

**DEPARTMENT
POLICY****MA Only**

Do **not** consider Freedom to Work (FTW) eligibility if the month being tested is before January 2004.

This is an SSI-related Group 1 MA category.

FTW is available to a disabled client age 16 through 64 who has earned income.

Eligibility begins the first day of the calendar month in which all eligibility criteria are met. All eligibility factors must be met in the calendar month being tested.

Note: SSI recipients whose SSI eligibility has ended due to financial factors are among those who should be considered for this program.

**NON-FINANCIAL
ELIGIBILITY
FACTORS**

1. The client must be MA eligible before eligibility for FTW can be considered.
2. The client does not access MA through a deductible.
3. The client must be disabled according to the disability standards of the Social Security Administration, except employment, earnings and substantial gainful activity (SGA) cannot be considered in the disability determination.

Note: FTW clients requiring a disability determination from MRT must be clearly indicated on the medical packet by checking the "other" Program box and writing "Freedom To Work" or "FTW" in the blank on the DHS-49A Medical - Social Eligibility Certification form.

4. The client must be employed.

Note: A client may have temporary breaks in employment up to 24 months if the break is the result of an involuntary layoff or is determined to be medically necessary and retain FTW eligibility.

5. The MA eligibility factors in the following items must be met:
 - [PEM 220](#), Residence.
 - [PEM 221](#), Identity.
 - [PEM 223](#), Social Security Numbers.
 - [PEM 225](#), Citizenship/Alien Status.
 - [PEM 257](#), Third Party Resource Liability.
 - [PEM 265](#), Institutional Status.
 - [PEM 270](#), Pursuit of Benefits.

FINANCIAL ELIGIBILITY FACTORS

Groups

Clients eligible under the FTW category is a fiscal and asset group of one.

Assets

Once a client is determined eligible for FTW, the countable assets cannot exceed the asset limit for FTW in PEM 400.

Refer to [PEM 400](#) for jointly owned assets.

Divestment

Do not apply policy in [PEM 405](#).

Income Eligibility

Income eligibility exists when the client's net **unearned** income does not exceed 100% of the Federal Poverty Level (FPL), which is:

- \$867 effective April 1, 2008.
- \$903 effective April 1, 2009.

If the client's net earned income is above 250% of the FPL, refer the client to FTW. See " **FTW Referrals**" below.

Determine countable earned and unearned income according to SSI-related MA policies in [PEM 500](#), [530](#), [540](#) (for children) or [541](#) (for adults). Unemployment compensation benefits are not countable income for FTW.

PREMIUM PAYMENTS

A client with net earned income **exceeding** 250% of the FPL is required to pay a monthly premium based on earned income to keep MA coverage. Premiums will be billed and collected by the Department of Community Health (DCH) through FTW.

Monthly FTW Premiums

Monthly FTW Premiums Effective 04/01/09		
Premium Level	Monthly Countable Earned Income	Premium Amount
Level 1	\$2257 to \$3158	\$50
Level 2	\$3159 to \$4512	\$190
Level 3	\$4513 to \$6249	\$460
Level 4 (max. \$75,000)	\$6,250 and over	\$920

FTW Referrals

If you determine that a client's earned income exceeds 250% of the FPL and meets all other financial and non-financial factors in this item, use a DHS-45, DHS to DCH/MiChild/FTW Transmittal, and send a legible photocopy of the FTW budget sheet to the address below:

Freedom to Work
PO Box 30412
Lansing, MI 48909

FTW will use the budget information to determine the premium payment. When the client's income increases to the point they would be required to pay a different premium amount, send a copy of the new budget to the above address.

Use a DHS-14, MIChild/Freedom to Work Referral, to inform the client of the referral to FTW. This notice also informs the client if a premium is required.

Do **not** end the client's medical assistance on CIMS. FTW will notify the client of the premium payment and collection process. If the premium is not paid, DCH's Exception Unit will close the case and notify DHS staff.

MEDICARE SAVINGS PROGRAM (MSP)

MSP and FTW have different group composition, income and asset limits. A separate determination must be done when there is a spouse.

Reminder: A client eligible for MA under FTW is not eligible for ALMB.

INSTRUCTIONS

Refer to 'How Do I' for CIMS coding instructions

LEGAL BASE

MA

Title XIX of the Social Security Act
Public Act 33 of 2003

JOINT POLICY DEVELOPMENT

Medicaid, Adult Medical Program (AMP) also known as Adult Benefit Waiver (ABW), Transitional Medical Assistance (TMA/TMA-Plus), and Maternity Outpatient Medical Services (MOMS) policy has been developed jointly by the Department of Community Health (DCH) and the Department of Human Services (DHS).