

## Kid's Medicaid

Paper by Patricia Sitchler &  
Kathy Lynch  
Edited & Updated by  
Christina Leshner &  
Marilyn G. Miller

1

### Kids & Families Need Our Help

- ❖ 2012 estimated that out of TX 2.3 million kids, 8% under the age of 5 had developmental disability
- ❖ 2012 9-13% of TX kids have a disability
- ❖ Parents & Families are overwhelmed w/ caring for child

2

## Texas Medicaid Programs for Children

- ❖ Two types of programs:
  - ❖ **One type requires kid to be disabled & in financial need**
    - ❖ Financial need determined by Health & Human Services commission (HHSC)
    - ❖ Disability determined by HHSC (via the Texas Medicaid & Healthcare Partnership TMHP)
  - ❖ **One type is for kids who are financially needy, regardless of disability**
    - ❖ Financial need estb. by Texas Works Program
    - ❖ Administered by HHSC

3

## Supplemental Needs Trusts and Medicaid

- ❖ **Medicaid is much more than health insurance**
  - ❖ Can pay for respite, housing, therapies
- ❖ **Are you preparing Supplemental Needs Trusts?**
  - ❖ You need to know the programs the trust is intended to protect
- ❖ **A few basics on Medicaid:**
  - ❖ Most programs require person to be US citizen or permanent resident alien
  - ❖ Each Medicaid program has its own income & asset rules
  - ❖ Some Medicaid programs have disability requirements, some don't

4

## TANF -Temporary Aid to Needy Families

- ❖ **What?**
  - ❖ Small financial assistance & medical benefits
  - ❖ Temporary basis
- ❖ **Who?**
  - ❖ Needy families w/ dependent children
  - ❖ No disability determination required
- ❖ **Income?**
  - ❖ Intricate calculation based on # people living in the home & status (parent or child)
- ❖ **Assets?**
  - ❖ \$1,000 for accessible resources
  - ❖ Cap on primary vehicle to \$4,650
- ❖ **Wait/ interest list?**
  - ❖ n/a
- ❖ **Special trust rules?**
  - ❖ Asset transfer penalty unless made to certain trusts

5

## Medically Needy & TP 40 Programs

- ❖ **What?**
  - ❖ Medicaid programs
  - ❖ TP 43, TP 44, TP 45, TP 47, TP 48
  - ❖ Referred to as "traditional Medicaid"
- ❖ **Who?**
  - ❖ Children living in poverty
  - ❖ No disability determination
- ❖ **Income?**
  - ❖ Each TP program has own income cap based on the Federal Poverty Income Level (FPIL)
- ❖ **Assets?**
  - ❖ Assets not counted
- ❖ **Wait/ interest list?**
  - ❖ n/a
- ❖ **Special trust rules?**
  - ❖ No transfer penalties

6

Find the full text of this and thousands of other resources from leading experts in dozens of legal practice areas in the [UT Law CLE eLibrary \(utcle.org/elibrary\)](https://utcle.org/elibrary)

Title search: Kid's Medicaid

Also available as part of the eCourse

[2020 Special Needs Trusts eConference](#)

First appeared as part of the conference materials for the  
16<sup>th</sup> Annual Changes and Trends Affecting Special Needs Trusts session  
"Public Benefits for Children"