

Maintaining Home and Community-Based Services (HCBS) while Working



Long-Term Services and Supports (LTSS)
Subcommittee Meeting

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About Pennsylvania Health Law Project (PHLP)

- Statewide non-profit legal organization dedicated to ensuring access to public health coverage and services
- What we do:
 - Helpline for clients - FREE legal services
 - Technical assistance
 - Community education/trainings
 - Monthly email newsletter – sign up using the link below:
<https://www.phlp.org/en/newsletter-sign-up>
 - Policy advocacy

Agenda

- Medicaid HCBS Waivers
- Medical Assistance for Workers with Disabilities (MAWD)
- Workers with Job Success (WJS)
- Other options?

Medicaid HCBS Waivers

What are Medicaid HCBS Waivers?

- **Provide:**
 - Services and supports to help people with disabilities live in the community and avoid institutional care
 - Services differ by Waiver program
 - Include service coordination and person-centered service planning
 - Primary source of in-home and community assistance for people 21+ (some waivers serve younger people)
- **Populations served** - Different waivers target different populations/disabilities

HCBS Waivers in Pennsylvania

Office of Developmental Programs

- [Consolidated Waiver](#)
- [Community Living Waiver](#)
- [Person/Family Directed Supports \(P/FDS\) Waiver](#)
- [Adult Autism Waiver](#)

Office of Long-Term Living

- [Community HealthChoices Wavier](#)
- [OBRA Waiver](#)

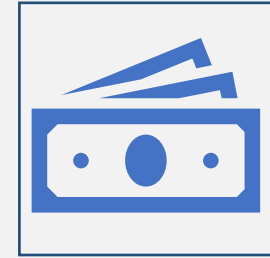
Medicaid Waiver Eligibility Factors



CLINICAL



OTHER NON-FINANCIAL



FINANCIAL

Clinical & Other Non-Financial Eligibility (examples)

Community HealthChoices Waiver

- Age 21+
- Physical disability expected to last 12+ months (including traumatic brain injury and dementia)
- Meet clinical criteria to be served in a nursing facility

Consolidated, Community Living, P/FDS Waivers

- Age / Diagnosis
 - Any age with intellectual disability (ID) or autism
 - Under age 9 with developmental disability with a high probability of resulting in ID or autism diagnosis
 - Under age 22 with developmental disability due to medically complex condition
- Meets clinical criteria to be served in an intermediate care facility

Income Limit (2025)

**\$2,901
/ month**

Only Count
Applicant's Income

Few Deductions (e.g.,
Veterans Affairs (VA)
A&A, tax refunds)
([LTCH 450.3](#))

- 300% Federal Benefit Rate
(3 x Supplemental Security
Income (SSI) level)
- Use gross income

Resource Limit



\$8,000

If Single

None

If Under 21

If Live with Their Child Under 21

Spousal
Impoverishment
Rules

If Married

Maintaining HCBS while Working

What to do if you are working and start earning more than the HCBS income limit?

- Maintaining a Medicaid HCBS Waiver while working – paths:
 - MAWD
 - Workers with Job Success (WJS)
- Other options?
 - Qualified Pooled Income Spend Down Trust
 - Alternate HCBS Program – Act 150

Medical Assistance for Workers with Disabilities (MAWD)

What is MAWD?

MAWD is a category of eligibility for Medicaid for people who:

- Are between ages 16 – 64
- Have a disability or chronic health condition
- Do some type of paid work
- Have “countable” income less than 250% of Federal Poverty Level (FPL)
 - \$3,261 for 1 person, \$4,407 for married couple (2025)
- Have resources less than \$10,000

Categorical Requirements

“Workers”

- Work is defined loosely:
 - No specific hours required
 - An hour or two a month is fine!
 - Can be informal
 - Should keep journal/record of work
- Must be paid
- Need to provide proof of work
 - Can be simple letter from informal employer detailing type of work, frequency, amount paid

“With Disabilities”

- If on Supplemental Security Disability Income (SSDI), meet disability criteria
- If not on SSDI, must submit medical records/info; can start with doctor’s letter w/ diagnosis & duration
 - Medical Review Team (MRT) finding: “permanent & totally disabled” w/o regard to actual work
- No requirement to apply for SSI/SSDI
- Disability ≠ unable to work
- **Practice tip:** if serious long-term condition, apply!

Financial Requirements

Income: 250%
FPL

AFTER income
disregards!

Spouse's income included
for eligibility, but NOT for
calculating premium

Resources:
\$10,000

Includes spouse's resources (but
not spouse's retirement)

Excludes primary residence, ABLE
accounts, one vehicle, & others

MAWD Income Limits - 2025

Household (HH) Size	Monthly	Annual
HH of 1	\$3,261	\$39,132
HH of 2	\$4,407	\$52,884

- **Countable** income must be under these limits
- Information about **Household Size**:
 - 1 if applicant is not married or is not living with spouse
 - 2 if applicant is married **and** living with spouse
 - Children of any age, other family members, and/or other people living in household are not counted in household size for MAWD

Income Disregards

Countable income

- After all deductions and disregards taken.
See [Medical Assistance Eligibility Handbook \(MAEH\) 360.3](#)

Unearned Income

- Social Security benefits, pensions, unemployment compensation (comp), workers comp, Veteran's benefits and more
- Disregard \$20

Earned Income

- Wages, salaries
- Disregard **\$65**
- Deduct any Impairment Related Work Expenses (IRWEs) – e.g., cost of special transportation service, service animal
- Disregard **half** of the remaining income

Countable Income Example

Makayla is 30, single, and receives SSDI \$1820 a month
She also works and earns \$465 a month gross
What is her total countable income for MAWD?

$$\begin{array}{r} \$1,820 \text{ SSDI} \\ -\$20 \\ \hline \$1,800 \end{array}$$

$$\begin{array}{r} \$465 \text{ earned income} \\ -\$65 \\ \hline \$400/2 = \$200 \end{array}$$

$\$1,800 + \$200 = \$2,000$ is countable income

Makayla is well below the MAWD income limit of \$3,261 a month for a single person.

Monthly Premium for MAWD

Monthly premium is 5% of countable income

Previous example:

Makayla's countable income is \$2,000 so her MAWD premium is \$2,000 x 5% = \$100/ month

If married, spouse's income is counted to determine eligibility but not counted to determine premium.

MAWD & HCBS Waiver Programs

Longstanding Department of Human Services (DHS) policy allows people to enroll in MAWD and HCBS simultaneously.

For more information, visit the [Medical Assistance Eligibility Handbook 316.1](#) General Policy for MAWD and MAWD/HCBS.

Critically important for people with disabilities whose work earnings would make them over the income limit for waiver programs.

MAWD & HCBS Waiver Programs (continued)

People over the income or resource limit for HCBS Waiver can get Waiver if eligible for MAWD

Must:

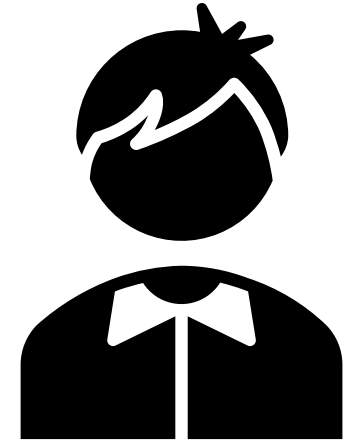
1. Meet all MAWD eligibility requirements, i.e., income limit, resource limit, work requirement, disability/chronic health condition;

AND

2. Functionally qualify for Waiver

Example: Rory wants Waiver Services

- Rory is clinically eligible for a Medicaid Waiver
- Rory gets \$1,800 in SSDI per month before Medicare premium deducted
- Rory's job pays \$1,305 per month before taxes
- Rory's countable income for a Waiver is **\$3,105** (\$1,800+\$1,305)
- The Waiver income limit is \$2,901. Rory appears to be ineligible. But...



Example: Rory's MAWD Eligibility

- Rory gets \$1,800 in SSDI per month before Medicare premium deducted
 - $\$1,800 - \$20 = \textbf{\$1,780}$ countable unearned income
- Rory's job pays \$1,305 per month before taxes
 - $\$1,305 - \$65 = \$1,240$
 - $\$1,240 \div 2 = \textbf{\$620}$ countable earned income
- Rory's countable income for MAWD is **\$2,400** (\$1780+\$620)
- Rory is income eligible for MAWD and can now get a Waiver too
- Rory will pay a monthly premium of \$120/month ($\$2400 \times 5\%$)



Example – Sara’s transition to HCBS+MAWD

Sara (age 30) has muscular dystrophy. Her breathing is impacted, and she uses a wheelchair. She needs help with her activities of daily living and is already enrolled in the CHC waiver program.

Sara was already working but she finds a new job where she will earn \$4065/month. She reports the change in income to the County Assistance Office (CAO). She has no resources other than an ABLE account. Sara is concerned because her new job puts her over the waiver income limit of \$2901/month.



Example – Sara’s transition to HCBS+MAWD (continued)

The CAO reviews Sara’s situation. She is over income for waiver, but she is working, so the CAO reviews her eligibility for MAWD:

Countable resources: \$0

Countable income: \$4065/month earned income - \$65 disregard = \$4000/month. $\$4000/2 = \2000 countable income/month

Sara meets the requirements to qualify for MAWD.

The CAO asks Sara if she is interested in MAWD and counsels her about MAWD premiums. Sara agrees to pay a monthly premium and is approved for MAWD + HCBS with a monthly premium of \$100/month ($\$2000 \times 5\%$).

Flagging MAWD+HCBS to the CAO

Note – in these examples, everything ran smoothly, but we know that doesn't always happen.

If someone needs MAWD + HCBS – ask for it!

Ongoing MAWD Eligibility

Report changes

- Person should report any changes to employment, income, and/or resources

CAO re-determines MAWD eligibility every six months

- Person must verify work and current earnings at renewal
- MAWD premium can be readjusted up or down for the next six months depending on current income

Person must pay monthly premium to keep coverage

- Billed monthly; can pay premiums by mail or online (keep records of payments)
- Premiums can be temporarily waived in certain cases

Losing MAWD Coverage

Reasons people can lose MAWD

- Failure to complete or submit redetermination paperwork
- Person turns 65 and no longer qualifies
- Person fails to pay their MAWD premium when due
- Person not able to work at all anymore



CAO must send an advance written notice prior to terminating MAWD from which person can appeal

Workers with Job Success (WJS)

MAWD Workers with Job Success

Created by Act 69 of
2021

-
Following campaign
by United Way's I
Want to Work &
other advocates



Started April 1, 2023

-

Implementation
delayed due to the
COVID Public Health
Emergency (PHE)
continuous coverage
protections



Provides pathway for
individuals with
disabilities to
increase their income
and assets above the
normal MAWD limits
without losing health
coverage or HCBS
waiver services.

Qualifying for Workers with Job Success

Have been on
MAWD for 12
months, without a
break



Have countable
monthly income
between 250% FPL
and 600% FPL

This “excess” income
triggers the WJS
eligibility

CAOs should review
automatically



Have countable
resources under
\$10,000
(at initial eligibility)

Income Limits

MAWD Workers with Job Success (600% FPL)(2025)

Household Size	Monthly	Annual
HH of 1	\$7,825	\$93,900
HH of 2	\$10,575	\$126,900

- Plus income disregards (same disregards as MAWD)
- Must be over the 250% FPL MAWD income limit
- Resource Limit: \$10,000 (at time of enrollment only)

Treatment of Resources

A MAWD recipient must have countable resources at or below \$10,000 to qualify for the MAWD WJS category.

Once enrolled in WJS - no resource limit.

If a WJS recipient reduces their work hours/loses income and goes back into normal MAWD, the recipient will continue to have no resource limit in that category.

WJS Premiums

- Premium is **7.5%** of the individual's countable income where:
 1. Household countable income is between 250%-450% FPL, or
 2. Household Countable income is above 450% FPL but household Adjusted Gross Income (AGI) is below \$144,814.98 (in 2025)
- Premium is **“full cost”** (\$948/month in 2025) where:
 1. Household countable income is above 450% FPL and household AGI is above \$144,814.98 (in 2025)
- A MAWD cost-of-living adjustment AGI amount is used to determine which recipients over 450% FPL pay the full premium amount.
- Recipients over 450% FPL will have to submit tax returns for AGI review

MAWD to WJS Case Example

Jordan has a disability and works full-time. Jordan gets a promotion, and her earnings increase from \$60,000 to \$84,000/year. Jordan has been on MAWD for 2 years and pays \$123/month premium. Her countable resources are under \$10,000. She reports her change in income to the CAO.

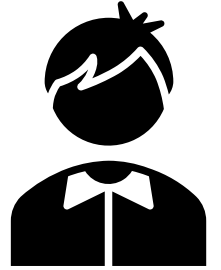
- New monthly gross earnings = \$7,000
- Countable income for MAWD = \$3,467.50 (above the \$3,261 MAWD limit)
($\$7,000 - \$65/2 = \$3,467.50$)
- Now over income for MAWD, but should continue to get Medicaid through enrollment into Workers with Job Success
- Premium will increase from \$123/month to \$260/month
($\$260 = 7.5\% \text{ of } \$3,467.50$)

MAWD+HCBS to WJS+HCBS Case Example

Sam is 40 and has been on MAWD + HCBS for 3 years. He is offered a promotion at work and will earn \$7565/month. His employer has been contributing to a 401(k) for him which has \$8000 in it, and he has an ABLE account. Sam lives with family and wants to save for his own home beyond the ABLE limit.

Sam reports the change in income to the CAO. His countable income is now over the MAWD limit ($\$7,565 - 65/2 = \$3,750$). Since his countable resources are below \$10k, Sam is moved to WJS and given a new premium of \$281/month ($\$3,750 \times 7.5\%$). He is able to keep his waiver services.

Now that Sam is approved for WJS, he can save more than the \$10,000 limit. Even if his income decreases and he is moved back to MAWD, his resources will still be excluded.



Example: Rory (again)

- Rory has been on MAWD for two years
- Rory gets SSDI, has a job, and has countable income, for purposes of MAWD & WJS of \$2,400 per month
- Rory gets married and Rory's spouse has countable income of \$2,700 per month.
- Their combined countable monthly income is \$5,100
 - Above the MAWD limit for a couple, but within the WJS limit
- Rory is eligible for WJS and can keep the Waiver too

Aging out of MAWD/WJS

Note: Resources are excluded for previous WJS recipients only when determining eligibility for the MAWD program. If the individual moves from any MAWD category to a different Medical Assistance program in which resources are counted, the individual must meet the resource limits for that Medical Assistance program.

So – what happens when someone ages out of WJS at 65 and still needs HCBS but accumulated resources while in WJS?

- A new frontier!
- Buy a house?
- Set up a Special Needs Trust before turn 65?

Aging out of MAWD/WJS means the recipient will also need to make sure they are under the HCBS income limit in order to keep Waiver.

Other Options?

Income Spend Down Trusts

- Not a category of Medicaid. It's a pathway to become income eligible for a Medicaid Waiver
- Can only use if no more than \$500/month over Medicaid HCBS limit
- Every month deposit "excess" income into a **pooled income trust** qualified under 42 U.S.C. §1396p(d)(4)(C)
- How funds can be used depends on age
- Option of last resort. Where income can be otherwise assigned or converted into an asset and spent down, the client must do so.

Act 150 Program

Established through Act 150 of 1986 aka Attendant Care Services Act (62 P.S. § 3051 et seq.)

Services

1. Personal Assistance Services through Agency or Self Direction
2. Personal Emergency Response System (PERS)
3. Service Coordination

NOT Medicaid and NOT health insurance insurance/coverage

Who is eligible for Act 150?

- ✓ Age 18 – 59 (can stay on past 59 if were already eligible)
- ✓ Physical impairment expected to last 12 or more months
- ✓ Due to physical impairment, require help with “functions of daily living, self-care and mobility”
- ✓ Mentally alert
- ✓ Capable of managing their financial and legal affairs
- ✓ Capable of selecting, supervising, firing an attendant
- ✓ U.S. citizens or lawfully present immigrant
- ✓ Ineligible for Medicaid waiver (income, resources, immigration status)
- ✓ No income or asset limit; sliding scale fees

Applying for Act 150

- Same process as applying for CHC Waiver
 - Clinical assessment (Functional Eligibility Determination (FED) + Physician Cert) to determine if Nursing Facility Clinically Eligible (NFCE)
 - Medicaid long term care application – PA 600L
- + [Act 150 Application](#)
 - Confirm want Act 150 if ineligible for Medicaid Waiver
 - Acknowledge meet eligibility factors
- CAO denial SHOULD trigger review for Act 150
- OLTL in conjunction with Independent Enrollment Broker (IEB) reviews eligibility
- Select Service Coordination Entity

Resources

PHLP Resources

- [Medical Assistance for Workers with Disabilities \(MAWD\): A Guide to Eligibility](#)
- [Workers with Job Success: A New Program for People with Disabilities Who Work](#)
- [People with Disabilities Can Keep Waiver by Qualifying for MAWD!](#)
- [Accessing Home and Community-Based Services When Income Appears Too High](#)
- [The Act 150 Program: Services for People with Physical Disabilities](#)

DHS Resources

- DHS Operations Memorandum #22-07-01: [Workers with Job Success \(WJS\)](#)
- DHS [FAQ about Workers with Job Success](#)
- [Medical Assistance Eligibility Handbook, Chapter 316](#) (MAWD)
- [Act 150 Application](#)

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Questions?