INSTRUCTIONS
250 PERCENT INCOME TEST WORK SHEET FOR
THE 250 PERCENT WORKING DISABLED PROGRAM—ADULTS

Form MC 338, 250 Percent Income Test Work Sheet for the 250 Percent Working Disabled Program—ADULTS, is used to determine whether the ADULT applicant (individual) or applicants (couple) meet the income requirement for coverage under the 250 Percent Working Disabled program. This form is completed at the time of a new application, restoration, redetermination, change in income, or other circumstances affecting the income or correction of the income.

Instructions for Completion
Note: The term applicant includes a recipient for whom a redetermination is being completed.

Identification Section
Enter: Case name, case number, and the name of the applicant or names of both applicants if a couple is applying.

Net nonexempt income of ineligible spouses and ineligible children is determined in accordance with the provisions outlined in Title 22, Article 5 and current All County Welfare Directors Letters, except that no in-kind or support and maintenance income is counted; there is no $50 child support disregard; ineligible children are allowed the student deduction from earned income.

Section I. Income of Potential 250 Percent Individual/Couple and Income of Ineligible Spouse With or Without Children
Note: In Section I, Column a is used for the applicant and Column b is used for the ineligible spouse, if applicable. If a couple is applying, the amounts in Column a are a combination of the couple's income.

A. Nonexempt Unearned Income

Line 1. Enter any social security retirement and survivors insurance income of the applicant(s). Do NOT include any Title II disability income.

Line 2. Enter any retirement, survivors, or disability insurance income of the ineligible spouse.

Line 3. Enter any net income from property.

Line 4. Enter all other unearned income. If there is unearned income based on the SSI in-kind support and maintenance requirement, enter that amount here. Do not count any other kinds of disability income of the applicant(s).

Line 5. Add the amounts in Section I, Column a, lines 1, 3, and 4. This is a subtotal of gross unearned income of the 250 Percent applicant(s). Add the amounts in Section I, Column b, lines 2, 3, and 4. This is a subtotal of the gross unearned income of the ineligible spouse. Also enter the subtotal for the ineligible spouse in Section III, line 1.

1 Stop here and complete Sections II and III for the ineligible spouse to determine whether spousal deeming applies. If spousal deeming does not apply, do not complete the remainder of Column b for the ineligible spouse. Cross out boxes 6(b), 7(b), 11(b), 12(b), and 13(b) to ensure that no income of the ineligible spouse is combined with that of applicant(s).

1 Complete the remainder of this section for the applicant(s). If spousal deeming applies, complete the remainder of Column b for the ineligible spouse.

Line 6. Enter on line 6(b) the total amount allocated to the minor child(ren) from the ineligible spouse. This amount is found in Section II, line 5. NOTE: Income can only be allocated from an ineligible spouse.

Line 7. Subtract line 6(b) from line 5(b) and enter this amount on line 7(b). If line 7(b) is a minus figure, enter zero on line 7(b) and enter the amount (without the minus sign) on line 12(b). Otherwise, enter the actual amount onto line 7(b).

Line 8. Add lines 5(a) and 7(b). This is the combined unearned income of the applicant(s) and if spousal deeming applies, that of the ineligible spouse.

Line 9. No entry. This shows the $20 any income deduction.

Line 10. Subtract line 9 from line 8. This is the total countable unearned income. If the countable unearned income is a minus figure, enter zero on line 10 and enter the minus figure without the minus sign, which is the unused portion of the $20 any income deduction, on the blank line in the instruction box on line 17.

B. Nonexempt Earned Income

Line 11. Enter the gross earned income.

Line 12. This is the amount of any allocation for any ineligible minor child(ren) that is not offset by countable unearned income. (This amount was entered pursuant to line 7(b).)

Line 13. Subtract line 12(b) from line 11(b). Enter the remainder on line 13(b). Exception: Enter zero on line 13(b) if line 12(b) is greater or equal to line 11(b).

Line 14. Add lines 11(a) and 13(b). This is the combined nonexempt earned income of the applicant(s) and ineligible spouse if there is spousal deeming.

Line 15. Enter any impairment related work expenses the potential applicant may have.

Line 16. Subtract line 15 from line 14 and enter this amount on line 16. Exception: Enter zero on line 16 if line 15 is greater than or equal to line 14.

Line 17. Enter the $65 of the $65 and one-half deduction plus any unused portion of the $20 any income deduction.

Line 18. Subtract line 17 from line 16 and enter the difference on line 18. If line 17 is greater than or equal to line 16, enter zero.

Line 19. Divide line 18 by 2. The figure equals the countable earned income.

Line 20. Add lines 10 and 19 and enter on line 20 and on line 1 of Section IV. This is the total countable income of the applicant(s).

Section II. Allocation to Minor Child(ren) from the Ineligible Spouse (Do NOT Allocate from Applicants)

Line 1. Enter the name(s) of ineligible child(ren). Do not include any SSI/SSP child or children eligible for the 250 Percent Working Disabled program.

Line 2. Enter the current year's standard SSI allocation which is the difference between the SSI federal benefit rate for a couple and for an individual. These amounts are sent out by DHCS annually. If no child(ren), enter zero on line 5 and in Section I, line 6(b).

Line 3. Enter the income amount for each child, excluding the student deduction (up to $400 per month or $1,620 per year from the student's earned income).

Line 4. Subtract line 3 from line 2. This is the allocation to each ineligible child. Enter zero if a minus.

Line 5. Total the allocation to each child. This is the total allocation to ineligible child(ren). Enter in Section III, line 4 and also complete all of Section III to determine whether this figure is also to be entered in Section I, line 6(b). If Section III, line 5 is less than the current year's standard SSI allocation, stop and do not enter in Section I, line 6(b). Otherwise, continue to complete Section I, Column (b).

Section III. Ineligible Spouse Income Exemption Determination

Line 1. Enter gross unearned income of the ineligible spouse from Section I, line 5(b). Do not include public assistance.

Line 2. Enter the gross earned income of the ineligible spouse.

Line 3. Add and enter the total of lines 1 and 2.

Line 4. Enter the allocation to ineligible minor children from Section II, line 5.

Line 5. Subtract line 4 from line 3 to determine the ineligible spouse's net income.

Line 6. If line 5 is less than the current standard SSI allocation amount, this income is exempt and there is no spousal deeming. Enter the federal poverty level (FPL) for one in Section IV, line 2. Check the box "No spousal deeming" on line 6.

DO NOT complete the remainder of Section I, column (b) and cross out lines 6(b), 7(b), 11(b), 12(b), and 13(b). Complete Section I, column (a) for the applicant.

If line 5 equals or is greater than the current standard SSI allocation amount, there is spousal deeming. Enter the FPL for two in Section IV, line 2. Check the box, "Spousal deeming" on line 6. Complete the remainder of Section I, including Column (b).

Section IV. 250 Percent Income Eligibility Determination

Line 1. Enter the total countable income from Section I, line 20.

Line 2. Enter 250 percent of the current federal poverty level (FPL). Enter the FPL for a family size of one if a single individual is applying or if there is no deeming from the ineligible spouse. If a couple is applying or there is spousal deeming, use the FPL for a family size of two.

Line 3. If line 1 is less than line 2, the individual or couple is eligible for the 250 Percent Working Disabled Program. If line 1 is greater or equal to line 2 and the determination was for a couple, complete this form again for one member of the couple and make the other spouse an ineligible spouse.

Remaining Information

The eligibility worker must sign this form, enter his/her county number, if one exists, and the date this form was completed. Completion of the county use box is optional.