

**TO:** Local District Commissioners, Medicaid Directors

**FROM:** Lisa Sbrana, Director  
Division of Eligibility and Marketplace Integration

**SUBJECT:** Increase of Medicaid Medically Needy Income Level to 138% of the Federal Poverty Level and Related Medically Needy and MBI-WPD Resource Level Changes

**ATTACHMENT:** Attachment I - Sample One-Time Excess Income Letter

**EFFECTIVE DATE:** January 1, 2023

**CONTACT PERSON:** Local District Support Units  
Upstate (518) 474-8887 NYC (212) 417-4500

The purpose of this General Information System (GIS) message is to advise social services districts of a change to the Medicaid Medically Needy income level, and the impact this change has to the resource level for SSI-related consumers and for the Medicaid Buy-In Program for Working People with Disabilities (MBI-WPD). Pursuant to Chapter 56 of the Laws of 2022, the Medically Needy income level (MNIL) will be 138% of the federal poverty level (FPL) effective January 1, 2023. Districts are also advised that the Medically Needy income and resource levels are subject to change annually based on changes to the FPL. Since the FPL for 2023 is not available until March 2023, the MNIL for January 2023 is based on the 138% FPL for 2022.

### **Medically Needy Income Level**

For SSI-related consumers, the change in MNIL to 138% FPL results in the income level for an individual increasing from \$934.00 for 2022 (\$1,367 for a couple) to \$1,563 (\$2,106 for a couple) effective January 1, 2023. The SSI-related income disregards and deductions continue to apply. Also, although this increase may reduce the number of Medicaid consumers who have excess income, the change does not eliminate the Excess Income (Spendedown) Program. Consumers with income above the MNIL may spenddown to the new MNIL. A one-time letter will be sent in December 2022 to inform current Medicaid consumers who have been identified as having excess income of the increased MNIL, and to provide instructions for contacting their local department of social services (LDSS) to request a recalculation of their income before their next renewal (See Attachment I). For current Medicaid consumers who do not contact the LDSS for a recalculation of their income in response to the December 2022 one-time letter, the LDSS should redetermine the individual's income eligibility based on the new MNIL levels at the next consumer contact or at renewal, whichever comes first.

**NOTE:** Medicaid eligibility for SSI-related consumers is determined by comparing income, after appropriate deductions, to the MNIL or the Medicaid Standard (and MBL Living Arrangement Chart as appropriate) – and applying whichever income level is most beneficial. For individuals residing in Congregate Care living arrangements, the Congregate Care income levels, generally,

are higher than the MNIL. However, for purposes of determining the most beneficial income level for a single individual residing in a Congregate Care Level 1 or Level 2 living arrangement, the increased MNIL for January 2023 is higher than the income levels for Congregate Care Level 1 and Level 2 for single individuals. Districts are reminded to apply the most beneficial income level.

### **Medically Needy Resource Level**

The Medically Needy resource level for SSI-related individuals is calculated at 150% of the Medicaid MNIL. As a result of the change to the MNIL, the resource level for an SSI-related individual will increase from \$16,800 (\$24,600 for a couple) for 2022 to \$28,133 for an individual (\$37,902 for a couple) effective January 1, 2023.

### **Medicaid Buy-In Program for Working People with Disabilities Resource Levels**

The resource levels for the Medicaid Buy-In Program for Working People with Disabilities will also increase effective January 1, 2023. The MBI-WPD resource levels, currently a fixed level of \$20,000 for an individual and \$30,000 for a couple, will increase to the same amount as the Medically Needy resource levels effective January 1, 2023. The income level for MBI-WPD remains 250% FPL. As referenced above, the Medically Needy resource levels are subject to change annually based on changes to the FPL. MBI-WPD Client Notice System (CNS) notices and manual notices have been updated to reflect the resource level changes.

### **Effective Date**

The new Medically Needy income and resource levels are effective January 1, 2023, and apply to new applications and requests for an increase in coverage received on or after January 1, 2023.

Please direct any questions to your local district liaison.