

# MAGI Disregards

## 5% Disregard

If an individual's countable income is above the income threshold for the applicable MAGI program, a **5% disregard** will be applied for each qualifying MAGI program as the last step to determine eligibility.



### NOTE:

The 5% disregard is calculated using the 100% Federal Poverty Level (FPL) amount based upon the household size. **Then it is multiplied by 5% to get the disregard amount.** It is not a calculation of 5% of the family's income.



## Additional Information

If the countable income is below the income threshold for the applicable MAGI program, the individual is income eligible and the 5% disregard will not be applied to determine eligibility.



### NOTE:

The 5% disregard is **ONLY** used if the person is over the income limit as an effort to bring them below the limit. You will not see this 5% on every case in wrap up.

