



**Information below is from the online address:**

[https://www.health.ny.gov/health\\_care/medicaid/excess\\_income.htm](https://www.health.ny.gov/health_care/medicaid/excess_income.htm)

**What is the Medicaid Excess Income program?**

The Medicaid Excess Income program is sometimes referred to as the "Spendedown program" or the "Surplus Income program". Here we will be referring to it as the Excess Income program.

If your monthly income is over the Medicaid level, you may still be able to get help with your medical bills. The amount your income is over the Medicaid level is called excess income. It is like a deductible. If you are eligible for Medicaid except for having excess income and you can show that you have medical bills equal to your excess income in a particular month, Medicaid will pay your additional medical bills beyond that for the rest of that month. This includes outpatient care, doctor and dental visits, lab tests, prescription drugs, and long-term care in the community such as home care and assisted living. There are special rules for hospital stays which is explained further below.

**Who is eligible to participate in the Excess Income program?**

You must be under age 21, age 65 or older, certified blind or certified disabled, pregnant or a parent of a child under age 21. This allows you to become eligible for Medicaid even though your monthly income is too high.

**How is the amount of my excess income determined?**

Your Medicaid caseworker will determine the monthly excess income amount. The amount is the difference between the monthly Medicaid income limit and your countable income. When we count your income, we take your gross monthly income and then subtract certain deductions. There are different deductions depending on whether you are certified disabled or blind or age 65 or older, or whether you are under age 21, pregnant, or a parent of a child under age 21.

**How do you get Medicaid through the Excess Income program?**

First, you need to contact or visit your local department of social services to tell them that you want to be in the Excess Income Program.

If your Medicaid case is opened with excess income, you will get a notice telling you the amount of your excess income.



**You can spenddown to the Medicaid level in one of two ways:**

**1. Outpatient Care and Services (One Month Eligibility)**

- If you need outpatient care in a hospital, clinic or doctor's office, prescription drugs or medical supplies, you may be able to get help with these bills. If you have medical bills that are equal to or more than your monthly excess income, you can get Medicaid outpatient services for one month at a time.
- You must bring in, send or fax your medical bills to your local department of social services when they are at least equal to your excess income amount. These bills can be paid or unpaid. You will need to do this each month you need outpatient care.
- You may be able to get long-term care services like adult day health care, personal care services and the Assisted Living Program. Your social services worker will be able to tell you if you are eligible for these services.

**Or**

**2. Inpatient/Hospital Care and Services (Six Months Eligibility)**

- If you need hospital care or need help paying your hospital bills, you may be able to get Medicaid inpatient services, in addition to the outpatient care described above. You must have medical bills that are at least equal to your monthly excess income amount for **six months**. These bills can be paid or unpaid. They can also be for medical services other than hospital care.
- Once your medical bills are at least equal to your excess income amount for six months, you must bring or send these bills to your local department of social services. You will then receive Medicaid for six months.

**What if I don't have bills that are equal to or exceed my excess income?**

If you do not have medical bills but you need medical care, there is another option called the Pay-In Program. You can pay your monthly excess income amount for any month to your local department of social services. You should only do this if you need services in that month. Ask your local department of social services about this option.

If you do not choose the Pay-In option and you do not have any medical bills that are equal to or exceed your excess income, you will not have Medicaid coverage for that month.

**Can past medical bills be used toward the Excess Income program?**

When you first enroll in the Excess Income program, you may submit past medical bills to be counted toward your excess income amount for the current month and additional months. Once you use a bill to meet your excess income for a particular month, you cannot use it again.

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**Past Paid Medical Bills**

Past paid medical bills may be used if the medical services were provided and paid for within the three calendar months before the month you applied for Medicaid with excess income. They may be applied to meet your excess income for up to six months beginning in the month you applied, and sometimes beginning up to three months before you applied, if you want "retroactive coverage" for Medicaid to pay your recent medical bills.

Bills paid by EPIC or ADAP in the three months before the month in which you applied for Medicaid may be used to meet your excess income.

- **Example 1:** You paid your 17-year old child's dental bill in June for dental care provided in May. You have your own unpaid medical bills in the months of June and July. You apply for Medicaid in August. You may use the paid dental bill toward your excess income beginning in the month of June.
- **Example 2:** Each month EPIC has been paying \$100 for your prescriptions and you have been paying your \$20 co-payment. In October you apply for Medicaid. You have no unpaid medical bills. You are determined eligible for Medicaid and your case is opened effective October 1 with a \$50 monthly excess income. Since you do not need coverage in the three month retroactive period (the three months prior to October: July, August and September), the paid amount of \$360 can be used to meet your excess income for six months (October, when your Medicaid coverage begins, through March). The \$60 balance will be lost as paid bills can only be used up to a maximum of six months.

**Past Unpaid Medical Bills**

Past unpaid medical bills may be used to meet your excess income amount even if they are old, as long as they are still viable, meaning that the medical provider is still able to bring a legal action to collect them. These bills may be applied to meet your excess income indefinitely into the future.

- **Example:** You have a hospital bill from four years ago and received a collection notice from the hospital this year. The bill is for \$2,000. Your excess income is \$200. You may submit this bill to meet your excess income for six consecutive months. After the six months is over, if the provider is still trying to collect on the bill, you can continue to use the balance of the bill for four more consecutive months.

**Once my past medical bills have been used to meet my excess income, how do I meet my excess income from then on?**

Each month in which you need Medicaid services, bring in, send or fax (if available in your county) your paid or unpaid medical bills to your local department of social services. Only send these bills when they are equal to or more than the amount of your excess income. You can send in paid or unpaid bills or receipts for multiple bills that add up to your excess income.



You should make doctors' appointments or fill prescriptions early in the month. This will help you meet your excess income amount faster. Once you reach your excess income amount, Medicaid will pay for covered services for the rest of the month.

**What bills can be used toward reaching the excess income amount?**

Medical expenses for medically necessary services can be counted to meet your excess income amount, such as the costs of:

- **Doctor, dental and clinic visits, eye exams, lab tests, and prescription drugs.** These providers do not have to be Medicaid providers;
- **Important Note:** Once you have enough bills to meet your excess income, Medicaid will only pay medical bills from a doctor, pharmacist, or other provider who is in the New York State Medicaid program. You need to see if your doctor or other medical provider is enrolled in Medicaid so your bills over your excess income amount can be paid;
- **Transportation to get to and from medical appointments** (in most cases). Make sure you get a receipt;
- **Therapists, nurses, personal care aides (home attendants) and home health aides, as ordered by a doctor.** Personal care aides (home attendants) must be approved by the Community Alternative Services Agency (CASA) or Department of Social Services in your county;
- **Co-payments and deductibles for medical insurance, including Medicaid, and Medicare** (including the Medicare Prescription Drug Program - Part D)
- **Surgical and medical supplies, medical equipment, prosthetic devices, hearing aids, eyeglasses, and over-the-counter drugs** if your doctor has ordered them. Bills for cosmetics and other non-medical items are not allowed;
- **Bills paid by the Elderly Pharmaceutical Insurance Program (EPIC) or the AIDS Drug Assistance Program (ADAP)** , and other public programs of the State or county. The costs paid by EPIC or ADAP, not just your co-payment, count toward your excess income. To get a statement of costs, call EPIC 1-800-332-3742 or ADAP 1-800-542-2437. Ask for all costs paid in the three calendar months before the month you are applying for Medicaid
- **Chiropractor** services (and other medical services not covered by Medicaid);
- **If you have Medicare or private insurance**, you can only use the part of the bill that Medicare or private insurance does not pay.

**Can a Family Member's Bills Be Used Toward Your Excess income Amount?**

Yes. Bills may be for medical care given to you, your spouse, or your children who are under 21 years old. If you provide medical support for a child not living with you, you may be able to use the child's bills. Medical bills for your parent(s) may also be used toward meeting your monthly excess if you are under 21 and live with your parent(s).



**Do I have to pay a bill in order for it to count toward meeting my excess income?**

No. Bills can be paid or unpaid. Once the provider bills you for a medical service, you can submit that bill to count toward your excess income, even if you do not pay it.

What if I need help gathering and submitting my bills, or if it is difficult for me to travel to the Medicaid/DSS office every month?

People with disabilities who find it difficult to go into a DSS/Medicaid office have a right to fax in bills as a reasonable accommodation for a disability. In some districts, including New York City, anyone can fax in their bills. Ask your caseworker for a fax number and fax cover sheet, or for another procedure to accommodate your disability. The fax number in New York City is 917-639-0645. If you fax bills, you must include your name, case and CIN number, the amount of your excess income, and say which month(s) you want coverage. If you need help with producing your bills because of a disability, you can contact your local department of social services to see what reasonable accommodations can be made.

**Questions:**

If you have questions, please contact Human Resources Administration, (718) 557-1399 (within the five boroughs of New York City)