



## MAGI formula for employee income

Insure Oklahoma will use a federally-required methodology to determine income and household size for applicants whose eligibility begins Jan. 1, 2016.

Employer-Sponsored Insurance [income guidelines](#) will continue to be set at 200 percent of the federal poverty level. However, the new methodology, Modified Adjusted Gross Income (MAGI), may count income and household members differently than Insure Oklahoma's previous methodology.

Please see this [fact sheet](#) to learn more about how different income sources are used to determine MAGI.

### Here are some key points to remember about this change:

- Certain types of income may now be **included** in household income, such as alimony and some income received by tax dependents.
- Certain types of income may now be **excluded** from household income, such as child support, workers' compensation and Veterans Administration benefits.
- Household size will be based on the applicant's tax household, with a few exceptions.
- Insure Oklahoma [income guidelines](#) will no longer include the working allowance for those who are not self-employed.
- Most employees will not experience a change in eligibility under the MAGI methodology, but some might gain or lose eligibility.

### Dates to Remember

**Dec. 31, 2015**  
Employee proof of citizenship required.

**Dec. 31, 2015**  
Last day to create [employer portal account](#).

**Jan. 1, 2016**  
Modified Adjusted Gross Income (MAGI) rule applies for coverage effective on this date.

**Feb. 10, 2016**  
Submit invoices for previous months to avoid delays.

### 2016 Income Guidelines

2016 Insure Oklahoma Employer-Sponsored Insurance Income Guidelines		
Family Size	Monthly Income	Annual Income
1	\$1,950	\$23,400
2	\$2,655	\$31,860
3	\$3,348	\$40,180
4	\$4,042	\$48,500
5	\$4,735	\$56,820
6	\$5,428	\$65,140

For eligibility beginning 1-1-2016  
Updated 12-2-2015

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## MAGI Questions and Answers

### Q: What is MAGI?

**A:** MAGI is the method required by the Affordable Care Act (ACA) to determine eligibility for income-based Medicaid and subsidized health insurance. It is used to calculate an applicant's current household income and size. MAGI is found by taking a tax household's current Adjusted Gross Income and adding back certain deductions.

### Q: Why is Insure Oklahoma using MAGI now?

**A:** As required by federal law, the Oklahoma Health Care Authority (OHCA) adopted the MAGI methodology for SoonerCare applicants in 2014. Insure Oklahoma has also been required to use MAGI, but needed additional time to implement the change. Using the same methodology will provide greater consistency for families that use both programs. It will also allow families to apply for coverage through a combined application that will launch in early 2016.

**Q: What are key differences in income between Insure Oklahoma's previous methodology and MAGI?**

**A:** Certain types of income may now count toward household income, and other types may no longer count. See this [fact sheet](#) for a list of income types that are included or excluded from MAGI.

**Insure Oklahoma may now count:**

- Alimony
- Children's income (if required to file a tax return)

**Insure Oklahoma may now exclude:**

- Child support
- Veterans Administration
- Workers' compensation
- Supplemental Security Income (SSI)

**Q: What are key differences in household size?**

**A:** Household size will be calculated based on tax filing and dependent status. In most cases, the household size for an Insure Oklahoma applicant will be the same as the applicant's tax household. Key differences between the previous household size determination and the MAGI methodology include:

- Pregnant women may be counted as one household member plus the number of children expected from the pregnancy.

**Q: Does this change apply to employees who are already enrolled in Insure Oklahoma?**

**A:** Employees who are currently enrolled will have their applications reprocessed under MAGI when Insure Oklahoma's new application platform launches in spring 2016. Insure Oklahoma is preparing additional information for employers and employees on this transition.

**Q: How should employees report their incomes when applying or renewing online?**

**A:** Employees should continue to follow the instructions for completing the Insure Oklahoma application. Insure Oklahoma staff will make any adjustments needed.



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