

Health Care Finance and Administration	Section: Financial Eligibility Requirements
Policy Manual Number: 110.010	Chapter: ABD Household Composition

ABD HOUSEHOLD COMPOSITION

Legal Authority: 20 CFR 416.1160 – 20 CFR 416.1165; 20 CFR 416.1202 – 20 CFR 416.1204; 42 CFR 435.601; State Plan Attachment 2.6-A

1. Policy Statement

The following individuals must be included in the applicant’s household, if living in the same home:

- The applicant’s spouse; and
- The applicant’s children under 18 years of age or under 22 years of age if a student; and
- The applicant’s parents, for children under 18 years of age or under 22 years of age if a student; and
- The applicant’s siblings that are under 18 years of age or under 22 years of age if a student.

Step-children are included in the household when they live in the home and their natural parent is the spouse of the applicant and living in the home. Step-parents are included when they live in the home with the applicant and the natural or adopted parent, and are married to the natural or adopted parent. Step-siblings are included when their natural or adopted parent lives in the home and is considered the applicant’s step-parent.

2. Defined Terms

Deeming: The term deeming identifies the process of considering another person’s income and resources to be available for meeting a TennCare Medicaid applicant/enrollee’s basic needs of food and shelter.

Child: Child as related to this policy includes individuals:

- Not Married; and
- Not the head of a household; and
- Under 18 years of age or under 22 years of age if a student regularly attending school.

Holding Out Spouse: A “holding out” relationship exists when an unrelated man and woman present themselves to the community as husband and wife in the absence of a legal marriage. The concept of a holding out relationship does not apply to the MSPs or Institutional Medicaid categories.

Parent: Parent as related to this policy includes natural and adopted parents. A parent is a natural, adoptive or, in certain situations, a step-parent. A step-parent is not included in the deeming budget if any of the following circumstances apply:

- The natural or adoptive parent to whom the individual was married has died;
- The natural or adoptive parent and the individual are divorced; or
- The natural or adoptive parent and the step-parent’s marriage has been annulled.

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Spouse: A spouse is:

- An individual's legally married spouse; or
- An individual determined by the Social Security Administration (SSA) as eligible to receive Social Security benefits as the spouse of another; or
- An individual's "holding out" spouse.

3. Household Size

Financial eligibility in the ABD TennCare Medicaid categories is determined based on a household size of one or two. Included household members are the applicant/enrollee and if applicable, his or her spouse. If there are additional household members, they will be considered in deeming budgets, if appropriate. For example, an ineligible spouse's income and resources will be deemed into the budget, and the applicant's eligibility will be determined as an individual. If the applicant is a child, then his or her parent's(s') assets and needs, e.g. financial responsibility to other children in the home, are considered in the deeming budget.

4. Medicare Savings Program (MSP) Household Composition

MSP household composition is governed by the principle of Financially Responsible Relatives (FRR) and the applicant/enrollee's living arrangements. Financial responsibility is limited to spouse to spouse and parent to child. A parent may include the biological, adopted or step-parent of a minor Medicare beneficiary. The living arrangement of each MSP applicant and, if applicable, his or her spouse, must be considered in determining household composition and household size. The following potential household arrangements should be taken into consideration when creating households for MSP applicants:

- A married individual living alone in the community, separated from his or her spouse is treated as an individual for MSP.
- A single or widowed individual living in the community with anyone other than a deemed parent is treated as an individual for MSP.
- A couple living together in the community and who are both entitled to Medicare are treated as a couple for MSP, even if one or both spouses are eligible for HCBS. Both the applicant and the spouse will be included in the household.
- A married individual who lives with his or her spouse in the community, but only the applicant/enrollee is Medicare eligible, is treated as an individual for the MSPs. The ineligible spouse's income and resources will be deemed available to be applicant. Either or both spouses can be eligible for and receive HCBS.
- A couple who lives separately because one is in the community and one is in a nursing facility is treated as individuals for MSP because they do not reside together.
- A couple in which both spouses reside in a nursing facility is treated as individuals for MSP, even if they share the same room.

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- Dependent children under 21 living in the household of the applicant will increase the household size (including the corresponding federal poverty level threshold) for the applicant.

5. Verification

The state accepts self-attestation of household members and relationships between the household members.

The state will use Public Assistance Reporting Information System (PARIS) data post-enrollment to determine if any enrollees are receiving benefits in another state, and to identify children for whom non-custodial parents are applying for benefits through HCFA.

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