STATE OF CALIFORNIA—HEALTH AND HUMAN SERVICES AGENCY GRAY DAVIS, Governor

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November 11, 1999

TO: All County Welfare Directors
All County Administrative Officers
All County Medi-Cal Program Specialist/Liaisons
All County Public Health Directors
All County Mental Health Directors

Letter No.: 99-56

CORRECTIONS, CLARIFICATIONS, RULES, AND MEDICAL FAMILY BUDGET UNIT (MFBU) EXAMPLES OF PREGNANT WOMEN, CARETAKER RELATIVES, AND MINOR PARENTS IN THE SECTION 1931(b) PROGRAM

Ref.: All County Welfare Directors Letter (ACWDL) Nos. 99-20 and 99-42

The purpose of this letter is to make corrections and clarifications in previous ACWDLs and to provide clarification and specific MFBU examples about pregnant women, caretaker relatives, and minor mothers in the Section 1931(b) program.

We have met with staff of the California Work Opportunity for Kids (CALWORKs) program to discuss their budget rules concerning the minor parents living with senior parents. Since CalWORKs rules are quite similar to how MFBUs are treated under Medi-Cal's Aid to Families with Dependent Children Medically Needy (AFDC-MN) program for the most of the scenarios, we have decided for simplification purposes that we will continue to use the Medi-Cal MFBU rules for when determining eligibility for minor mothers under the Section 1931(b) program.

CORRECTIONS and CLARIFCATIONS

Please correct the following:

1. Page 4 of ACWDL 99-20, Answer No. 2 should be corrected to read "NOTE: Changing from unemployment to incapacity and back to unemployment is different. The 100-hour rule is waived. See Question 1 under Deprivation."

2. Page 4 of ACWDL 99-20, Question No. 6 should be corrected to read "can they have TMC based on receiving CalWORKs or Section 1931(b) for three of the last six months?"

3. Page 6 of ACWDL 99-20, Question and Answer No. 5 should be corrected to read "Can applicants for Medi-Cal choose to be evaluated for the AFDC-MN program instead of the Section 1931(b) program? No. Section 1931(b) eligibility is determined before the AFDC-MN program eligibility is evaluated; however, persons eligible for other programs such as Pickle, or the aged, blind, or disabled programs may choose which program is most beneficial to them."

4. Page 3 of ACWDL 99-42 shows an example with an eight-year-old child who is eligible for the 133 Percent program. Please change the age of the child to five, which is the maximum age for a child in that program.

5. Page 4 of ACWDL 92-42 states that a stepparent may be aided as an essential person regardless of whether or not he/she has his/her own children living in the home who are not deprived. However, he/she must be included in the MFBU with the entire family (since he/she is responsible for his/her spouse) when determining the Section 1931(b) eligibility for the other family member regardless of whether he/she wishes to be aided or not. Sneede rules would apply. This change affects all previous ACWDLs which contain an example with an stepparent. The only exception would be when only the separate children of his/her spouse wish to aided, which is similar to the MN program.

6. Page 5 Scenario IV of ACWDL 99-42 states that the MFBU should consist of only the minor mother and her child because the minor mother is the caretaker of her child; however, the senior mother is still financially responsible for the minor mother; therefore, the MFBUs should be similar to the MFBUs in the regular MN program where the senior mother and the minor mother are in the same MFBU and the minor mother is an ineligible member with her child in the second MFBU.

7. Page 8 of ACWDL 99-42 states that the father has no linkage and is not eligible. Since he is a stepparent and may be an essential person under Section 1931(b) rules, please correct that example so that the father is eligible for Section 19319(b) along with the mother and remove him from the MN/MI MFBU.

SECTION 1931(B) RULES MFBU RULES AND EXAMPLES FOR PREGNANT WOMEN

1. A pregnant women must have a deprived child or an unborn who if born would be deprived.

2. A pregnant woman must be in her last trimester if she has no other deprived children in the household.

3. The spouse or unmarried parent is not eligible if the only deprived child is an unborn; however, he may be eligible for Medi-Cal under the MN program.

4. The spouse or unmarried parent's income/property is counted and he is included in the MFBU as an ineligible member with the pregnant woman and unborn until the child is born. Sneede rules apply if he is unmarried.

5. The unborn is counted in the family size at the onset of pregnancy in the event the pregnant woman is aided on the basis of other deprived children earlier than the third trimester.

Example A: (First month of Application)

A married pregnant woman with no other children in her last trimester and the unemployed father of the unborn are applying for Medi-Cal. Dad has $700 in net non-exempt income.

Section 1931(b) MFBU

Mom	$ 0
Unborn	$ 0
<Dad>	$700
Total	$700
Limit for 3	$793

MN Program

Dad	$ 0
Total	$ 0
MNL Limit	$600

Mom is eligible for 1931(b). Dad is only eligible for the MN program. His income is not carried over to the MN program because he is a financially responsible relative to Mom and his income was used to make Mom eligible. Once the baby is born, he may be added to the Section 1931(b) program with no determination if there is no change in the family income. If the family income increases, a new determination is required. If the parents of the unborn were unmarried, Sneede would apply if Mom were ineligible for Section 1931(b). If Mom were then eligible, Dad could not deduct his income in the MN determination because unmarried parents are not responsible for one another. NOTE: The baby is protected from income increases until age one because of the Continued Eligibility program.

Example B: (First Month of Application)

A married pregnant woman lives with her separate child, her employed spouse and their mutual child. All are requesting Medi-Cal. The spouse may be aided as an essential person (EP); however, his income is counted regardless of whether or not he wishes to be aided unless only his wife's separate child wishes to be aided.

Section 1931(b) MFBU

Mom	$ 0
Unborn	$ 0
Mom's Child	$ 250
<Mutual Child>	$ 0
Dad (EP)	$ 800
Total	$1,200
Limit for 5	$1,074

Section 1931(b) Sneede Determination

MBU #I	
Mom	$255.50
Dad (EP)	$389.00
<Mutual Child>	$255.50
Unborn	$ 0
Total	$900.00
Limit for 4	$942.00

MBU #2	
Mom's Child	$250
Total	$250
Limit	$320

Sneede Rules Apply. Dad keeps $389 and allocates the remainder to Mom and his mutual child. Mom has no income of her own; therefore, Mom's child only has his or her own income. All are eligible for Section 1931(b). NOTE: If Mom's separate child were not eligible for Section 1931(b) after the Sneede process, he or she would be evaluated for the MN program using only his or her income. If there were a parental allocation under Sneede, it is NOT carried over. If the child is still ineligible, then he or she should be evaluated for the poverty level programs, using only Mom's full net non-exempt income and his or her own. Compare this amount to the full family size of five.

SECTION 1931(B) RULES MFBU RULES AND EXAMPLES FOR MINOR PARENTS AND SENIOR PARENTS/CARETAKER RELATIVES

The rules for establishing these MFBUs follow the MN MFBU composition rules.

6. If the caretaker relative is not the parent of the child, he or she is not required to be in the MFBU unless he or she wishes to be aided.

7. There are two MFBUs which is similar to the treatment of the minor mother and the senior mother under regular MN rules. The senior parent's income/property is never used to determine the eligibility for the minor parent's child.

   (a) The senior parent must have care and control of both the minor and the minor's child to be eligible if there are no other siblings in the home. If not, he or she is an ineligible member in the MFBU with the minor parent. If the senior's income and property cause the minor child to be ineligible, one or both may be eligible for the MN program or the minor for the Percent program. The minor mother is an ineligible member in the second MFBU when determining eligibility for her infant.

   (b) If the same situation in (a) exists except that there are siblings in the home, the senior parent, siblings, and the minor parent are in the first MFBU. The issue of care and control does not apply. Sneede rules apply if the siblings or the minor has income. The minor mother is an ineligible member of the second MFBU with her infant.

8. If the deprived minor mother lives in the home with her parent(s), unmarried parent of her infant, and other siblings, the minor parent, senior parent(s), and siblings are in the first MFBU to determine eligibility. The minor mother is an ineligible member in the second MFBU with her infant or children and the second unmarried parent of her children. If the minor's child is an unborn, the unborn is in both MFBUs and may be counted in the family size prior to the last trimester. Counties may wish to review the Sneede Procedures Article 8F for minor mother examples.

9. If the minor parent and his/her spouse (who is the parent of the minor's child) live in the home of his or her senior parent, use the same MFBU rules that are used for the married minor in the MN program. Please review ACWDL 98-17 and 98-23. There are three MFBUs depending on who wishes to be aided and whether there are siblings in the home.

10. If a caretaker who is not a parent requests to be aided as the caretaker of a minor relative and the caretaker also lives with a spouse, the spouse may not be aided nor is the spouse's income and property counted. This is similar to the rule for the MN program. The spouse may be aided under the MN program if he or she has other linkage such as aged, blind, or disabled. See the Medi-Cal Eligibility Procedures Manual Article 8D for more information.

Example C (Month of Application)

Deprivation exists for the minor parent and siblings due to senior parent's unemployment. The minor parent's child is deprived through absence. Senior Dad has $2,000 per month net nonexempt unearned income. The minor mother has no income.

Section 1931(b) MFBU #1

Senior Mom	$ 0
Senior Dad	$2,000
Minor Mom	0
Sibling #1	0
Sibling #2	0
Total	$2,000
Limit (5)	$1,074

Section 1931(b) MFBU #2

<Minor Mom>	$0
Minor Mom's Infant	$0
Total	$0
Limit (2)	$639

Only the infant is eligible for Section 1931(b). The other family members in the first MFBU should be evaluated for the MN or the Percent programs.

Example D (Month of Application)

The 16-year-old minor mother and her 17-year-old unemployed boyfriend who is the parent of her child lives with her senior parents. The senior parents are employed. The boyfriend is unemployed. The minor mother has care and control of herself and her child. We will assume that there is no in-kind income to the boyfriend.

Section 1931(b) MFBU #1

<Senior Mom>	$3,000
<Senior Dad>	$ 50
<Minor Mom>	$ 0
Total	$3,050
Limit (3)	$1,074

Section 1931(b) MFBU #2

<Minor Mom>	$0
Minor Dad	$0
Infant	$0
Total	$0

All the persons in MFBU No. 1 are ineligible because there is no deprivation. The minor should be evaluated for the MI or Percent program. The minor Dad and the infant are eligible for Section 1931(b). NOTE:

DETERMINING CARE AND CONTROL BY THE CARETAKER RELATIVE FOR SECTION 1931(b)

The caretaker relative may be any relation by blood, marriage, or adoption who is within the fifth degree of kinship to the dependent child. This description is used for both Medi-Cal and CalWORKs. The county may wish to review ACWDL 94-66 to establish whether or not the caretaker is a relative. We have enclosed page 919 from the Department of Social Services Manual which may be helpful when determining relatedness.

Verification includes most types of legal documents, as well as records from church, insurance policies, school, medical, or social services agencies.

The following factors may considered when determining whether the caretaker has care and control when the child is living in the home with a caretaker relative:

- Deciding where the child attends school or child care.
- Dealing with the school on educational decisions and problems.
- Controlling participation in extracurricular and recreational activities.
- Arranging medical and dental care services
- Claiming the child as a tax dependent
- Purchasing and maintaining the child's clothing.

SECTION 1931(B) RULES MFBU RULES AND EXAMPLES FOR ADULT PARENTS WHO LIVE IN THE HOME OF A CARETAKER RELATIVE

The CalWORKs program will allow an otherwise eligible adult parent, their minor child, and a caretaker to all be aided when they reside in the same home. The parent is still financially responsible even if the caretaker has care and control. Therefore, we will follow those rules for the Section 1931(b) program. However, the MN program (Section 50085 of the California Code of Regulations) does not aid a caretaker relative if there is an adult parent and their minor child in the home.

11. If an adult parent does not have care and control of his or her child (but his or her parental rights have not been terminated) and is living with a caretaker relative of the adult parent's child such as grandparent, all persons are included in the MFBU if the caretaker wishes to be aided. If the MFBU has excess income or property, Sneede rules

would apply and only the income of the parent is allocated to the child. If the caretaker is not eligible, he or she is not eligible under the MN program if the parent is being aided in Section 1931(b).

Example E Month of Application

A 26-year-old parent who does not have care and control lives with her minor child and her mother (grandmother of the child). The grandmother has care and control of the minor child. All are requesting aid.

Section 1931(b) MFBU

Grandmother	$620
Adult Parent	$100
Child	$ 0
Total	$720
Limit (3)	$793

All are eligible for Section 1931(b).

Example F Month of Application

Same example as E; however, the parent has an income of $500 which makes the family ineligible for Section 1931(b). Apply Sneede rules:

Section 1931(b) Sneede MBU#1

Grandmother	$620
Total	$620
Limit (1)	$390

Section 1931(b) Sneede MBU #2

Adult Parent	$500
Child	$ 0
Total	$500
Limit for (2)	$639

Grandmother is not eligible for Section 1931(b) or any other MN program unless she has linkage of her own such as aged, blind, or disabled. The adult parent and child are eligible for Section 1931(b).

12. A 20-year-old parent has care and control of her child, lives with her senior parents, and all are requesting Medi-Cal. The 20-year-old is considered an adult in the Section 1931(b) determination. The senior parents are not in the Section 1931(b) MFBU. The senior parents may be aided under the MN program if the 20-year-old is deprived by the senior parent's incapacity or unemployment.

Example G Month of Application

Section 1931(b) MFBU	MN MFBU
20-Year-Old Parent	Senior Dad
Parent's Child	Senior Mom

If you have any further questions about this letter or the MFBU, please contact Margie Buzdas at (916) 657-0726 or Erin Lynch at (916) 654-5769.

Sincerely,

ORIGINAL SIGNED BY

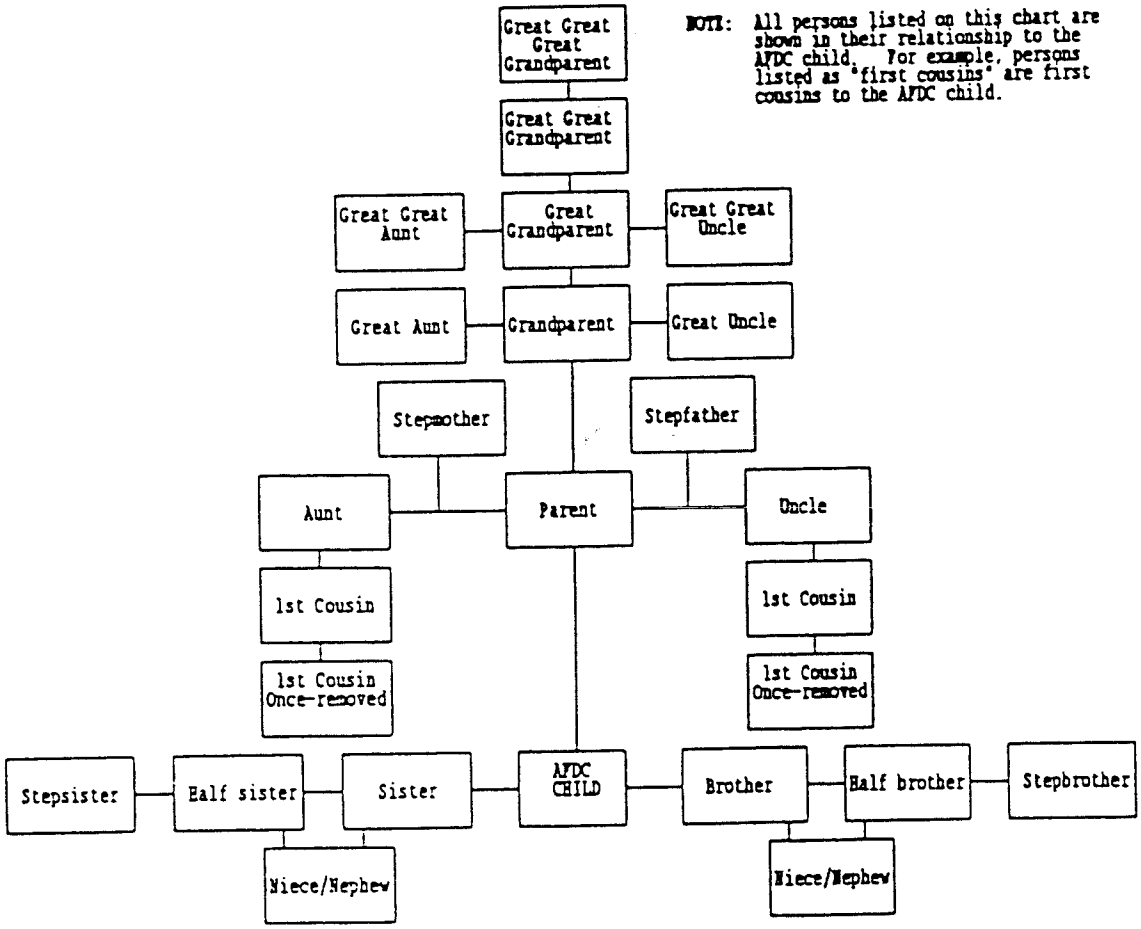
ANGELINE MRVA, Chief
Medi-Cal Eligibility Branch

Enclosure

APPENDIX A

HANDBOOK BEGINS HERE

CHART FOR DETERMINING RELATEDNESS OF CARETAKER RELATIVES



NOTE: All persons listed on this chart are shown in their relationship to the AFDC child. For example, persons listed as "first cousins" are first cousins to the AFDC child.

1) The caretaker relative also includes the spouse or former spouse of the relatives listed above.

2) The caretaker relative also includes the adoptive parents and their relatives as listed above.

HANDBOOK ENDS HERE