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October 24, 2000

MEDI-CAL ELIGIBILITY PROCEDURES MANUAL LETTER NO.: 230

TO: All Holders of the Medi-Cal Eligibility Procedures Manual

ARTICLE 5C DEPRIVATION – LINKAGE TO THE AID TO FAMILIES WITH DEPENDENT CHILDREN AND SECTION 1931(b) PROGRAM

Enclosed is a correction to page 22 of Article 5C of the Medi-Cal Eligibility Procedures Manual. The sentence that states that Dad and the mutual child are not eligible for TMC is corrected. The Dad and the mutual child are eligible for TMC due to increased hours of employment because they no longer have deprivation. Page 21 is also included because the pages are reproduced back-to-back. These pages replace pages 21 and 22 of Manual Letter No. 229, dated September 19, 2000.

Filing Instructions:

Remove Pages:	**Insert Pages:**
Article 5 Pages 5C-21 and 5C-22	Article 5 Pages 5C-21 and 5C- 22

If you have any questions, please contact Margie Buzdas of my staff at (916) 657-0727.

Sincerely,

Original signed by

Glenda Arellano, Acting Chief
Medi-Cal Eligibility Branch

Enclosures

Since the family is above the Section 1931(b) income limit and the couple is not married, Sneede rules apply. We will assume they are property eligible.

Mom's income	$1,300	Mom's Separate Child	$ 0	Dad's income	$500
Parental needs	- 696	Allocation from Mom	302	Parental Needs	- 696
Total	$ 604	Total	$302	Allocation	0
Allocation ÷ 2 =	$ 302				

Mutual Child's income	$ 0
Allocation from Mom	302
Allocation from Dad	0
Total	$302

MBU #1		MBU #2		MBU #3	
Mom	$696	Mutual Child	$302	Dad	$500
Mom's Child	302	Total	$302	Total	$500
Total	$998	Limit	$393	Limit	$696
Limit	$938				

Mom and her separate child fail to pass Section 1931(b). They should be evaluated for the MN program. The mutual child and Dad pass Section 1931(b).

MN Program

Mom	$1,300- $302 (Allocation used for Section 1931(b) Mutual Child)
Separate Child	0
Total	998
Limit for 2	750
SOC	$248

Mom has a SOC of $248. Note: An unmarried parent may not deduct any income if their income was used to make the other parent eligible for Section 1931(b). Evaluate the separate child for the 133 Percent program. Only the income of Mom and the separate child is used.

133 Percent Program

Mom	$1,300
Dad	N/A
Separate child	0
Mutual child	N/A
Total	$1,300
Limit for 4	$1,890

Mom's separate child is eligible for the 133 percent program.

Five months later Mom takes a full time job with a net nonexempt earned income of $1,500 and she is working over 100 hours. Dad is no longer incapacitated and has $500 net nonexempt earned income. Mom is determined to be the PWE. Because Mom is not a recipient of the Section 1931(b) program, the U-Parent income test applies.

U-Parent Test

Mom	$1,500	net nonexempt earned income
Dad	500	net nonexempt earned income
Total	$2,000	
Limit for 4	$1,421	

Mom still has deprivation because her separate child has an absent parent; however, Dad and the mutual child have no deprivation. Dad may not be an essential person because he is not married.

Mom and her separate child are reevaluated for Section 1931(b) as recipients for income purposes. Dad and the mutual child are ineligible members of the MFBU. Assume Mom and her separate child are eligible for Section 1931(b). Dad has no linkage. He and the mutual child are eligible for TMC because they were terminated from Section 1931(b) due to increased hours of employment (loss of deprivation). If Mom and her child become ineligible for Section 1931(b) for increased earnings, they will be eligible for TMC.

Note: To be eligible for Section 1931(b), a parent must have at least one deprived child in a zero SOC program.

e. Multiple Linkage Factors

A husband and wife have one mutual child. The wife has two children by a previous marriage, and the husband has three children by a previous marriage. They all live together. Neither absent parent is deceased. The father is unemployed according to the provision of Title 22, CCR, Section 50215. All are requesting Medi-Cal. Is there deprivation for each child? Are the parents linked?

Answer: Yes. The wife's separate children and the husband's separate children are deprived by the absence of a parent. Both parents may be linked by absence. The mutual child is deprived by the unemployment of his father. Only the mutual child will lose linkage once the father returns to work but may be aided under the federal poverty programs or as medically indigent.

Note: If there were no deprived mutual children and one spouse had no separate children, that spouse's only linkage must be through the spouse's incapacity (see previous example), or pregnancy or disability. The spouse may not be linked through the employment of the spouse for the AFDC MN program. This rule does not apply to Section 1931(b), which may aid the stepparent as an essential person because the spouse's child is deprived through absence of his or her parent.

f. Forms

1. Principal Wage Earner (PWE) Working 100 Hours or More Unemployed Parent Determination Worksheet - MC 337

2. Vocational and Work History - MC 210 S-W.

3. Vocational and Work History- Spanish MC 210 S-W (SP)

4. Medical Report for Incapacitated Parent - CA 61