STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State of VIRGINIA

ELIGIBILITY UNDER SECTION 1931 OF THE ACT

A. The State covers low-income families and children under Section 1931 of the Act.

The following groups were included in the AFDC State Plan effective July 16, 1996:

___________ Pregnant women with no other eligible children.

______X____ AFDC children age 18 who are full-time students in a secondary school or in the equivalent level of vocational or technical training.

B. __X_ In determining eligibility for Medicaid, the agency uses the AFDC standards and methodologies in effect as of July 16, 1996, without modification, for individuals who do not receive TANF benefits.

C. _X__ In determining eligibility for Medicaid, the agency uses the AFDC standards and methodologies in effect as of July 16, 1996, with the following modifications.

___________ The agency applies lower income standards which are no lower than the AFDC standards in effect on May 1, 1988m as follows:

_____X_____ The agency applies higher income standards than those in effect as of July 16, 1996, increased by no more than the percentage increases in the CPI-U since July 16, 1996, as follows:

The agency increases the July 16, 1996, income standards shown on page 1 of Supplement 1 (12 VAC 30-40-220) by the annual increase in the CPI beginning July 1, 2001. However, for the Fiscal Year 2004, the income limit shall not be increased by the Consumer Price Index and shall remain at the Fiscal Year 2003 level. After June 30, 2004, the income standards shall revert back to the previous methodology in effect immediately prior to July 1, 2003.

___________ The agency applies higher resource standards than those in effect as of July 16, 1996, increased by no more than the percentage increases in the CPI-U since July 16, 1996, as follows:

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_____X_____ The agency uses less restrictive income and/or resource methodologies than those in effect as of July 16, 1996, as follows:

Any applicant or recipient may have or establish one savings or investment account not to exceed $5,000 if the applicant or recipient designates that the account is reserved for purposes related self-sufficiency. Any funds deposited in the account and any interest earned on or appreciation in the value of the funds shall be exempt when determining eligibility for so long as the funds and interest on or appreciation in value of remain in the account. Any amounts withdrawn and used for purposes related to self-sufficiency shall be exempt. For purposes of this section, “purposes related to self-sufficiency” shall include, but are not limited to, paying for tuition, books and incidental expenses at any elementary, secondary, or vocational school or any college or university; or for making down payment on a primary residence; or for establishment of a commercial operation which is owned by a member of the Medicaid assistance unit.

The agency does not consider resources in determining eligibility.

The income and/or resource methodologies that the less restrictive methodologies replace are as follows:

Resources. The family resource limit was $1,000. Additionally, any applicant or recipient may have or establish one savings or investment account not to exceed $5,000 at a financial institution if the applicant, applicants, recipient, or recipients designate that the account is reserved for one of the following purposes (i) paying for tuition, books, and incidental expenses at any elementary, secondary, or vocational school or any college or university; (ii) making down payment on a primary residence; or (iii) business incubation. Any funds deposited in the account be exempt when determining eligibility for so long as the funds and interest remain on deposit in the account. Any amounts withdrawn and used for purposes stated in this section shall be exempt. For purposes of this section, “business incubation” shall mean the initial establishment of a commercial operation which is owned by a member of the Medicaid assistance unit. The net worth of any business owned by a member of the assistance unit shall be exempt from consideration so long as the net worth of the business is less than $5,000.

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Income. The agency disregards all earned income of a child under the age of nineteen who is a student. The agency disregards the fair market value of all in-kind support and maintenance as income in determining financial eligibility for the above referenced group. The agency disregards income earned from temporary employment with the United States Census bureau for a decennial census. Any interest or appreciation earned on one interest-bearing savings account per medical assistance unit not to exceed $5,000 at a financial institution, if the applicant, applicants, recipient or recipients designate that the account is reserved for the purpose of paying for tuition, books, and incidental expenses at any elementary, secondary or vocational school or any college or university, or for making down payment on a primary residence or for business incubation, shall be exempt when determining eligibility for medical assistance for so long as the funds and interest remain on deposit in the account. For purposes of this section, "business incubation" means the initial establishment of a commercial operation owned by a member of the Medicaid assistance unit.

The income methodologies that the less restrictive methodologies replace are as follows:

Income earned by a child under the age of nineteen who is a student was counted in determining eligibility in accordance with the AFDC income methodologies that were in effect as of July 16, 1996.

The fair market value of in-kind support and maintenance is counted as income when evaluating the financial eligibility of the above referenced group. In-kind support and maintenance means food, clothing or shelter or any combination of these provided to an individual.

_____________ The agency terminates medical assistance (except for certain pregnant women and children) for individuals who fail to meet TANF work requirements.

____X_____ The agency continues to apply the following waivers of provisions of Part A of title IV in effect as of July 16, 1996, or submitted prior to August 22, 1996, and approved by the Secretary on or before July 1, 1997.

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For individuals who receive TANF benefits and meet the requirements of Virginia's § 1115 waiver for the Virginia Independence Program (VIP), the agency continues to apply the following waivers of provisions of Part A of Title IV in effect as of July 16, 1996, or submitted prior to August 22, 1996, and approved by the Secretary on or before July 1, 1997.

The waiver contains the following more liberal income disregards:

1. Earned income will be disregarded so long as the earnings plus the AFDC benefits are equal to or less than 100% of the Federal Income Poverty Guidelines. For any month in which earnings plus the AFDC standard of payment for the family size exceed the Federal Poverty Income Guidelines for a family of the same size, earned income above 100% of the Federal Poverty Income Guidelines shall be counted.

2. One automobile valued at $7,500.

These waivers will apply only to TANF cash assistance recipients. These waivers will be continued only for so long as eligibility for TANF cash assistance is established in the same manner as eligibility for TANF was established under the welfare reform demonstration project for which these waivers were originally approved.