

PFA TIPS

Don't Ignore Medicaid! (Part 2)

If you want services for your child, then don't ignore Medicaid! Medicaid (also called "Medical Assistance") is a comprehensive medical benefit for people who meet certain financial limits and other criteria. This article is a continuation of "Don't Ignore Medicaid (Part 1)".

How Are Income and Resources Counted?

The first 5 forms of Medicaid listed in "PFA Tips: Don't Ignore Medicaid! (Part 1)" (SSI, Medicaid Continuation for Workers on SSI, Medicaid for Former SSI Recipients Who Receive Childhood Disability Benefits (CDB - AKA Disabled Adult Child (DAC) benefits, Optional Medicaid, and EID) count income and resources using either SSI rules or Aged, Blind and Disabled rules (which are very similar to SSI rules). These rules divide income into three kinds:

- A. Not countable (includes SSI, Food Stamps and others)
- B. Unearned income (SSDI, pensions, annuities, interest, Workers Comp, Unemployment Insurance, etc.) – all but \$20/month counts
- C. Earned income (wages, self-employment earnings, salaries, tips, royalties, etc.) – less than half counts

In short, almost all unearned income counts against the income limit, but less than half of earnings count. This means a person who has only earned income can earn more than twice the income limit and still be eligible for Medicaid.

Resources (assets) that count include cash, bank accounts, stocks, bonds, CD's, money markets, some retirement accounts, other investment accounts, and real estate other than the primary home.

Resources that DON'T count include:

- Primary home and land it's on
- One motor vehicle (for first 3 forms of Medicaid above); any motor vehicles (for EID and Optional Medicaid)
- ABLE accounts (first \$100,000 not counted for first 3 forms of Medicaid above; any amount not counted for EID and Optional Medicaid)
- Certain burial funds
- Certain assets that can't be liquidated

- For EID, retirement accounts are not counted.

The 6th form of Medicaid – New Adult Medicaid through the ACA – uses modified adjusted gross income rules. Income includes all taxable income, plus nontaxable SSDI (or other Social Security) benefits, but not SSI. New Adult Medicaid has NO limit on resources.

What If You Lose Eligibility for One Form of Medicaid?

You might be eligible for a different type of Medicaid. For example, if you lose SSI because you have more than \$2,000 in a retirement account, and if you work for pay, you can enroll in EID, which has a much higher resource limit (and does not count retirement accounts against the resource limit).

Are There Any Catches?

Yes. A limited number of health care providers participate in Medicaid, so it can be a challenge to find providers, particularly specialists. Luckily, virtually all hospitals and pharmacies accept Medicaid. All Medicaid Waiver service providers participate in Medicaid as well.

If you receive private insurance and/or Medicare in addition to Medicaid, you can see providers who accept your other insurance but not Medicaid; however, then Medicaid will not help cover deductibles, coinsurance or copays.

Medicaid Take-Aways

1. Medicaid is vital for people with autism to receive services they need through the DDA's Community Pathways Waiver and the Autism Waiver. Five forms of Medicaid help a person qualify for these Medicaid Waiver programs. One other form of Medicaid



(EID) also helps a person qualify for the Community Pathways Waiver.

2. Medicaid provides comprehensive medical coverage for people with no other insurance, it supplements private insurance, and it eliminates almost all the out-of-pocket costs for Medicare.
3. There are a number of ways to qualify for Medicaid for people with disabilities, and if a person loses eligibility for one, s/he may be eligible for another.
4. It is possible for a person who works to qualify for Medicaid. In fact, two of the six forms of Medicaid discussed in this article require a person to work for pay.

Additional Resources

PFA Tips: Don't Ignore Medicaid! (Part 1)
<https://pathfindersforautism.org/articles/financial/pfa-tips-medicaid-part-1/>

Maryland Medicaid Waivers
<https://mmcp.health.maryland.gov/waiverprograms/pages/home.aspx>

"You Can Go to Work, Keep SSI and Medical Assistance...and Live to Tell About It"
<https://pathfindersforautism.org/articles/financial/pfa-tips-you-can-go-to-work-keep-ssi/>

Written by Michael Dalto, SSI and SSDI Consultant

© 2026 Pathfinders for Autism