MEPD and TW Bulletin 26-04

Date: Feb. 19, 2026

To: State and Regional Operations Supervisors and Staff
Program Managers
Regional Directors
Policy Attorneys
Hearings Officers

From: Access and Eligibility Services Program Policy
State Office 2106

Subject: **2026 Federal Poverty Level**

The information in this bulletin will be included in a future handbook revision. Until the handbook is updated, staff must use the information in this bulletin. If you have any questions regarding the policy information in this bulletin, follow regional procedures.

Active bulletins are posted on the following websites:

- Medicaid for the Elderly and People with Disabilities Handbook (MEPDH) at https://hhs.texas.gov/laws-regulations/handbooks/mepd/policy-bulletins;
- Texas Works Handbook (TWH) at https://hhs.texas.gov/laws-regulations/handbooks/texas-works-handbook/texas-works-bulletins.

2026 Federal Poverty Level

Background

The United States Department of Health and Human Services (HHS) updates the federal poverty level (FPL) annually. The Texas Health and Human Services Commission (HHSC) uses the FPL to make eligibility determinations for certain Medicaid programs and the Children's Health Insurance Program (CHIP). HHSC converts the FPL to a monthly income amount used to update income limits, deeming amounts, and the standard Modified Adjusted Gross Income (MAGI) disregard.

Policy Update

MEPD

Medicare Savings Programs (MSP)

2026 Income Limits and Deeming Amounts

- Qualified Medicare Beneficiaries (QMB) – 100% FPL
  - Individual: $1,330
  - Couple: $1,804
  - Deeming amount: $474
- Specified Low-Income Medicare Beneficiaries (SLMB) – 120% FPL
  - Individual: $1,596
  - Couple: $2,164
  - Deeming amount: $568
- Qualifying Individuals (QI-1) – 135% FPL
  - Individual: $1,796
  - Couple: $2,435
  - Deeming amount: $639
- Qualified Disabled Working Individuals (QDWI) – 200% FPL
  - Individual: $2,660
  - Couple: $3,607
  - Deeming amount: $947

Medicaid Buy-in (MBI) Program

- The MBI income limit is 250% FPL for a person. The 2026 amount is $3,325.
- Use the new 2026 FPL amounts listed below when calculating MBI premium payments:

2026 FPL Amounts for MBI

150% of FPL	$1,995
185% of FPL	$2,461
200% of FPL	$2,660
250% of FPL	$3,325

Medicaid Buy-in for Children (MBIC)

- The MBIC income limit is 150% FPL based on family size.
- The 2026 amounts are listed below:

2026 FPL Amounts for MBIC

Family Size	150% FPL
1	$1,995
2	$2,705
3	$3,415
4	$4,125
5	$4,835
6	$5,545
7	$6,255
8	$6,965

- The 2026 ineligible sibling exclusion amount is ($1,995 x 2) + $85 = $4,075.
- Use the new 2026 FPL amounts listed below when calculating the MBIC premium payments:

2026 FPL Amounts for MBIC

Family Size	150% FPL	200% FPL	300% FPL
1	$1,995	$2,660	$3,990
2	$2,705	$3,607	$5,410
3	$3,415	$4,554	$6,830
4	$4,125	$5,500	$8,250
5	$4,835	$6,447	$9,670
6	$5,545	$7,394	$11,090
7	$6,255	$8,340	$12,510
8	$6,965	$9,287	$13,930

Texas Works

2026 FPL Amounts by Type Program and Type of Assistance (TP and TA)

2026 FPL Amounts by TP and TA

Family Size	133% FPL (3-1-26) TP 44, 34, TA 76	144% FPL (3-1-26) TP 48, 33, TA 75	185% FPL (3-1-26) TP 07	198% FPL (3-1-26) TP 40, 42, 43, 36, 35, TA 74
1	$1,769	$1,916	$2,461	$2,634
2	$2,399	$2,597	$3,337	$3,571
3	$3,028	$3,279	$4,212	$4,508
4	$3,658	$3,960	$5,088	$5,445
5	$4,288	$4,642	$5,964	$6,383
6	$4,917	$5,324	$6,839	$7,320
7	$5,547	$6,005	$7,715	$8,257
8	$6,176	$6,687	$8,591	$9,194
9	$6,806	$7,368	$9,466	$10,131
10	$7,435	$8,050	$10,342	$11,069
11	$8,065	$8,732	$11,218	$12,006
12	$8,694	$9,413	$12,093	$12,943
13	$9,324	$10,095	$12,969	$13,880
14	$9,953	$10,776	$13,845	$14,817
15	$10,583	$11,458	$14,720	$15,755
For each additional person	$630	$682	$876	$938

2026 FPL Amounts by TP and TA Continued

Family Size	201% FPL (3-1-26) TA 84	202% FPL (3-1-26) TA 85	204.2% FPL (3-1-26) TA 41	400% FPL (3-1-26) TA 77	413% FPL (3-1-26) TP 70
1	$2,674	$2,687	$2,716	$5,320	$5,493
2	$3,625	$3,643	$3,683	$7,214	$7,448
3	$4,577	$4,599	$4,649	$9,107	$9,403
4	$5,528	$5,555	$5,616	$11,000	$11,358
5	$6,479	$6,512	$6,583	$12,894	$13,313
6	$7,431	$7,468	$7,549	$14,787	$15,268
7	$8,382	$8,424	$8,516	$16,680	$17,223
8	$9,334	$9,380	$9,482	$18,574	$19,177
9	$10,285	$10,336	$10,449	$20,467	$21,132
10	$11,236	$11,292	$11,415	$22,360	$23,087
11	$12,188	$12,248	$12,382	$24,254	$25,042
12	$13,139	$13,205	$13,348	$26,147	$26,997
13	$14,091	$14,161	$14,315	$28,040	$28,952
14	$15,042	$15,117	$15,281	$29,934	$30,907
15	$15,993	$16,073	$16,248	$31,827	$32,862
For each additional person	$952	$957	$967	$1,894	$1,955

Standard MAGI Income Disregard

2026 Five Percentage Points of FPL

Family Size	2026 Monthly Disregard Amount
1	$66.50
2	$90.20
3	$113.85
4	$137.50
5	$161.20
6	$184.85
7	$208.50
8	$232.20
9	$255.85
10	$279.50
11	$303.20
12	$326.85
13	$350.50
14	$374.20
15	$397.85
For each additional person	$23.70

2026 IRS Monthly Income Thresholds

The IRS monthly income thresholds are used to determine if a person's income must be counted when calculating MAGI financial eligibility, as explained in TWH A-1341, Income Limits and Eligibility Tests, Medical Programs, Step 3.

- To determine whether a person is required to file a federal income tax return, compare the specified income types to the IRS thresholds in the following table:

2026 IRS Monthly Income Thresholds

Type of Income	2026 Threshold	Apply Threshold Value in Form H1042, Modified Adjusted Gross Income (MAGI) Worksheet: Medicaid and CHIP
Unearned Income	$112.50	• Pages 4-6, Step 3, Part 7 • Pages 4-6, Step 3, Part 9
Earned Income	$1,312.50	• Pages 4-6, Step 3, Part 8

Process Changes

Processing Case Actions

- When processing a case action on or after Feb. 9, 2026, use the following chart to determine when to use the new FPL and IRS Monthly Income Threshold amounts:

Processing Case Actions

If providing coverage for	use the
March 2025 through February 2026	2025 income limits and threshold amounts
March 2026 through February 2027	Updated 2026 income limits and threshold amounts

- If coverage includes months in both time periods, use the 2025 income limits and threshold amounts for months before March 2026, and the 2026 income limits and threshold amounts for March 2026 and later.

Processing Form H1146, Medicaid Report for Transitional Medicaid Cases

When processing Form H1146 for Transitional Medicaid (TP 07) Eligibility Determination Groups (EDGs), use the following chart to determine when the updated 2026 income limits will be used.

Processing Form H1146

If Form H1146 is due	use the
February 2026 or earlier	2025 income limits
March 2026 or later	updated 2026 income limits

Automation

Changes to the Texas Integrated Eligibility Redesign System (TIERS) were implemented with TIERS Release 121.3 on Feb. 7, 2026.

MEPD

For MEPD programs, TIERS:

- uses the 2026 FPL amounts for coverage effective March 1, 2026, and later; and
- re-budgets all active MSP and MBIC cases using the 2026 FPL amounts.

Texas Works

For Texas Works programs, TIERS uses the:

- 2026 FPL amounts for coverage effective March 1, 2026, and later; and
- 2026 IRS Monthly Income Thresholds for coverage effective March 1, 2026, and later when calculating MAGI eligibility.

Correspondence

Correspondence changes are not required.

Handbook

The MEPDH is currently scheduled to be updated in the June 2026 revision.

The TWH is currently scheduled to be updated in the April 2026 revision.

Training

Training is not required.

Effective Date

This policy is effective March 1, 2026.