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To: William Brown, Maine Office of the Speaker of the House  
From: Erin Langlois, Research Assistant  
Re: State eligibility requirements for public assistance  
Date: March 27, 2007

This memo is in response to your inquiry regarding how Maine's eligibility requirements for Medicare, Medicaid, and TANF compare to those of other New England states. Medicare eligibility is strictly federally determined, but Medicaid and TANF are regulated by federal guidelines that allow the state to determine eligibility and intensity of benefits. Included in this memo are charts and tables summarizing eligibility, benefits, and spending on Medicaid and TANF for Maine and the other five New England states.

Generally speaking, Maine ranks in the middle of the New England states in terms of generosity, both for TANF and Medicaid. In terms of eligibility requirements, Maine and Connecticut have comparable requirements, Massachusetts and New Hampshire are stricter than Maine, and Vermont and Rhode Island are less strict.

TANF eligibility is determined by numerous factors, such as earned income, assets, family structure, and immigration status. While TANF benefits vary considerably across the nation, the New England region as a whole provides a higher level of cash assistance than the national average. However, this may reflect the region's higher cost of living, rather than greater generosity.

- Maine's maximum monthly earnings to qualify for TANF is \$1,023 for a single-parent family of three. This amount, which represents family income after all income deductions are applied, is \$103 lower than the regional average. However, it is higher as a percentage of the median income of Maine than of the other New England states.
- Maine, Connecticut and New Hampshire require TANF recipients to find work immediately. Except for Massachusetts, all states in New England allow secondary education to fulfill this requirement.
- Maine has the lowest annual average benefit level in New England: \$5,820 for a family of three.
- In Maine, the benefit life time limit is five years. However, families without sanctions are allowed to continue receiving assistance. Exemptions and extensions vary across states.
- Maine is comparable to Massachusetts and Vermont in how it includes earned income in the benefit calculation. (Maine allows recipients to keep \$108 per month in earned income, plus 50 percent of any income beyond that.)
- At 64 percent, Maine spends a significantly larger portion of funds on basic assistance, compared

to other New England states.

Medicaid eligibility is determined by the household's annual income as a percentage of the federal poverty line (FPL). In 2006, the FPL was \$16,600 for a family of three.

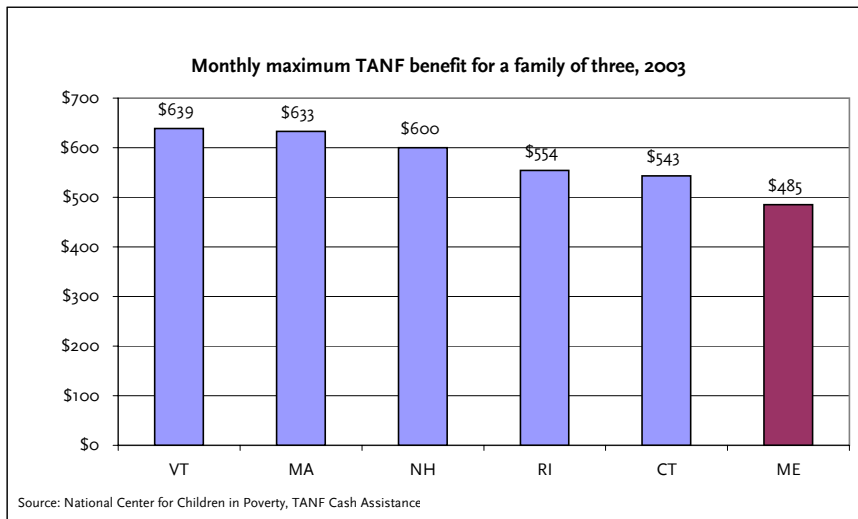
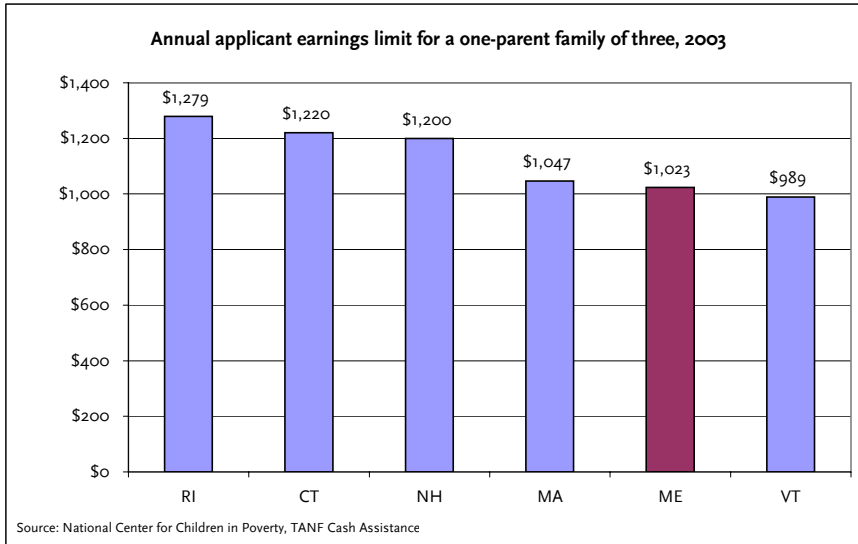
- Maine's Medicaid program ranks fourth in the New England region in total spending per enrollee.
- Among the various types of Medicaid recipients, Maine places its highest eligibility cap on working parents (207 percent of the FPL). This cap is the highest in the region for working parents.
- For pregnant women and infants, eligibility in Maine ends at 200 percent of the FPL, which is typical for the region.
- While Maine (along with Massachusetts) has the lowest income eligibility caps in the region, at 150 percent of the FPL, Maine provides substantial aid to the children it does cover. Benefits to children average \$3,961 per child, highest in the region and \$1,622 more than the New England average. (This comparison includes SCHIP eligibility only if it is an expansion of a state's Medicaid program<sup>1</sup>).
- In Maine, 43 percent of Medicaid spending is allocated to the disabled. In all New England states except for Connecticut, the disabled receive the largest single share of Medicaid spending.
- Maine's distribution of spending by recipient is significantly higher for adults and significantly lower for the elderly than elsewhere in the region. One in four of Maine's Medicaid enrollees are also eligible for Medicare, the highest dual eligibility rate in the nation.
- On the other hand, in terms of population rather than spending, the share of Maine's Medicaid recipients who are elderly, at 20.1 percent, is the highest in the country.

The attached charts and tables provide more detail on Maine's eligibility requirements and how they compare to the rest of the region.

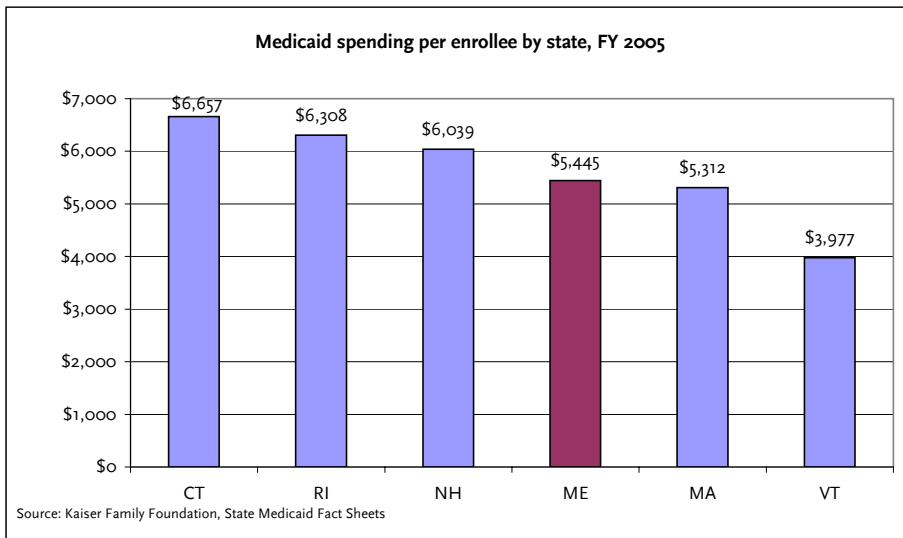
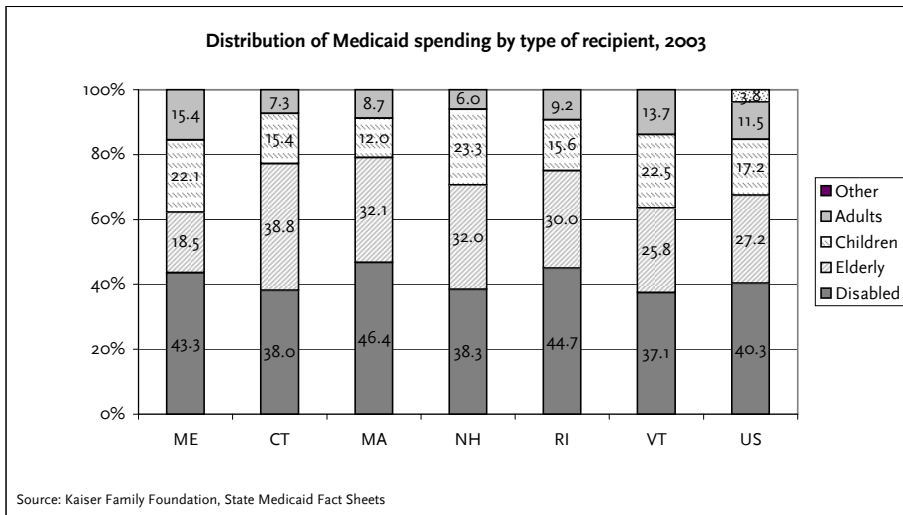
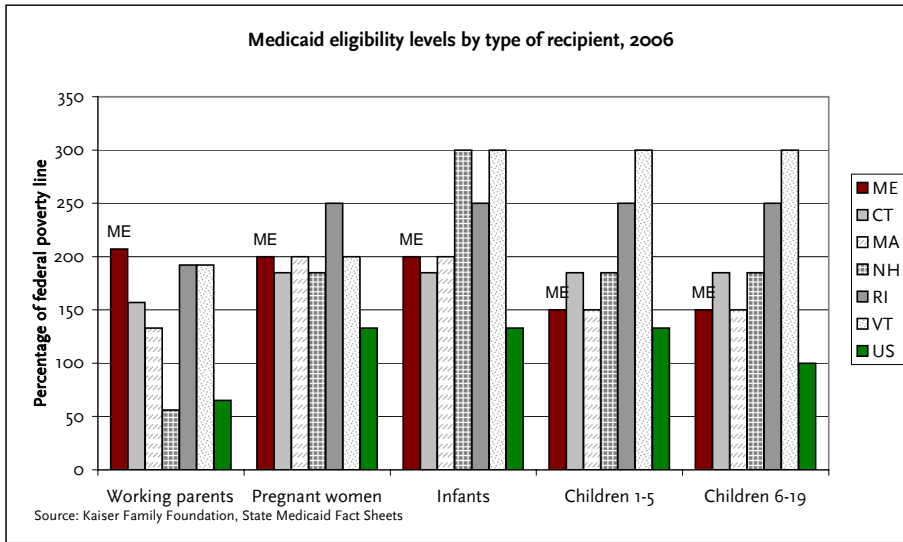
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<sup>1</sup> All New England states have in addition, a federally approved SCHIP program separate from Medicaid with flexibility beyond the Federal Code of Regulations. Differences include eligibility thresholds at a higher percentage of the FPL, participant cost-sharing provisions, and a higher federal matching rate.

## TANF eligibility, benefits, and spending in New England



## Medicaid eligibility and spending in New England



## Temporary Assistance for Needy Families (TANF) eligibility, benefits, and spending comparisons across states

	Maine	Connecticut	Massachusetts	New Hampshire	Rhode Island	Vermont
<b>Eligibility criteria</b>						
Max Earnings at Close [2]	\$1,023	\$1,220	\$1,047	\$1,200	\$1,279	\$989
As percent of the Federal Poverty Line [2]	80%	96%	82%	94%	101%	78%
As percent of the State Median Income [2]	26%	21%	19%	24%	27%	24%
Amount of child support income passed through [1]	Up to \$50; amount disregarded for purposes of eligibility and benefits. State also uses fill-the-gap budgeting. <sup>1</sup>	Up to \$50; amount disregarded for purposes of eligibility and benefits.	Up to \$50; amount disregarded for purposes of eligibility and benefits.	None	Up to \$50; amount disregarded for purposes of eligibility and benefits.	State passes through all current support. The first \$50 is disregarded.
<b>Asset eligibility criteria</b>						
Assets disregarded for eligibility determination [1]	No	No	No	No	No	No
Applicant asset limit [1]	\$2,000	\$3,000	\$2,500	\$1,000	\$1,000	\$1,000
Recipient asset limit [1]	\$2,000	\$3,000	\$2,500	\$2,000	\$1,000	\$1,000
Treatment of vehicles [1]	Excludes value of one vehicle per household.	Equity in excess of \$9,500 is included in assets.	Greater of fair market value in excess of \$10,000 or equity value in excess of \$5,000 for one vehicle and full equity of additional vehicles is included.	Excludes value of one vehicle per licensed driver.	Lesser of fair market value in excess of \$4,650 or equity value in excess of \$1,500 is included.	Excludes value of one vehicle per adult.
Two-parent families eligible on same basis as 1-parent families? [1]	No	Yes	No	No	Yes	Yes
Lawful permanent residents eligible for state-funded benefits when barred from federal? [1]	Yes; eligibility may be affected by deeming. <sup>2</sup>	Yes; recipients must pursue citizenship.	No	No	Yes	Yes; eligibility may be affected by deeming. <sup>2</sup>
Work trigger limit [3]	Immediate	Immediate	60 days	Immediate	24 months	No later than 18 months
<b>Education as work requirement</b>						
Post-secondary training or education can fulfill work requirement? [1]	Yes	Yes	No	Yes	Yes	Yes
Education/ training is sufficient to meet work requirement? [1]	Yes	Yes, if attending at least 30 hours/week	N/A	No	Yes	Yes
Time limit on post-secondary education or training fulfilling work requirement [1]	Expected to complete program within amount of time it takes for full-time student	Generally 4 or 6 months	N/A	3 years part-time 2 years full-time	36 months	No limit

	Maine	Connecticut	Massachusetts	New Hampshire	Rhode Island	Vermont
<b>Benefits</b>						
Benefit level						
Max Grant (no Income) [2]	\$485	\$543	\$633	\$600	\$554	\$639
As percent of the Federal Poverty Line [2]	38%	43%	50%	47%	44%	50%
As percent of the State Median Income [2]	12%	9%	12%	12%	12%	15%
Earned income disregarded for benefit calculation [1]	\$108/month and 50% of remainder	100% of earnings	\$120/month and 50% of remainder	50%	\$170/month and 50% of remainder	\$150/month and 25% of remainder
Time limit on benefit receipt						
Lifetime time limit [4]	60 months	21 months	None	60 months	60 months	None
Benefits continue to children after reaching lifetime time limit? [4]	Yes	No	n/a	No	Yes	n/a
Average monthly number of families	9,543	19,830	48,842	6,159	10,744	4,589
<b>Spending on basic assistance FY2005</b>						
Federal funds spent [5]	\$60,070,407	\$7,804,430	\$133,557,236	\$17,325,241	\$56,034,626	\$23,888,738
State Maintenance of effort (MOE) funds spent [5]	\$29,946,706	\$117,934,671	\$198,027,952	\$17,951,601	\$16,045,489	\$12,191,976
Share of State and Federal funds spent on basic assistance [5]	64.00%	25.90%	40.10%	49.80%	40.50%	44.30%
Average monthly number of families receiving basic assistance [6]	9,543	19,830	48,824	6,159	10,744	4,589

<sup>1</sup> In "fill-the-gap" budgeting, the TANF countable income standard is set higher than the maximum amount of cash benefits that a family can receive. Child support payments that bring the family's income above the maximum amount of benefits it can receive, but that remain below the TANF countable income standard, are not counted against the family for purposes of determining the size of the family's benefits.

<sup>2</sup> "Deeming" refers to a situation in which a sponsor has signed an affidavit of support form when the immigrant entered the U.S. In that circumstance, the sponsor's income and resources may be added to the immigrant's in determining eligibility for benefits.

Source: National Center for Children in Poverty

[1] National Center for Children in Poverty; [http://www.nccp.org/policy\\_index\\_12.html](http://www.nccp.org/policy_index_12.html)

[2] TANF Seventh Annual Report to Congress, State Profiles; <http://www.acf.hhs.gov/programs/ofa/annualreport7/chapter14/chap14.pdf>

[3] TANF Seventh Annual Report to Congress, Table 12:3; [http://www.acf.hhs.gov/programs/ofa/annualreport7/Appendix/TANF\\_7th\\_Report\\_Appendix.pdf](http://www.acf.hhs.gov/programs/ofa/annualreport7/Appendix/TANF_7th_Report_Appendix.pdf)

[4] TANF Seventh Annual Report to Congress, Table 12:10; [http://www.acf.hhs.gov/programs/ofa/annualreport7/Appendix/TANF\\_7th\\_Report\\_Appendix.pdf](http://www.acf.hhs.gov/programs/ofa/annualreport7/Appendix/TANF_7th_Report_Appendix.pdf)

[5] Center for Law and Social Policy; [http://www.clasp.org/publications/state\\_moe\\_fy05.htm](http://www.clasp.org/publications/state_moe_fy05.htm)

[6] Department of Health and Human Services; [http://www.acf.hhs.gov/programs/ofa/caseload/2005/2005\\_15months\\_05112006\\_tan.xls](http://www.acf.hhs.gov/programs/ofa/caseload/2005/2005_15months_05112006_tan.xls)

## Medicaid eligibility, spending, and federal contribution comparisons across states

### Medicaid eligibility levels by annual income and percent of federal poverty line (FPL), 2006

	Maine		Connecticut		Massachusetts		New Hampshire		Rhode Island		Vermont		U.S.	
	Maximum income	% of FPL	Maximum income	% of FPL	Maximum income	% of FPL	Maximum income	% of FPL	Maximum income	% of FPL	Maximum income	% of FPL	Maximum income	% of FPL
Working parents	\$34,280	207	\$25,992	157	\$22,078	133	\$9,375	56	\$31,790	192	\$31,790	192	\$10,849	65
Pregnant women	\$32,180	200	\$29,767	185	\$32,180	200	\$29,767	185	\$40,225	250	\$32,180	200	\$21,400	133
Infants	\$33,200	200	\$30,710	185	\$33,200	200	\$49,800	300	\$41,500	250	\$49,800	300	\$22,078	133
Children age 1-5	\$24,900	150	\$30,710	185	\$24,900	150	\$30,710	185	\$41,500	250	\$49,800	300	\$22,078	133
Children age 6-19	\$24,900	150	\$30,710	185	\$24,900	150	\$30,710	185	\$41,500	250	\$49,800	300	\$16,600	100

### Medicaid spending per enrollee, FY 2003

	Maine		Connecticut		Massachusetts		New Hampshire		Rhode Island		Vermont		U.S.	
	Spending	% of total	Spending	% of total	Spending	% of total	Spending	% of total	Spending	% of total	Spending	% of total	Spending	% of total
Disabled	\$9,155	43.3	\$21,050	38.0	\$13,012	46.4	\$17,338	38.3	\$16,262	44.7	\$12,970	37.1	\$12,265	40.3
Elderly	\$5,054	18.5	\$20,158	38.8	\$14,052	32.1	\$17,442	32.0	\$16,045	30.0	\$7,849	25.8	\$10,799	27.2
Children	\$3,961	22.1	\$1,920	15.4	\$1,593	12.0	\$2,292	23.3	\$2,175	15.6	\$2,095	22.5	\$1,467	17.2
Adults	\$3,606	15.4	\$2,281	7.3	\$1,637	8.7	\$2,606	6.0	\$2,301	9.2	\$1,713	13.7	\$1,872	11.5
Total	\$5,445		\$6,657		\$5,312		\$6,039		\$6,308		\$3,977		\$4,072	

### Total Medicaid spending, in millions of dollars

	ME	CT	MA	NH	RI	VT
Fiscal year 2005	\$2,249	\$4,112	\$9,710	\$1,261	\$1,691	\$868

### Federal contribution to state Medicaid costs, FY 2007

	ME	CT	MA	NH	RI	VT	US
Contribution per state dollar	\$1.72	\$1.00	\$1.00	\$1.00	\$1.10	\$1.43	\$1.00
Federal matching rate	63.3%	50.0%	50.0%	50.0%	52.4%	58.9%	≥50.1%

Source: Kaiser Family Foundation, State Medicaid Fact Sheets  
<http://www.kff.org/mfs/index.jsp>