

NON-MAGI Disregards



The table below identifies the income disregard that applies to each NON-MAGI program: Any program with the check mark will receive that disregard.

Disregard	WAwD	Medicare Savings Plan (MSP)	SSI Mandatory	DAC	CBwD	Pickle
65/2- Earned income only Gross Earned Income-65=Subtotal/2=Countable Earned Income						
General Disregard- \$20 Unearned income-\$20=Countable Unearned Income If a married couple applies each spouse gets \$10 disregard for their unearned income If the total unearned income is less than \$20, the remainder of the \$20 disregard is deducted from any earned income.		The \$20 General Disregard is incorporated into the income guidelines, no additional disregard is given.				
Other Disregards- See their programs			No income is counted	DAC unearned income is always Exempt	More information on page three	

NON-MAGI Examples



Disregard	Example 1	Example 2	Example 3
<p>65/2- Earned income only Gross Earned Income-65=Subtotal/2= Countable Earned Income</p>	<p>Mary earns \$1500 a <u>month</u> gross income $1500-65=1435$ $1435 / 2=717.50$</p>	<p>Frank earns \$964.32 a <u>month</u> gross income. $964.32-65=899.32$ $899.32 / 2= 449.66$</p>	<p>Margo earns \$2150 a <u>month</u> gross income. $2150-65=2085$ $2085 / 2= 1042.50$</p>
<p>General Disregard- \$20 Unearned income-\$20=Countable Unearned Income</p> <p>If a married couple applies each spouse gets \$10 disregard for their unearned income</p> <p>If the total unearned income is less than \$20, the remainder of the \$20 disregard is deducted from any earned income.</p>	<p>Jerney is receiving \$900 in SSA income monthly. $900-20=880$ countable income</p>	<p>Brittney is married to Mark. Brittney has Royalties of \$95 a month and Mark has \$900 in SSA income. $95-10=85$ $900-10=890$ Total countable income $890+85=975$</p>	<p>Danielle is earning \$15 a month in gift income and \$200 a month in earned income. $15-20= -5$ $200-5=195$ countable income</p>

CBWD Process and Examples



- Household composition is based on MBU's (from MAGI) and all income is used from the MBU.
- The General Disregard when applicable will be applied to client's MBU income.
- The Earned Income Disregard when applicable will be used off the total earned income of the Household (MBU).
- The first \$400 of gross monthly earned income is exempt for a student that is regularly attending school. This exemption can not exceed \$1,620 in a calendar year.
- If there are ineligible children in the home, apply the child allocation of one-half of the current year's SSI limit for each child if the child does not have income.

Example 1

Sally(3) is disabled. Her parents Mark (45) and Maria (42) are both employed. Mark's income is \$7,943. They also have another child Nicky (19). There is no unearned income. Mark and Maria file taxes married filing jointly claiming both Sally and Nicky.

- MBU: 4
 - Countable income:
 - $\$7,943 - \$20 = \$7,923$ (General Disregard)
 - $\$7,923 - \$65 = \$7,858$
 - $\$7,858 / 2 = \$3,929$ (Earned Income Disregard)
 - $\$7,943 - \$3,929 = \$4,014$ (Total income- remaining income after disregarded income= Countable income)
- Countable income: \$4,014

Example 2

Danielle (62) has two children and is only applying for assistance for Becca (14), who is disabled. Samuel (17) has health insurance through his father. Becca nor Samuel have any income and Becca is attempting school regularly. Danielle is employed an earning \$4,850, she also receives \$250 in Social Security Retirement.

- The child allocation will be given for both children because neither child has income (The SSI allotment for 2025 is \$967). Half the \$967 is \$483.50. Due to the client having two children without income the disregard would be \$967. (\$483.50 for Becca+\$483.50 for Samuel).
- \$967 will be deducted from the unearned income first $\$967 - 250 = \717 , this remaining amount will be deducted from the earned income. $\$4,850 - \$717 = \$4,133$.
- Since there is no unearned income left we would subtract the General disregard from the current countable income $\$4,133 - \$20 = \$4,113$
- Earned income disregard then will be applied to the remaining income. $\$4,113 - \$65 = \$4,048 / 2 = \$2,024$
- Finally, we would give the HH a deduction of \$400 for having a disabled child. $\$2,024 - \$400 = \$1,624$ Countable income