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Significant Increase in New York Medicaid Income and Resource Limits to Protect Individuals 65 and Over and Disabled Adults

January 20, 2023
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In the past, Medicaid recipients who received MAGI Medicaid benefits (individuals under the age of 65) could lose their Medicaid benefits when they reached age 65. Once an individual reached 65, he had to reapply for non-MAGI Medicaid benefits with strict income and resource limits. In 2022, Medicaid's monthly income limit was $934 for an individual and $1,367 for a couple; the resource limit was $16,800 for an individual and $28,133 for a couple. As a result, an individual with a monthly income of $1,500 and assets totaling $25,000 would lose his Medicaid benefits when he turned 65 because he was over the income and resource limits. While his income and resource had no significant increase, he has suffered a significant loss of benefit.

Governor Hochul recently expanded coverage for older New Yorkers and disabled adults by increasing the income limits to match the income limits of MAGI Medicaid recipients under the Affordable Care Act, which takes effect this year. As a result of this expansion, the same individual with a monthly income of $1,500 and savings of $25,000 would not lose his benefits once he turned 65. Starting January 1, 2023, the monthly income limit for a single individual is $1,563 (a significant increase from $934), and for a couple, $2,106 (from $1,367 in 2022). The 2023 resource limit for an individual is $28,133 (up from $16,800 in 2022), and for a couple, $37,902 (up from $28,133 in 2022).

For those already receiving Medicaid benefits and utilizing pooled income trusts to protect their excess income, they may continue with their current spend-down plan until Recertification. The increased income limits will apply upon the Medicaid recipients' renewal. Those Medicaid recipients who prefer not to await rebudgeting upon Recertification may request a rebudgeting of income with the local Department of Social Services or, in New York City, Human Resources Administration.

It is important to note that this expansion not only protects those who are currently receiving Medicaid benefits but also allows low-income New Yorkers who have been unable to qualify for non-MAGI Medicaid benefits in the past due to the strict income and resource limits to apply now and qualify for the benefits they need.

If you or your loved ones have questions about how these recent significant changes may impact you, please feel free to contact me with any questions and to discuss your options.