

# MAGI HOUSEHOLD COMPOSITION AND CIRCUMSTANCES

**EACH MAGI MEMBER'S ELIGIBILITY IS DETERMINED INDEPENDENTLY AND WILL HAVE A SEPARATE HOUSEHOLD COMPOSITION WHICH IS REFERRED TO AS A MONTHLY BUDGET UNIT (MBU).**

Each MBU consists of individuals who will be included in the Household size, and whose income will be considered when determining individual MAGI eligibility.

CBMS Pages to Determine Household Composition (includes but not limited to):

- Demographics/Marital Status
- Household Relationship
- Attributes
- Individual Tax Information

**MBUS ARE BASED ON TAX FILING RELATIONSHIPS AS WELL AS LEGAL AND BIOLOGICAL RELATIONSHIPS.**

**Tax Relationship** (who will be filing taxes together?)

- **Tax Filer-** An individual, head of household or married couple who expects to file a tax return
- **Tax Dependent-** Anyone expected to be claimed as a dependent by a Tax Filer
- **Non-Filer-** An individual who neither files a tax return nor is claimed as a tax dependent

**Biological Relationship**

- Parent
- Child
- Sibling

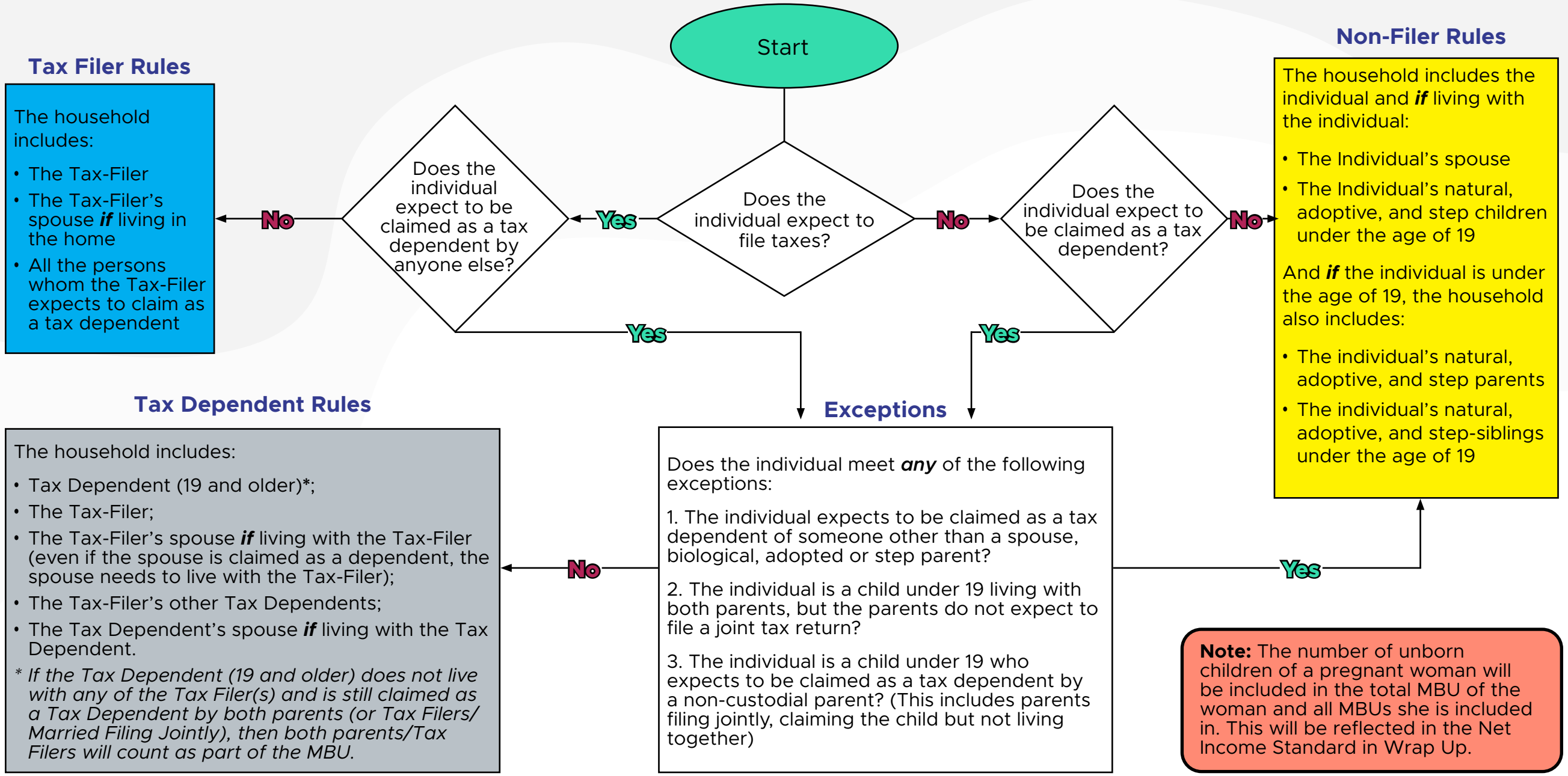
**Legal Relationship**

- Spouse
- Adopted child/parent
- Step-child, step-sibling



# USING THE MBU FLOW CHART

\*Remember: Each individual's MBU will be determined separately.



## Tax Filer Rules

The household includes:

- The Tax-Filer
- The Tax-Filer's spouse **if** living in the home
- All the persons whom the Tax-Filer expects to claim as a tax dependent

## Non-Filer Rules

The household includes the individual and **if** living with the individual:

- The Individual's spouse
- The Individual's natural, adoptive, and step children under the age of 19

And **if** the individual is under the age of 19, the household also includes:

- The individual's natural, adoptive, and step parents
- The individual's natural, adoptive, and step-siblings under the age of 19

## Tax Dependent Rules

The household includes:

- Tax Dependent (19 and older)\*;
- The Tax-Filer;
- The Tax-Filer's spouse **if** living with the Tax-Filer (even if the spouse is claimed as a dependent, the spouse needs to live with the Tax-Filer);
- The Tax-Filer's other Tax Dependents;
- The Tax Dependent's spouse **if** living with the Tax Dependent.

*\* If the Tax Dependent (19 and older) does not live with any of the Tax Filer(s) and is still claimed as a Tax Dependent by both parents (or Tax Filers/ Married Filing Jointly), then both parents/Tax Filers will count as part of the MBU.*

## Exceptions

Does the individual meet **any** of the following exceptions:

1. The individual expects to be claimed as a tax dependent of someone other than a spouse, biological, adopted or step parent?
2. The individual is a child under 19 living with both parents, but the parents do not expect to file a joint tax return?
3. The individual is a child under 19 who expects to be claimed as a tax dependent by a non-custodial parent? (This includes parents filing jointly, claiming the child but not living together)

**Note:** The number of unborn children of a pregnant woman will be included in the total MBU of the woman and all MBUs she is included in. This will be reflected in the Net Income Standard in Wrap Up.

# UNDERSTANDING WRAP UP

In wrap up, MBU will be displayed as **Participation Status** and will show each person as either Eligible, Counted or Excluded in that person's MBU based on the Tax Filer Rules.

If a person is included in a member's MBU, their income will be considered for the member's eligibility, following countable and exempt income rules for MAGI.

Household Member	Circumstances	Participation Status (Wrap Up)	Included in MBU	Income Considered?
Member	The member will always be included in their own MBU	Eligible Adult	X	X
		Eligible Child	X	X
Adult	Follow MBU Flowchart	Counted Adult	X	X
		Excluded Adult		
Child	Follow MBU Flowchart	Counted Child	X	X
		Excluded Child		