10.9 TRANSITIONAL MEDICAID (TM) (Categorically Needy, Mandatory)

**NOTE:** The spenddown provision does not apply.

There is no maximum income test for Phase I TM. The only financial requirements are:

- The case must be financially ineligible for Parents/Caretaker Relatives Medicaid
- The amount of earnings, played a part in Parents/Caretaker Relatives Medicaid ineligibility. See Section 16.5,C.

To determine eligibility for Phase II coverage, the following procedure is used:

**Step 1:** Determine the total non-excluded income of all AG members.

**Step 2:** Add the total non-excluded income of all sanctioned persons who would normally be included in the AG.

**Step 3:** Deduct the Dependent Care Deduction. See Section 10.21.

**Step 4:** Compare the remaining amount to the 185% FPL amount for the Needs Group found in Appendix A.

If the amount does not exceed 185% FPL for the Needs Group, eligibility for Phase II is established.

**NOTE:** Self-employment income and Annual Contract Employment income is determined using the same methodology outlined in Section 10.8,G.
DUE TO DELETION OF MANUAL MATERIAL

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