



Medical Spend-Down Program

Categories : [Disability Related Services](#), [Older Adult Programs](#)

Medicaid Eligibility

To qualify for Connecticut State Medical Assistance (Medicaid), you must meet program requirements, including income and asset limits. Income and asset limits are fixed, but if you have very high medical expenses, you may still qualify for Medicaid. This is because of a process called “spend-down” that lets you reduce or “spend down” your excess income to bring it under the “medically needy income limit.” The spend-down process uses medical bills as income deductions. Medical bills are subtracted from income, and if medical bills exceed the income above the medically needy income limit, you are eligible for Medicaid and any further medical expenses are covered by Medicaid.

Income and medical expenses are reviewed every six months, and once medical expenses in a six month period bring income below the medically needy income limit, the client is deemed eligible for Medicaid.

Who is Eligible for Medicaid Under a Spend-Down

Anyone who meets all the eligibility requirements for Medicaid, except the income limit, is eligible for Medicaid if the amount of medical expenses owed is greater than the amount by which their income exceeds the medically needy income limit. This limit is set by DSS each year.

NOTE: Medicaid Coverage for the Lowest-Income Populations/HUSKY D will not be accessible through a ‘spend-down’ process if an applicant is over-income, effective January 1, 2014. This is because the income-eligibility limits are increasing and federal rules will no longer permit spend-down for this group. But since the income-eligibility level is rising so substantially, many people who now must go through the spend-down process will qualify for Medicaid regardless.

What Expenses Count Toward the Medicaid Spend-Down?

Any expense related to medical or mental health care or treatment counts toward the Medicaid spend-down. This includes visits to medical professionals, prescriptions, over the counter medicines, bandages, insulin/test strips/syringes, emergency transportation, (but not non-emergency transportation), eyeglasses, hearing aids, durable medical equipment, psychiatrists, psychologists, and similar expenses. There is no set list of expenses that can be used for the spend-down, but generally DSS will accept any expense that meets a medical need.

To Find Application Sites in Connecticut’s Community Resources Database:

Search by program name: [Medical Expense Spend Down Policy](#)

SOURCE: Connecticut Dept. of Social Services, State Medical Assistance The Spend-Down Process

<https://portal.ct.gov/-/media/Departments-and-Agencies/DSS/Brochures/Medical-Medicaid-Medicare/spndown.pdf>

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