The Patient Protection and Affordability Act made the following changes to Medicaid eligibility that need to be reflected in state law:

1) **Establish Medicaid Eligibility for Adults under Age 65 Based on Income**

Section 2001(a)(1) of the Affordable Care Act makes all individuals under age 65 (children, pregnant women, parents, and adults without dependent children) with incomes up to 133% of the federal poverty level (FPL) eligible for Medicaid.

The ACA prescribes that the modified adjusted gross income (from the 1040 Form) be used to determine eligibility.

The Public Welfare Code at § 441.1 (persons eligible for MA) does not specifically preclude adding other categories to the list of covered groups, but the authority is questionable without a change in state law.

2) **Eliminate Resource Test/Revise Treatment of Annuities for Medical Assistance for the Non-Elderly**

§ 2002(a)(14)(C) of the ACA precludes the application of a resources test except for non-elderly Medicaid recipients, including consideration of life estates, annuities, trusts, etc. in determining eligibility for individuals and will require changes to the Public Welfare Code at §§ 441.2, 1404(a), 441.6, and 1414.

3) **Change the Methodology to Compute Income Eligibility for MA**

§ 2002(a)(14)(B) of the Affordable Care Act prohibits income deductions/disregards (other than the 5% disregard in § 1004(e) of the Health Care Reconciliation Act. The PWC at § 441.3 (use of medical expenses to establish MA eligibility) would need to be amended as it applies to the new group.

4) **Changes to the Medically Needy and GA Categories**

Under § 2001(a)(1) in the ACA, individuals currently eligible for MA under the GA category will become eligible for MA under the new federal category. In addition, most individuals eligible for medically needy MA will be eligible under the new category. The Commonwealth will need to evaluate the scope and substance of its medically needy program and revise provisions of the law that relate to the GA category. (This includes § 442.1 which lists Medically Needy categories, § 448 which imposes a $150 deductible for GA recipients and § 454, which requires the Department to issue regulations to establish benefit packages and copayments, which includes a reference to MA for GA-related categories.).