DEFINITIONS OF PAYMENT CODES

<table>
<thead>
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<th>Code</th>
<th>Description</th>
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| A    | Includes eligible persons who:  
1) live in their own household whether or not receiving in-kind support and maintenance (ISM);  
2) live in a foster or family care situation;  
3) have no permanent living arrangement such as a transient;  
4) live in an institution (excludes inmates of public institutions) for all or part of a month provided that Medicaid does not pay more than 50 percent of the cost of their care; or  
5) live alone or with a child, spouse, or persons whose income may be deemed to them.  
Also includes eligible persons for whom codes B, C, and D do not apply. |
| B    | Includes eligible persons who:  
1) live in a household other than their own throughout a month with at least one other person who is not their child, their spouse, or an ineligible person whose income is deemed to them; and  
2) receive food and shelter from within that household.  
Code A payment standard is reduced by one-third. |
| C    | Includes eligible children under age 18 who live in the same household as their parents (i.e., deeming applies). Payment standard is the same as in code A. |
| D    | Includes eligible persons who live in a public or private medical institution throughout a month and Medicaid is paying more than 50 percent of the cost of their care. |