

**Subject** MA Spenddown Standard

**Authors** Freiberg and others

**Analyst** Randall Chun

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## Overview

Persons who would otherwise qualify for Medical Assistance (MA), except for excess income, can qualify for the program through a spenddown. Under a spenddown, an individual reduces his or her income by incurring medical bills in amounts that equal or exceed the amount by which his or her income exceeds the relevant spenddown standard.

This bill sets the spenddown standard that will take effect on July 1, 2022, for persons who are age 65 or older, blind, or have disabilities at the level of the MA income limit for these groups of individuals, rather than at 100 percent of the federal poverty level (FPG). Since the MA income limit for these groups is currently 100 percent of FPG, this change will not increase the spenddown standard that will apply July 1, 2022 (unless the legislature increases the MA income limit for these groups). The change would have the effect of adjusting the spenddown standard by any future changes in the MA income limit.

## Summary

Section	Description
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<b>1</b>	<b>Excess income standard.</b>
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	Amends § 256B.056, subd. 5c. Sets the MA spenddown standard that will take effect July 1, 2022, for persons who are age 65 or older, blind, or have disabilities at the current MA income limit for those groups, rather than at a specific percentage of the federal poverty guidelines. The current MA income limit for these groups is 100 percent of FPG, which is the FPG percentage stricken in the bill, so this bill will not have the effect of increasing the spenddown standard, unless the legislature also chooses to increase the MA income limit for these groups.
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