

(b) Specify the groups to whom Medicaid is provided, as specified in subparts B, C, and D of this part, and the conditions of eligibility for individuals in those groups.

### Subpart B—Mandatory Coverage of the Categorically Needy

#### § 435.100 Scope.

This subpart prescribes requirements for coverage of categorically needy individuals.

#### MANDATORY COVERAGE OF FAMILIES AND CHILDREN

#### § 435.110 Individuals receiving aid to families with dependent children.

(a) A Medicaid agency must provide Medicaid to individuals receiving AFDC.

(b) For purposes of this section, an individual is receiving AFDC if his needs are included in determining the amount of the AFDC payment. This includes an individual whose presence in the home is considered essential to the well-being of a recipient (see 45 CFR 233.20(a)(2)(vi)) and who could be a recipient under the State's AFDC plan if that plan were as broad as allowed under the Act for FFP.

#### § 435.112 Families terminated from AFDC because of increased earnings or hours of employment.

(a) If a family loses AFDC solely because of increased income from employment or increased hours of employment, the agency must continue to provide Medicaid for 4 months to all members of the family if—

(1) The family received AFDC in any 3 or more months during the 6-month period immediately before the month in which it became ineligible for AFDC; and

(2) At least one member of the family is employed throughout the 4-month period, although this need not be the same member for the whole period.

(b) The 4 calendar month period begins on the date AFDC is terminated. If AFDC benefits are terminated retroactively, the 4 calendar month period also begins retroactively with the first

month in which AFDC was erroneously paid.

[43 FR 45204, Sept. 29, 1978, as amended at 45 FR 24883, Apr. 11, 1980]

#### § 435.113 Individuals who are ineligible for AFDC because of requirements that do not apply under title XIX of the Act.

The agency must provide Medicaid to:

(a) Individuals denied AFDC solely because of policies requiring the deeming of income and resources of the following individuals who are not included as financially responsible relatives under section 1902(a)(17)(D) of the Act;

(1) Stepparents who are not legally liable for support of stepchildren under a State law of general applicability;

(2) Grandparents;

(3) Legal guardians;

(4) Alien sponsors who are not organizations; and

(5) Siblings.

(b) [Reserved]

[58 FR 4926, Jan. 19, 1993, as amended at 59 FR 43052, Aug. 22, 1994]

#### § 435.114 Individuals who would be eligible for AFDC except for increased OASDI income under Pub. L. 92-336 (July 1, 1972).

The agency must provide Medicaid to individuals who meet the following conditions:

(a) In August 1972, the individual was entitled to OASDI and—

(1) He was receiving AFDC; or

(2) He would have been eligible for AFDC if he had applied, and the Medicaid plan covered this optional group; or

(3) He would have been eligible for AFDC if he were not in a medical institution or intermediate care facility, and the Medicaid plan covered this optional group.

(b) The individual would currently be eligible for AFDC except that the increase in OASDI under Pub. L. 92-336 raised his income over the limit allowed under AFDC. This includes an individual who—

(1) Meets all current AFDC requirements except for the requirement to file an application; or