

**TO:** Local District Commissioners, Medicaid Directors

**FROM:** Betty Rice, Director  
Division of Consumer and Local District Relations

**SUBJECT:** Increased Earned Income Disregard from 46% to 47% and Revised  
100% Federal Poverty Level Test

**EFFECTIVE DATE:** June 1, 2000

**CONTACT PERSON:** Upstate: Local District Liaison 518-474-9130  
NYC: 212-268-6855

This is to inform social services districts that effective June 1, 2000 the Earned Income Disregard (EID) used to determine eligibility under Medicaid for Low Income Families (LIF) changed from 46% to 47%. Pursuant to MBL Transmittal 00-1 issued April 3, 2000, this change was supported by MBL on April 10, 2000 for new applications and recertifications with an effective From Date of June 1, 2000 or later. A report of affected cases will be run by the Department. For Upstate, district specific lists will be distributed to districts that may have affected cases along with processing instructions in a MBL transmittal. For New York City, separate processing instructions will be issued with the list of affected cases.

In addition, the poverty line for the 100% Poverty Level Test applicable in the LIF budgeting methodology has been revised to use the 2000 federal poverty line. The poverty line used for the 100% test is the same as that used for expanded eligibility budgeting.

If you have any questions regarding the EID or the 100% Poverty Level Test, please contact your Local District Liaison at 518-474-9130 (Upstate) or 212-268-6855 (NYC).