Updated February 7, 2014

FAQ: Questions of the Day

Modified Adjusted Gross Income (MAGI)

What income counts when determining eligibility for premium tax credits and Medicaid?

Eligibility for premium tax credits—and for the Children's Health Insurance Program (CHIP) and most people in Medicaid—is based on "Modified Adjusted Gross Income," (MAGI). MAGI is adjusted gross income (AGI), determined in the same way as for personal income taxes, plus three types of income that AGI omits: excluded foreign income, tax-exempt interest, and the non-taxable portion of Social Security benefits.

How are Social Security benefits counted in Modified Adjusted Gross Income (MAGI)?

Social Security benefits received by a tax filer and his or her spouse filing jointly are counted when determining a household's MAGI. For people who have other income, some Social Security benefits may be included in their AGI. One of the modifications to AGI to get to MAGI adds in any Social Security benefits that have not already been included in AGI.

If a dependent child receives Social Security benefits, are those counted as part of Modified Adjusted Gross Income?

It depends on whether the child is required to file a tax return. A household's Modified Adjusted Gross Income (MAGI) is the sum of the MAGI of the taxpayer, the spouse filing jointly, and dependents who are required to file a return. Dependents who have income above a certain amount ($6,100 in earned income and $1,000 in unearned income in 2014) must file their own tax return even though someone else claims them as a dependent. (Social Security benefits don't count toward these thresholds.) If the dependent with Social Security benefits is not required to file a return, any Social Security benefits he or she receives are not counted.

What types of income does Modified Adjusted Gross Income count?

The best place to start is "gross income." Next, adjustments to gross income result in Adjusted Gross Income (AGI). Then, three modifications are made to AGI to get to Modified Adjusted Gross Income (MAGI). (See the first MAGI question for the three adjustments.) Under tax rules, gross income can be in the form of money, goods, property, and services, and includes any income that is not specifically exempted under tax rules. Common types of income that are counted are wages and tips, unemployment benefits, pensions and annuities, income from a business, alimony received, dividends and taxable interest, and rents and royalties received. And, as mentioned in response to another MAGI question, gross income may include a portion of Social Security benefits for people who have other income.

What types of income are not counted as part of gross income?

The most common types of income not counted as part of gross income include cash assistance benefits such as SSI (Supplemental Security Income) or TANF (Temporary Assistance for Needy Families), child support, gifts, inheritances, some scholarship income for tuition, most Social Security benefits, and salary deferrals (i.e., contributions to cafeteria/flexible spending plans and “401(k)” retirement plans).

How is gross income adjusted to result in Adjusted Gross Income?

The deductions subtracted from gross income to get to Adjusted Gross Income (AGI) include contributions to a health savings account, job-related moving expenses, student loan interest, IRA contributions, alimony paid, and in some cases tuition and fees, although for many families the education tax credit is more valuable than the deduction for tuition and fees. (See lines 23 to 35 on the IRS-1040 form for the complete list of deductions.)

Does MAGI apply in all state Medicaid programs, even states that are not expanding Medicaid?

Yes, MAGI applies in all states. However, it is only used to determine income for certain groups: parents and caretaker relatives, children, pregnant women, and the newly eligible adults who are eligible under the Medicaid expansion. It is not used in determining eligibility for seniors (people 65 and over) and people with disabilities who are receiving Medicaid based on disability.

You said child support received is not counted in MAGI and alimony paid is deducted in computing AGI. Could you go over that again?

Child support payments received by a household for the support of a child in the household are not counted in determining the family’s gross income for tax purposes. The parent paying the child support likely already paid taxes on the income being paid as child support. Alimony is treated differently. The person paying the alimony gets to deduct it from his or her gross income to determine AGI and the person receiving the alimony payments counts it in his or her gross income for tax purposes.

Tax Filing Status and Eligibility for Premium Tax Credits

What are the different ways people file their taxes and how does that affect a person’s eligibility for premium tax credits?

Every taxpayer chooses a “filing status” on his or her tax return.

- Single is someone who is not married or is legally separated from their spouse.
- Married filing jointly is a couple who are legally married and wish to file their taxes together.
- A qualifying widow/widower is a person with a dependent child whose spouse has died in the last two years.
- Head of household is someone who has a dependent child living with them, pays more than half the cost of keeping up the home, and is either not married or is married but lived apart from their spouse for the last 6 months of the tax year.

- Married filing separately is the tax status used for a legally married couple that chooses to file their taxes separately.

A person cannot claim a premium tax credit for 2014 if he or she plans to use the filing status married filing separately in that year. This means that a married person will need to file jointly with his or her spouse or qualify as head of household in order to claim a premium tax credit.

What happens if I get premium tax credits, but then for personal reasons need to file as married filing separately? Do I need to return the full premium tax credit?

If a married person intends to file jointly and accepts advanced premium tax credits but instead files as married filing separately, a portion of the premium tax credit will need to be paid back. The repayment is subject to the same income-based limits that apply when a family receives excess advanced premium tax credit for other reasons.

Repayment Limits for Advanced Premium Tax Credits				
Income as percentage of poverty line	**Annual income for an individual (2013 $)**	**Single taxpayers**	**Annual income for a family of four (2013 $)**	**Married taxpayers filing jointly**
Under 200%	Under $22,980	$300	Under $47,100	$600
At least 200% but less than 300%	$22,980 - $34,470	$750	$47,100 - $70,650	$1,500
At least 300% but less than 400%	$34,470 - $45,960	$1,250	$70,650 - $94,200	$2,500
400% and above	$45,960 and higher	Full reconciliation	$94,200 and higher	Full reconciliation

Under what circumstances can a married person decide not to file taxes with a spouse and still claim the premium tax credit?

A person who is married but does not wish to file or cannot file taxes with a spouse may qualify to file under a different filing status, which would also allow them to claim premium tax credits. First, if a person has been granted formal legal separation through a court, he or she qualifies to file as a single individual. Second, a person may qualify to file as head of household if a qualifying person lives with them for more than half the year (usually a dependent child but some other dependents qualify as well), the taxpayer pays more than half the cost of keeping up the home, and if the spouses have been living apart for the last six months of the tax year. Since eligibility for premium tax credits is based on a projection of the income and household for the coming year, it can be difficult for someone to know in advance if they will be separated from a spouse in the final six months of the following year but if spouses have been consistently separated, yet have not divorced, the head of household filing status may help one or both spouses claim the premium tax credit.

Our client is married but has left her husband due to domestic violence. She doesn't want to file a tax return with him. Can she qualify for premium tax credits?

She may meet the requirements to file as head of household if she pays more than half the expense of keeping up her home, has a qualifying dependent, and will live apart from her husband for the last six months of the tax year in which the premium tax credit is used. If a person doesn't qualify as head of household, she should consider legal separation or divorce, which would allow her to file as single. If separation or divorce are finalized by the last day of the tax year, the person is considered single for the entire year. Some people may have no choice but to file separately. Recognizing the difficulties some taxpayers encounter that leave no choice but filing separately from their spouse, the IRS has indicated that it may create some special exemptions from this requirement, specifically mentioning survivors of domestic violence. This guidance has not yet been issued.

My client didn't file his taxes in 2012. Is he still eligible for a premium tax credit for 2014?

Yes. There is a requirement that a person who receives a premium tax credit file a tax return for the year in which he receives the credit, but there is no requirement to file a return in previous years. So a client who receives a premium tax credit in 2014 must file a 2014 tax return in the spring of 2015.

Do people earning less than the threshold for filing taxes ($10,150 for a single individual and $20,300 for a married couple filing jointly) have to file taxes in order to receive premium tax credits?

Yes, anyone receiving an advance payment of premium tax credits and anyone who wants to claim a premium tax credit must file a tax return even if their income is below the threshold. This requirement applies in the "coverage" year. The first possible coverage year is 2014, so it doesn't matter if people have not filed taxes in previous years but they must agree to file taxes in 2014 if they are now applying for premium credits to help them pay for marketplace coverage.

Are lawfully present immigrants who are below 100% of the federal poverty line eligible for premium tax credits?

Yes. A lawfully present immigrant who is not eligible for Medicaid because of her immigration status—usually but not always because she has been in the U.S. less than five years—can qualify for premium tax credits even if her income is below the poverty line. However, a legal immigrant with income below the poverty line who would qualify for Medicaid if her state expanded is not eligible under this exception to the general rule that people with incomes below the poverty line are not eligible for premium tax credits. The exception only applies to legal immigrants who are not eligible for Medicaid because of their immigration status.

Is the household used to determine eligibility for premium tax credits the same as the household size that buys coverage as a family?

The definition of household for purposes of eligibility for and the amount of premium credits is based on tax rules. It doesn't always match the family that can buy coverage together. For example, children may have coverage through the Children's Health Insurance Program or the household may include an aunt or other dependent not usually treated as a family member for the purposes of family coverage.

If a person is under 26 and can gain coverage under her parents' health plan, does that make her ineligible for premium tax credits?

No, she would be eligible to buy insurance for herself on the Marketplace and could be eligible for premium tax credits, depending on her income. A provision [1-36B-2(c)(4)] of the IRS/Treasury regulations on eligibility for premium tax credits makes it clear that under 26 year olds who could obtain coverage through a parent's coverage but are not claimed as a dependent by their parents can qualify for premium tax credits.

Coordination between Medicaid and Premium Tax Credits

Do people whose income is between 100 and 138 percent of the poverty line have a choice of eligibility between Medicaid and premium tax credits?

No. People who are eligible for "minimum essential coverage" including most categories of Medicaid are not eligible for premium tax credits. People with incomes between 100 and 138 percent of the poverty line who are determined eligible for Medicaid would thus not be eligible for premium tax credits. However, if they are not eligible for Medicaid because their state hasn't expanded or for another reason, they could qualify for premium tax credits.

Are there types of Medicaid coverage that don't disqualify people from receiving premium tax credits?

Yes. There are certain limited types of Medicaid coverage that are not considered "minimum essential coverage." Eligibility for limited Medicaid coverage would not disqualify people from receiving premium tax credits. (They would still have to meet the criteria for eligibility, including having income between 100 and 400 percent of the poverty line.) The types of limited Medicaid coverage that are not minimum essential coverage are coverage only for family planning services, tuberculosis-related services, pregnancy-related services, and coverage of treatment of emergency medical conditions.

What happens when someone living in a state that hasn't expanded Medicaid receives advance payments of premium tax credits, because he thought his income would be over the poverty line, but ends up with income below the poverty line? Does he have to pay back all the advance payments he received when he files his taxes?

No. There is a special rule that applies in this situation. As long as the Marketplace estimated at the time of enrollment that his income would be between 100 and 400 percent of the poverty line and he was otherwise eligible for premium tax credits, he won't have to pay back the advance payments he received during the year.

What happens when someone who lives in a state that has expanded Medicaid receives advance payments of premium tax credits, but her actual income ends up being 125 percent of the poverty line, which would have made her eligible for Medicaid? Does she have to pay the advance payments back when she files her taxes?

No. She would still be considered eligible for premium tax credits because the Marketplace found she was not eligible for Medicaid based on her estimated income, and her final income is between 100 and 400 percent of the poverty line, which is within the eligibility range for premium tax credits.

What if someone who is receiving advance payments of premium tax credits is found retroactively eligible for Medicaid after reporting a drop in income? Does she have to pay back advance payments of premium tax credits received during the retroactive period because she was eligible for Medicaid during those months?

No. The IRS rules for premium tax credits say that people receiving advance payments who are determined to be eligible for Medicaid on a retroactive basis are treated as being eligible for minimum essential coverage no earlier than the first day of the first calendar month after approval of the Medicaid application. The IRS rules have a helpful example to illustrate this rule. In the example, "F" is receiving advance payments when she loses her part-time job. She applies for Medicaid on April 10, 2015. Her application is approved on May 15, 2015, retroactive to April 1. In this example, F is not considered to have minimum essential coverage until June 1, 2015, the first day of the calendar month after approval of her Medicaid application.

When someone's income falls below the poverty line, what income does the IRS use to calculate their premium tax credit?

As we explained in our answer to a previous question, the IRS has a special rule that applies in this situation. As long as the Marketplace estimated at the time of enrollment that the household's income would be between 100 and 400 percent of the poverty line and the household was otherwise eligible for premium tax credits, the fact that the household's income fell below the poverty line doesn't mean the household will have to pay back all the premium tax credits it received. In determining the final credit amount, the IRS will use the household's MAGI-based income as reported on its tax return.

How does reconciliation of advance payments of the premium credits work for someone whose annual income ends up below the poverty line?

Here's an example. Let's assume John is a student in a state that has not expanded Medicaid in January 2014. When he applied for premium tax credits, his projected income from his part-time job was $13,000 for the year, which is over the $11,490 poverty line for a single individual. John does not work as many hours as he thought he would and his actual income ends being about $11,000. When the IRS reconciles his premium tax credits, it will use his actual income even though it is slightly below the poverty line.

If a woman receiving premium tax credits becomes pregnant and eligible for Medicaid based on her pregnancy, does she have to change her coverage?

Medicaid coverage for pregnant women (sometimes referred to as pregnancy-related Medicaid) is not considered minimum essential coverage regardless of whether the state covers all Medicaid services or just those related to the woman's pregnancy. Therefore the availability of this coverage would not affect a woman's eligibility for premium tax credits. She could choose to remain in her qualified health plan.

Are women enrolled in Medicaid pregnancy-related coverage going to have to pay a penalty because their coverage is not considered minimum essential coverage?

No, at least in 2014. The preamble to the Treasury rule on minimum essential coverage says that the Treasury Department and the IRS "anticipate issuing guidance providing that women covered with pregnancy-related Medicaid for a month in 2014 will not be liable for the shared responsibility payment for that month."

Could a pregnant woman enroll in Medicaid coverage for pregnant women and receive premium tax credits?

In theory, yes. The Medicaid coverage would be secondary to the coverage through the qualified health plan. However, right now the enrollment and eligibility systems may not support enrollment in both programs.

If someone is eligible for Medicaid with a "spenddown" can they qualify for premium tax credits?

Many states provide Medicaid "medically needy" coverage to people with high medical expenses who have incomes above the level for Medicaid eligibility. In general, these individuals must "spend down" their income to the Medicaid income level by incurring medical expenses in the amount of the difference between their income and the income eligibility level, at which point Medicaid kicks in for a set period of time. Most people with this type of Medicaid move in and out of coverage over the course of the year. The IRS has issued a proposed rule that medically needy coverage is not "minimum essential coverage," which means eligibility for this type of coverage would not bar someone from being eligible for premium tax credits.

Dependents for Premium Tax Credits

Household size, which is one of the factors in calculating premium tax credits, is determined by the taxpayers and dependents on the tax return. Who can be claimed as a dependent?

Children, siblings, parents, grandchildren, other family members and even people who are unrelated to the taxpayer can be claimed as dependents if they meet the criteria to be either a qualifying child or a qualifying relative under IRS rules. All dependents on the tax return will be included as household members when premium tax credits are calculated.

What are the rules for claiming children on a tax return?

The child must be a citizen or resident of the U.S., Canada or Mexico. (Note that eligibility for premium tax credits is limited to U.S. citizens and lawful residents despite the broader tax dependency rule.) The child must also live with the taxpayer for at least half of the year and be under the age of 19 by the end of the tax year (or under age 24 if a full-time student or any age if disabled). The child must have a relationship with the taxpayer; a "child" can be the taxpayer's child, grandchild, younger sibling, or younger niece or nephew. Finally, the child must not be paying more than half of his or her own support. Some children who don't meet this test (e.g., an adult child) may qualify as another type of dependent.

Other than children, who else might qualify as a dependent on a tax return?

Other relatives—or even unrelated people—that the taxpayer supports may be claimed as dependents if they meet the IRS test as a qualifying relative. To be a qualifying relative, the person must be a citizen or resident of the U.S., Canada or Mexico. (Note that eligibility for premium tax credits is limited to U.S. citizens and lawful residents despite the broader tax dependency rule.) In addition, the person must be financially dependent on the taxpayer; he can't have income greater than $3,900 (2013 figure) and the taxpayer must pay more than half of his support. A person who is related generally isn't required to live with the taxpayer to be his dependent, but an unrelated person must live with the taxpayer all year.

If a child lives with one parent (custodial parent) but is claimed by the other (non-custodial parent), who may claim the premium tax credit for the child?

Typically, a child is required to live with the taxpayer for more than half the year in order to be that person's qualifying child. However, there is an exception that allows the custodial parent to release their claim on the child's exemption to the non-custodial parent. If the non-custodial parent gets that release and claims the child on his or her tax return, the child will be in that taxpayer's household when calculating the premium tax credit, even though the child doesn't live there.

Can an adult child living with his parents be claimed as a dependent?

Yes, if the tests for dependency are met. If a child is too old to be considered a "qualifying child" under IRS rules, he or she may still be a dependent (whether or not he lives with his parents) if he earns less than $3,900 per year (2013 figure) and if his parents pay for more than half of his food, housing and other necessary support.

If a dependent college student does not provide more than half of his own support, but makes more than $6,100 per year, would that income need to be included in the parent's MAGI?

Yes. A dependent has a tax filing requirement if his or her earned income is greater than $6,100, if unearned income is greater than $1,000, or if the combined earned and unearned income is greater than either $1,000 or earned income (up to $5,750) plus $350. If the dependent meets any of these conditions, then they must file a tax return and their income must be included in the calculation of MAGI.

Can a dependent adult child or relative apply for premium tax credits to be used for his own individual health plan?

No, premium tax credits are only available for the taxpayer who claims the personal exemption for the dependent. If a child or relative is eligible to be someone else's dependent, they cannot claim their own personal exemption and therefore, they cannot receive premium tax credits on their own.

Can someone file as head of household if they are divorced and do not have custody of their child, but pays child support that equals over half of the child's expenses?

No, in order to qualify as head of household, the child must live with you. There is no exception to the filing status rules for non-custodial parents. Separately, if the non-custodial parent seeks to claim the child as a dependent on his tax return, he will need to have a signed tax form granting permission from the child's custodial parent.

If a child claimed as a dependent has Social Security survivor's benefits and $7,000 in earnings from a summer job, would the Social Security benefits be counted in the family's income for premium tax credits?

Yes. The household's income is the modified adjusted gross income (MAGI) of the taxpayer (and joint filer) plus that of any dependents who are required to file a tax return. Start by determining whether the child has a tax filing requirement. In this case, she does because her earned income is greater than $6,100. (Because Social Security is typically untaxed, it doesn't count toward her filing requirement.) Since she has a tax filing requirement, apply the MAGI rules to the child's projected tax return. Under MAGI rules, Social Security benefits are counted. Here, her MAGI would be $7,000 in earnings plus Social Security.   If the child did not have a tax filing requirement (e.g., if her earned income was below $6,100 or if she had just Social Security benefits), none of her income – neither wages nor Social Security – would be counted.

Does a 21-year old full-time student who works part-time and lives with her parents but plans to file taxes on her own need to include her parent's information on her Medicaid application?

No. If she is not claimed as a dependent and is a tax filer, she is considered as her own household for Medicaid and only her income (and her spouse, if any) would count.

Cost-Sharing Reductions

How are cost-sharing reductions affected if income at the end of the year ends up being higher or lower than estimated?

Unlike advance payments of premium tax credits, there is no "reconciliation" of cost-sharing reductions based on actual income for the year. So there is no obligation to repay if income is above the amount that was estimated and no refund if income ends up below the estimate.

If someone ends up changing from a Marketplace plan to Medicaid and back to a Marketplace plan because their income fluctuates during the year, does she get credit for cost-sharing charges she already paid while she was in the Marketplace plan when she returns to it from Medicaid?

Yes, federal rules ensure she would get credit for any cost-sharing charges that she paid before moving to Medicaid – but only if the she re-enrolls in the same Marketplace plan from the same insurer when she returns to the Marketplace. This rule on this is at 45 CFR 156.425(b), and the preamble to the final rule provides examples showing how insurers will account for past cost-sharing. And the requirement for continuity of cost-sharing charges isn't just limited to movement between the Marketplace and Medicaid. It applies any time someone re-enrolls in the same Marketplace plan they had during the same year.

Many people who move between the Marketplace and Medicaid are likely to be eligible, while in the Marketplace plan, for a federal subsidy called a cost-sharing reduction that lowers their out-of-pocket costs in the plan. To receive the cost-sharing reduction, an eligible person must enroll in a plan at the silver level. If a person is eligible for a larger or smaller cost-sharing reduction when she returns to the Marketplace from Medicaid in the same year, she gets credit for past cost-sharing charges under the plan as long as she enrolls in the same silver plan as before.

Special Enrollment Periods

If someone gets a certificate of exemption from the Marketplace exempting him from the penalty because of hardship for only certain months of the year, can he enroll in a Marketplace plan when he is no longer exempt?

Yes, the individual (and his or her dependents) will be eligible for a special enrollment period during which he could enroll in a Marketplace plan. This policy is found in guidance from CMS issued on June 26, 2013.

If someone is not enrolled in a qualified health plan, but then gets married, would that trigger a special enrollment period for that person?

Yes, the regulations say that a special enrollment period is triggered if an individual gets married.

Would being released from prison trigger a special enrollment period?

There is not a specific special enrollment period listed for people who are released from incarceration. However, according to the preamble of the final regulations on special enrollment periods, people in this situation would be eligible for a special enrollment period based on gaining access to new Qualified Health Plans as a result of a permanent move.

Minimum Essential Coverage

If a U.S. citizen lives outside the U.S., does he have to have health insurance in order to avoid paying the penalty for not having coverage?

U.S citizens who live abroad for at least 330 days within a 12-month period are not required to pay a penalty if they don't have health insurance. Instead, they are treated as having minimum essential coverage for the whole year, as explained in this FAQ from the Internal Revenue Service.

Employer Coverage

If someone is offered affordable employer-based health coverage, but misses the open enrollment period, are they eligible for premium tax credits on the Marketplace?

No. The Treasury rule on eligibility for premium tax credits says that an employee is considered eligible for minimum essential coverage for a month (and therefore ineligible for premium tax credits) if they could have enrolled in the plan for that month during an open or special enrollment period. See section 26 CFR 1.36B-2(c)(3).

Is there an exemption from the penalty for not having health coverage for someone who is offered affordable health coverage from their employer but misses the open enrollment period?

The only exception for someone in this situation comes from guidance Treasury issued relating to people whose employer coverage plan year starts in 2013. Because the mandate didn't apply in 2013, people with non-calendar year plans would have had to enroll for months in 2013 to satisfy the individual responsibility requirement in 2014. Those people are therefore given an exemption from the penalty for months in 2014 when they weren't enrolled. However, they would still not be eligible for premium tax credits, and this exemption would not apply to people with a plan year that is calendar year 2014. Keep in mind that people in this situation could be eligible for an exemption under one or more of the other criteria for exemptions.

Can someone who is eligible to enroll in COBRA or other continuation coverage be eligible for premium tax credits?

The general rule is that eligibility for COBRA is not a bar to eligibility for premium tax credits. During the Marketplace open enrollment period, an individual enrolled in COBRA, could drop COBRA coverage and enroll in a Marketplace plan with premium tax credits if otherwise eligible. However, if someone dropped COBRA coverage outside of open enrollment, the loss of COBRA coverage would not trigger a special enrollment period. Unless the individual qualifies for a special enrollment period for some reason other than loss of COBRA, she would not be able to enroll in a QHP (or get a subsidy) until the next Marketplace open enrollment period. See this FAQ from the Center on Health Insurance Reforms, questions 160 and 161.

If someone loses their job in April and becomes eligible for COBRA, could they qualify for premium tax credits instead of enrolling in COBRA coverage?

Yes, this is a choice an individual would have in this situation. When someone loses their employer-sponsored coverage, it triggers a special enrollment period for the Marketplace during which the individual could enroll in a Marketplace plan with premium tax credits assuming he meets the eligibility requirements for the credits. Even though someone is eligible for COBRA he can still enroll in a Marketplace plan during the special enrollment period.

Federal Poverty Levels

Now that the federal poverty levels for 2014 are available, will the Marketplace be using these to determine eligibility for premium tax credits and cost-sharing reductions?

No, the Affordable Care Act provides that the federal poverty levels that will be used for a calendar year are those that were in effect on the first day of the open enrollment period for that calendar year. In other words, the federal poverty levels that will be used to determine eligibility for premium tax credits and cost-sharing reductions throughout 2014 are those that were in effect on October 1, 2013, which are, of course, the 2013 poverty levels. It is important to note that Medicaid and CHIP are different. At some point in the next several months, states and Marketplaces will begin to use the 2014 poverty levels to determine eligibility for Medicaid and CHIP.

What happens when the 2014 poverty levels are used to determine eligibility for Medicaid and CHIP and the 2013 poverty levels are used to determine eligibility for premium tax credits and cost-sharing reductions? Does that mean fewer people will qualify for Medicaid?

No. The impact is different in states that have expanded Medicaid and states that haven't. The 2014 poverty level for a single person is $11,670 compared to $11,490 in 2013. An adult in an expansion state will be eligible for Medicaid if her income is below $16,105 in 2014 under the new guidelines. Previously, the eligibility level was $15,856. In a non-expansion state, adults with income above the poverty line for 2013 will still be eligible for premium tax credits, even though the state will be using 2014 levels for its Medicaid program.