$23,168 per year for a household of two; these dollar amounts are adjusted annually.) These changes take effect January 1, 2023. Persons whose income is above the MA income limit for their eligibility group can qualify for MA by “spending down” their income -- incurring medical bills that equal or exceed the difference between their income and the MA spenddown limit.

This bill has the effect of increasing the MA income limit for persons with disabilities and persons age 65 or older to the higher income limit that applies to parents and relative caretakers. Under current law, the MA spenddown limit for these groups of individuals will be increased to the income limit for these groups of individuals on July 1, 2022 (raising the spenddown limit from 81 percent of FPG to the current law income limit of 100 percent of FPG). This bill then increases these now equalized income and spenddown limits to 133 percent of FPG, effective January 1, 2023.

Summary

Section	Description
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1	Income.
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	Amends § 256B.056, subd. 4. Effective January 1, 2023, increases the MA income limit for persons with disabilities and persons age 65 or older from 100 percent of FPG to 133 percent of FPG, and also increases the MA spenddown limit for these groups to 133 percent of FPG. (The spenddown limit for these groups is currently 81 percent of FPG and is scheduled to increase to 100 percent of FPG effective July 1, 2022.)
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