

Families and Children Manual	Section: Categories of Eligibility
Policy Manual Number: 015.040	Chapter: Caretaker Relative MAGI

CARETAKER RELATIVE MAGI

Legal Authority: 42 CFR 435.4; 42 CFR 435.110; 42 CFR 435.112; 42 CFR 435.115; 42 CFR 435.603; Tenn. Comp. R. & Regs. 1200-13-20-.07(1)

1. Overview

The Caretaker Relative MAGI category is only available to parents and caretaker relatives of dependent children under age 18, or 18 and a full-time student. Although there are some similarities between the Caretaker Relative MAGI category and the former AFDC-MO Medicaid category, there are a number of important differences:

- a. Eligible parents and caretaker relatives must have a dependent child under age 18, or 18 and a full-time student, living in the home, but the child does not have to be deprived of parental support;
- b. Children are not eligible under the Caretaker Relative MAGI category, unless the child is considered the caretaker relative of another child;
- c. The MAGI financial methodology is used for the Caretaker Relative MAGI category;
- d. The dependent child of the parent or caretaker relative is not required to be eligible for or receive TennCare Medicaid; and
- e. The Caretaker Relative MAGI category has a more limited set of relatives who may gain eligibility as a caretaker relative.

2. Policy Statement

TennCare Medicaid benefits are available to parents and caretaker relatives of a dependent child under age 18, or 18 and a full-time student, whose Eligibility Determination Group (EDG) income is at or below the income eligibility standard, by EDG size, and who meet all non-financial eligibility requirements.

3. Non-Financial Eligibility Requirements

- a. **Age:** There is no minimum or maximum age for the Caretaker Relative MAGI category.
- b. **Caretaker Relative Status:** A caretaker relative of a child is a relative by blood, adoption, or marriage with whom a dependent child under age 18, or 18 and full-time student, is living, who assumes primary responsibility for the child's care, and is one of the following:
 - i. The child's father, mother, grandfather, grandmother, brother, sister, stepfather, stepmother, stepbrother, stepsister, uncle, aunt, first cousin, nephew, or niece; or
 - ii. The spouse of such parent or relative, even after the marriage is terminated by death or divorce.

An assumption of primary responsibility may be apparent if the individual claims the child as a tax dependent, but it is not required.

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- c. **Citizenship:** A parent or caretaker relative must be a U.S. Citizen, U.S. National or eligible non-citizen.
- d. **Enumeration:** A parent or caretaker relative must possess and provide a valid Social Security Number (SSN) or proof of an SSN application, unless she meets an exception.
- e. **State Residence:** A parent or caretaker relative must be a resident of Tennessee.
- f. **Cooperation with Child Support Services:** An eligible parent or caretaker relative must agree to cooperate with Child Support Services in establishing paternity of a child born out of wedlock and in obtaining medical support and payments for herself and anyone for whom the individual can legally assign rights. Proof of non-compliance from the Department of Human Services Child Support Enforcement Office may lead to ineligibility.

4. Financial Eligibility Requirements

a. Eligibility Determination Group

The EDG for this category uses the Modified Adjusted Gross Income (MAGI) methodology. It is possible for household members to have different EDG sizes when determining eligibility. For additional information regarding EDG size see the *Eligibility Determination Group for MAGI* policy.

b. Income Standard

The income standard for the Caretaker Relative MAGI category is 100% FPL.

c. Budget

Ms. Thomas applied for Medicaid for herself. She is the caretaker of her 8-year-old grandson. Ms. Thomas is employed with a Net Countable Earned Income of \$2,050. She claimed \$450 in student loan interest on her tax return, which gives her a \$37.50 per month deduction ($\$450/12 = \37.50). She plans to file taxes and claim her grandson. The example budget is based on an EDG size of 2 and determines eligibility with an Income Test Limit of \$1,704.

Ms. Thomas' Remaining Countable Earned/Self-Employment Amount, \$2,050, is over the Income Test Limit, \$1,704. Application of the MAGI 5% deduction (100% FPL for household of 2 = \$1,704) ($5\% \text{ of } \$1,704 = \86) does not result in Ms. Thomas meeting the Income Test Limit for the Caretaker Relative category.

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Income Budget Calculation		
Net Countable Self-Employment Income		\$ 0.00
Net Countable Earned Income		\$ 2,050.00
Before/Pre-tax Contribution Deductions	-	\$ 0.00
Remaining Countable Earned/Self-Employment Amount	=	\$ 2,050.00
Net Countable Unearned Income	+	\$ 0.00
Countable Earned and Unearned Income	=	\$ 2,050.00
1040 Deduction	-	\$ 37.50
MAGI 5% Deduction	-	\$ 86.00
Net Countable Income	=	\$ 1,941.50
Income Test Limit		\$ 1,704.00
Gap Filling Amount	-	\$ 0.00
Total Net Countable Income	=	\$ 1,941.00
Income Test Result		FAIL

The above budget is current as of June 2024.

d. Resource Test

There is no resource test for the Caretaker Relative MAGI category.

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