



## POLICY MEMO

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<b>Title:</b> Non-MAGI Unearned Income Exemption for Member Advisory Council Compensation	<b>Topic:</b> Eligibility Policy
<b>Audience:</b> County Departments of Human/Social Services, Medical Assistance (MA) Sites and Eligibility Application Partner (EAP) Sites	<b>Sub-Topic:</b> Income & Resource Eligibility
<b>Supersedes Number:</b> N/A	<b>Division:</b> Policy
<b>Effective Date:</b> July 1, 2025	<b>Office:</b> Medicaid Operations Office
<b>Expiration Date:</b> July 1, 2026	<b>Program Area:</b> Eligibility
<b>Key Words:</b> Unearned, Income, Exempt, Non-MAGI, Member, Council, Advisory, MAC, BAC, MEAC	
<b>Legal Authority:</b> Federal Register Vol. 89, No. 92, Page 40563	
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<b>Policy Memo Number:</b> HCPF PM 25-006 <b>Issue Date:</b> July 30, 2025 <b>Approved By:</b> Ralph Choate	

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### Purpose and Audience:

The purpose of this memo is to advise Eligibility Sites (county departments of human/social service), Medical Assistance (MA) Sites, and Eligibility Application Partners (EAP)) (referred to in this memo as “agency” or “agencies”) of income consideration changes to the Aged, Blind, and Disabled, Medicare Savings Plan and Long Term Care programs.

### Information:

Section 1902(a)(4) of the Act requires the establishment and ongoing operation of a public Member Advisory Councils (MAC) with a dedicated Beneficiary Advisory Council (BAC) comprised of current and former Medicaid beneficiaries, their family members, and caregivers, to advise the Department on matters of concern related to policy

development, and matters related to the effective administration of the Medicaid program.

Based on Federal guidance from Federal Register, Vol. 89, No. 92, Page 40563, published 05/10/2024 and regulations at 42 C.F.R. 431.12, the Department has implemented an exemption that allows the total value of any compensation received for participation in MAC and BAC, including gift cards, to be exempt from consideration as income for Non-MAGI programs. MAGI programs will continue to consider this compensation as income.

The Colorado Benefits Management System (CBMS) has been updated to reflect this new income exemption guideline. The unearned income type of MAC/BAC has been created and added.

### **Action To Be Taken:**

Eligibility Sites should ensure that the new income exemption guidance in this policy memo is being applied in order to comply with eligibility requirements for accurate determinations for members who declare this source of unearned income. Training materials are updated to reflect the exemption of this unearned income type.

### **Attachment(s):**

None

### **HCPF Contact:**

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