



State of California—Health and Human Services Agency
Department of Health Services



California
Department of
Health Services
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April 23, 2002

GRAY DAVIS
Governor

MEDI-CAL ELIGIBILITY PROCEDURES MANUAL LETTER NO.: 266

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

ARTICLE 8G MEDI-CAL FAMILY BUDGET UNIT DETERMINATIONS FOR THE
SECTION 1931(b) PROGRAM

Enclosed are corrections and clarifications to the Section 1931(b) procedures. Four new examples have also been added. These new additions or changes are marked with a black line in the right margin.

Filing Instructions:

Remove Pages:

Insert Pages:

Article 8G

Article 8G

Pages 8G-1- through 8G-29
Page 8G-51

Pages 8G-1 through 8G-29
Pages 8G-51 through 8G-56

If you have any questions, please contact Ms. Margie Buzdas at (916) 657-0726.

Sincerely,

Original signed by

Richard Brantingham
Acting Chief
Medi-Cal Eligibility Branch

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MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

8G –MFBU DETERMINATIONS FOR THE SECTION 1931(b) PROGRAM

A. BACKGROUND

The Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) of 1996 (Public Law 104-193) established a new mandatory coverage group at Section 1931(b) of the Social Security Act. Section 1931(b) requires that Medi-Cal be provided to low-income families, who meet the provisions of the July 16, 1996, Aid to Families with Dependent Children (AFDC) State plan requirements for income, resources and deprivation, (subject to modification at State option). PRWORA also deleted many of the requirements for establishing deprivation based on unemployment.

Section 161 of AB 1542 (Chapter 270, Statutes of 1997) established the California Work Opportunity and Responsibility to Kids (CalWORKs) program and provided that it was to be implemented January 1, 1998. This law also adopted Section 14005.30 of the Welfare and Institutions Code which provided that to the extent federal financial participation is available, the Department of Health Services shall extend eligibility for health care services under Medi-Cal to all recipients of aid under CalWORKs as well as those in the Section 1931(b) Only program.

For purposes of establishing requirements for the Section 1931(b) group, the July 16, 1996, AFDC provisions have been modified as of January 1, 1998, to the extent possible as permitted by PRWORA, in order to align the Section 1931(b) program with CalWORKs. Therefore, former AFDC rules will be referred to as the Section 1931(b) rules.

Assembly Bill (AB) 1107, Chapter 146, Statutes of 1999, expanded the definition of the unemployed parent for purposes of establishing eligibility based upon deprivation of a child. Prior to this bill, if the principal wage earner works less than 100 hours per month, based upon the AFDC rules in effect July 16, 1996, or is considered unemployed under the terms of an existing federal waiver of the 100-hour rule for recipients of the Section 1931(b) Medi-Cal program, then deprivation exists for purposes of the child's eligibility. As of March 1, 2000, if the principal wage earner (PWE) is an applicant for the Section 1931(b) program (or if the PWE is either an applicant or a recipient in the Medically Needy (MN) program, he/she may work 100 hours or more if the family's net nonexempt earned income is at or below 100 percent of the federal poverty level (FPL). Recipients of Section 1931(b) may continue to work 100 hours or more if they meet the regular income and property requirements except as noted.

NOTE: Section 50215 requires that the PWE be redetermined at the time of application, reapplication, restoration, or if the family's circumstances have changed in such a way as to meet the requirements for deprivation. If a PWE recipient is working 100 hours or more and there is "break in aid" or a change in circumstances that requires a PWE to be established, the U-Parent test applies regardless of whether or not he or the family are recipients for income purposes. See Procedures 5C.

In addition, Senate Bill (SB) 708, chaptered on July 22, 1999, raised the income limits for the Section 1931(b) program to 100 percent of the FPL. The effective date for both changes was March 1, 2000.

Persons applying for Medi-Cal who are not on Public Assistance (PA), Other PA, or Pickle must first be evaluated for the Section 1931(b) program prior to any other full scope Medi-Cal programs. See the Section 5C and 5S of this Manual for more information about deprivation and implementation of the Section 1931(b) program.

B. MEDI-CAL FAMILY BUDGET UNIT (MFBU) COMPOSITION RULES

The MFBU for Section 1931(b) shall be the basic unit of persons considered in determining an individual's or family's eligibility. Persons eligible for Section 1931(b) have a zero share of cost (SOC).

MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

Note: Sneede is applicable to the Section 1931(b) determination.

The following are some basic Section 1931(b) rules for the MFBU determination:

- All persons in the family who are living in the home and who are not already receiving a cash grant e.g., Supplemental Security Income (SSI), CalWORKs, In-Home Supportive Services (IHSS) are evaluated for Section 1931(b) in the same MFBU regardless of whether or not they have linkage. Persons who are considered to be receiving Public Assistance (PA), or Other PA are not in the MFBU except for those receiving Four Month Continuing and Transitional Medi-Cal benefits (see Section 50373 California Code of Regulations). Note: If a family member is aged, blind, disabled and in long term care (LTC), he/she is not consider to be living in the home, nor is he/she included in the MFBU.
- If some persons in the household are receiving CalWORKs, the remaining family members who are not eligible for CalWORKs or choose to not receive CalWORKs are considered to be eligible for Section 1931(b) without a determination. These persons are financial eligible for CalWORKs and their income and property was counted in the CalWORKs determination. Some examples are: 1) Persons who are sanctioned from CalWORKs such as those who do not cooperate with work requirements, 2) fleeing felons, 3) persons who have reached their CalWORKs time limits, or 4) persons who do not have satisfactory immigration status.

The exceptions to this rule are: persons who do not meet the age requirements of a child (they are not under 18 or not enrolled in school and expected to graduate prior to age 19), a non-needy caretaker relative who was not financially eligible as a CalWORKs applicant or recipient and whose income and resources were not counted when determining the CalWORKs case, or a minor parent living with his/her parents and whose child is receiving CalWORKs, but he/she is not eligible due to the grandparent's income/resources. These individuals cannot be assumed to be eligible for Section 1931(b) without a determination.

Those persons who are in the same MFBU with other family members who are being evaluated for Section 1931(b), but are ineligible because they do not have linkage or who are not eligible after a Sneede determination, should be evaluated for the MN, Medically Indigent (MI), or the Percent programs, if otherwise eligible. Those persons who are eligible for Section 1931(b) are not in the MFBU with those who are being evaluated for the MN or MI program. See the following examples or Article 5K for examples of how to determine eligibility for the Percent programs.

- There must be at least one deprived child eligible for a Medi-Cal program with a zero SOC e.g., Percent program, PA, CE, or CEC, for a parent to be linked to the Section 1931(b) program.
- An unborn may be used to increase the Section 1931(b) family size prior to the last four months of pregnancy regardless of whether the unborn is deprived if there are other-deprived children in the family who are otherwise eligible.
- If the only deprived child is an unborn in the last four months of pregnancy and the mother is being evaluated for Section 1931(b), the spouse or unmarried father is an ineligible member of the Section 1931(b) MFBU and is not eligible for Section 1931(b) until the birth of the unborn. The father should be evaluated for the MN program. Continued Eligibility and Sneede rules apply. The unmarried father may choose to opt out if he wishes.

MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

- The stepparent may choose to apply as an essential person for Section 1931(b) if his/her spouse has a deprived child and the spouse wishes to apply regardless of whether or not the stepparent has non-deprived children. This is different from the MN program which only allows a stepparent with no children of his/her own in the home to be linked by a spouse who is incapacitated. His/her income must be counted if his/her spouse is requesting Medi-Cal. The stepparent may opt out of Section 1931(b) or the MN program if only his/her spouse's separate children are applying for benefits. See the special property rules requirement described under Sneede property and Example C in the Procedures section 5K. Page 6.
- The Section 1931(b) MFBU rules for a non-parent caretaker are similar to those of the MN program. 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. If a 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.
- An exception to Section 1931(b) MFBU rules for caretaker relatives is if the non-parent relative is the caretaker of a child and the adult parent of that child is also living in the home. This is permitted under Section 1931(b) rules even though MN rules do not permit the caretaker relative to be aided when the parent is also living in the home. 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 he/she is living with a caretaker relative of the adult parent's child such as grandparent who does have care and control, all persons are included in the MFBU if the caretaker wishes to be aided.
- The minor parent who is living in the home of his/her parents must either be a deprived child or may request aid only for himself/herself and his/her deprived child to be aided under Section 1931(b) rules. In either case, the senior parent's income and property are counted until the minor is an adult and they must apply for the minor parent. The Section 1931(b) MFBU is similar to that of the MN MFBU. If the minor mother is pregnant, there is one MFBU. The deprived pregnant minor is an eligible member in the MFBU with her unborn, parents and siblings. The senior parent with no care and control of a minor parent is an ineligible member of the Section 1931(b) MFBU and should be evaluated for the MN program in an MFBU of one.
- If the minor mother has no other siblings in the household, the senior parent must have care and control of both the minor mother and the minor mother's child if the senior parent wishes to be aided. If these conditions are not met, she is an ineligible member in the minor mother's MFBU for the Section 1931(b) program. If these conditions are met, there are two MFBUs for the Section 1931(b) program similar to the treatment of the minor mother and the senior mother under regular MN rules. The senior parent is in the first MFBU with the minor mother and the minor mother is an ineligible member with his/her child in the second MFBU. As in the MN program, the senior parent's income/property is never used to determine the eligibility for the minor parent's child. If the senior parent's income/property makes the minor parent ineligible, only the infant is eligible in the second MFBU (the minor mother is ineligible in this MFBU). The senior parent(s) and the minor parent may be eligible for the MN or the Percent programs if they are not eligible for Section 1931(b).
- If 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 is not an issue due to CalWORKs mandatory inclusion rules. 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.

Pending

SECTION NO.:

50226

MANUAL LETTER NO.: 266

DATE: 4/23/02

8G-3

MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

- The Section 1931(b) MFBU for married minor children and their spouse living with the senior parent(s) is similar to the MFBU used for the MN program except that a minor under the MN/MI program is a person under 21. There may be three separate MFBU's depending on who wishes to be aided. See Example 18 in the Sneed Procedures 8F.
- Persons who are eligible for Section 1931(b) may choose to be aided under certain other mandatory programs such as Pickle or a special limited benefits program such as the Qualified Medicare Beneficiary program, but they may not choose to be aided under the MN program which is an Optional federal category.
- A deprived child must live with either a parent or caretaker relative to be eligible for Section 1931(b).
- A child who is living in the home with a senior parent and other siblings but is considered an "adult" under the Section 1931(b) program rules, is an ineligible member of the Section 1931(b) MFBU unless he/she is a parent of a deprived child and could apply for Section 1931(b) in a separate case.

C. SNEEDE REQUIREMENTS

The requirements of the Sneed lawsuit apply to the Section 1931(b) determination. That is, there is a mandatory exception to using the modified July 16, 1996 AFDC methodology. This exception relates to the Medi-Cal Sneed lawsuit which limits financial responsibility to a spouse for a spouse or a parent for a child. Such prohibitions did not exist in the AFDC program, but the Health Care Financing Administration indicated that Sneed must apply to the Section 1931(b) program as it does for all other Medi-Cal programs. For more information on Sneed, see the Procedures 8F.

This means that if a family is determined ineligible for Section 1931(b) rules because of excess property or failure to meet the income test, Sneed provisions apply if there is a Sneed class member. If only a parent is eligible for Section 1931(b) after Sneed is applied, there must be at least one deprived child who is eligible for another Medi-Cal program with a zero SOC for the parent to be eligible for Section 1931(b).

Generally, the same Sneed methodology used in the regular Medi-Cal program is followed under Section 1931(b) except for the following:

Income Deductions and the Personal Needs Allowance: Under regular Sneed, deductions for the aged, blind, and disabled are applicable. These deductions are not permitted in the Section 1931(b) Sneed determination. Under regular Sneed, the SOC is based on the Maintenance Need Income Level (MNIL) (or prorated amount), and a parental needs amount of \$600 (which relates to the MNIL for one) is allowed for the parent before the parent allocates to others for whom that parent is responsible. As of March 1, 2000, Section 1931(b), income eligibility for applicants is based on 100 percent of the FPL. Recipients are allowed either the MBSAC income limit with the \$240+ 1/2 deductions (**Alternative A**) or the 100 percent limit with the \$90 work expense deduction (**Alternative B**). As of July 1, 1999, the parental needs allowance for Alternative A recipients is \$389 which is \$1 less than MBASC. As of April 1, 2000, the parental needs allowance for applicants and Alternative B recipients is \$696. These amounts change when the MBSAC and the FPL limit change. Each Alternative A Sneed member may receive the full \$240 + 1/2, if applicable. Each Alternative B Sneed recipient with earned income will receive the \$90 deduction up to the amount of their earned income. This is similar to the Sneed rules for deductions under the MN/MI program where each Sneed member receives a full set of applicable deductions, e.g., the \$20 any income disregard, (see Medi-Cal

MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

Eligibility Procedures Manual Article, 8F Page 13), except that the \$240 is applied first to disability and then to earned income and the ½ to the remainder of earned income and the \$240 + 1/2 or the \$90 deduction does not require that the person with that income be a spouse or a parent of a disabled child.

1. Allocations from spouses or parents who have failed to qualify for Section 1931(b) due to Sneede or because of no deprivation are described below:

- Spouses (such as a father of an unborn where there are no born children) who are not eligible for Section 1931(b) may deduct all of their income if they are being determined as eligible or ineligible members of the MFBU for the Medically Needy (MN) program and their income was used to make their spouse eligible for Section 1931(b). Unmarried parents are not responsible relatives and may not deduct any income. NOTE: There should not be many instances where one spouse is ineligible because spouses are in the same Mini Budget Unit (MBU) and will pass or fail the income and property test together and the stepparent can choose to be an essential person. However, the spouse may not have linkage when the pregnant woman has no other deprived children, is in her last four months, because the father is not eligible until the deprived child is born. Unmarried parents may not deduct any allocation to the unmarried parent of their mutual child. They are in separate MBUs and only keep parental needs allowance; therefore, unmarried parents usually pass the Section 1931(b) income test unless they have separate children who are in the same budget unit.
- A parent who is not eligible for Section 1931(b) may deduct the amount of their parental allocation to each child if that child is Section 1931(b) eligible when the parent is being determined for the other Medi-Cal programs as an eligible or ineligible member.
- No income or Sneede allocation from any eligible Section 1931(b) person is carried over to family members who did not pass Section 1931(b).
- If the allocations from a parent or spouse using either Alternative A or B could be used to make a child or spouse eligible for Section 1931(b), the parent or spouse may deduct the larger of either Alternative A or B allocations.
- Children who do not pass Section 1931(b) after a Sneede determination, or do not meet the age limitations or deprivation requirements may not deduct any of their income which was used in the Section 1931(b) determination because they are not responsible relatives. The children must use their income again (if any), when they are determined for the MN or MI program. As noted above, no allocations from the parent in Section 1931(b) are carried over to them.

2. Percent Programs:

- When determining eligibility for the Percent programs for persons who did not pass Section 1931(b) or the MN/MI program with no share of cost after Sneede rules were applied or who have no deprivation and are being evaluated for the Percent programs, follow the regular MFBU composition and income rules as described in the Medi-Cal Eligibility Procedures Manual Section 5K. Include the income from all responsible persons and compare the net nonexempt income to the income limit for the entire family size. Follow the usual exceptions which are:

MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

- (a) If the stepparent is opting out of either Section 1931(b) or the MN program because only the spouse's separate children wish to be aided or,
- (b) If the unmarried father does not wish to be aided with his/her girlfriend and her separate child and the only non-deprived mutual child is his unborn.

These persons were not part of the original Section 1931(b) or MN MFBU and are not included in the family size, nor is their income counted.

3. Property exception: The property limits under Section 1931(b) and Sneede are the same as under the MN program with the exception of a single adult which has a limit of \$3000.

Note: If the husband and the husband's separate child choose not to be aided, his separate plus one-half of the community property are exempt under the Section 1931(b) program. This exemption for property occurs even though his wife is requesting benefits. This rule does not apply to income. Income from the stepparent is counted unless only the wife's separate children are applying. If the husband's separate child wants benefits, then the husband is considered a parent and the stepparent exemption does not apply. More information about Section 1931(b) property rules are described in ACWDLs 98-43, 99-02, 99-03, 99-20, 01-53, and 01-62 will be discussed in future Procedures.

D. MFBU EXAMPLES (Assume all persons are property eligible)

Example 1: (Some Family Members Receive CalWORKs)

Father and two children age six and eight are receiving Medi-Cal through CalWORKs. Mother is not eligible for CalWORKs because she does not meet the other CalWORKs requirements such as work, citizenship or time limits. Oldest child is not eligible for CalWORKs because he is age 20.

<u>CalWORKs</u>	<u>1931(b)</u>	<u>MN/MI</u>
Father	Mother	20-Year-Old
Child #1	<20 Year Old>	
Child #2		

There is no income or property determination required for the mother because she is presumed eligible for Section 1931(b) because the other family members are receiving CalWORKs. The 20-year-old is only shown in her budget unit to be consistent with the other examples, but no actual computation is required. The 20 year old is in his own budget unit for the MN/MI because he is not eligible for Section 1931(b) because he is over the age limit. No income or property from other family members are used to determine his eligibility.

Example 2: (Family Members Who are Not Eligible for Section 1931(b) Due to Age)

A father and two children age six and eight were receiving CalWORKs. His spouse was not eligible for CalWORKs because she did not participate in the CalWORKs work requirements and was receiving Medi-Cal under the Section 1931(b) program. The oldest child was not eligible for CalWORKs because he is age 20. The father and the two younger children have now been terminated from CalWORKs because of an increase in earnings from employment. Reevaluate the entire family for Section 1931(b). As of March 1, 2000 all are considered recipients, even if the 20 year old was not receiving CalWORKs or Section 1931(b) in the first month of eligibility.

MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

<u>1931(b)</u>	<u>MN/MI</u>
Father	20-year-old
Child #1 (\$)	
Child #2	
Mom	
<20-year-old>	

Mother can be considered for 1931(b) because there are no work requirements for this program. The 20-year-old is included as an ineligible member of the Section 1931(b) MFBU, but also evaluated under regular Medi-Cal in his/her own MFBU. If the rest of the family is eligible for Section 1931(b), they may continue to receive zero SOC Medi-Cal under this program. Should they later be terminated for an increase in earnings, they would be eligible for Transitional Medi-Cal; however, the 20 year old would not.

Example 3: (Applicant Family – Sneede & Poverty Level Programs Apply)

The family described above are applying as applicants after not receiving Medi-Cal or CalWORKs for six months. They are not eligible for 1931(b) using applicant (Alternative B) income limits (100 percent with \$90 deductions). Sneede rules apply because Child #1 has income. In this case everyone except the 20 year old and Child #1 are found to be eligible for 1931(b) after the Sneede determination.

<u>1931(b)</u>	<u>Sneede</u>	
Father	MBU#1	MBU#2
Child #2	Father	Child #1 (\$)
Mom	Mom	
Child #1 (\$)	Child #2	
<20-year-old>	<20-year-old>	

Child #1 would be evaluated with the 20-year-old under the MN program. Sneede would apply if they have an SOC.

MN/MI	<u>Sneede MN/MI)</u>	
20-year-old	MBU #1	MBU#2
Child #1(\$)	20-year-old	Child #1(\$)
These children have a SOC	20-year-old has no SOC	Child #1 has a SOC

Poverty Level Program

All family members are included in the poverty level determination for child #1. Compare the net nonexempt income of the responsible relatives to the poverty limit for five. If child #2 or the 20-year-old had income, their income would not be used, but the family size would remain the same.

<Father>
 <Child #2>
 <Mom>
 Child #1(\$)
 <20-year-old>

MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

Assume Child #1 is eligible. The Section 1931(b) family members are considered recipients in the following month. The family should be redetermined as recipients to see if Child #1 is now be eligible for Section 1931(b) using Alternative A limits and deductions. The 20 year old is still ineligible.

Example 4: (Stepparent with Separate and Non-Deprived Mutual Children)

Husband and wife with separate and two mutual children apply for Medi-Cal. This family was not terminated from CalWORKs or Section 1931(b) in the last four months; therefore, they are treated as applicants. The children have no income. The wife is the principal wage earner, is employed over 100 hours and the family's earned income is above the Unemployed Parent income limit (100 percent of the FPL); therefore, the mutual children are ineligible for Section 1931(b) because they are not deprived. Since the separate children are deprived due to an absent parent, only the mutual children have no linkage.

<u>1931(b)</u>	<u>Sneede</u>	<u>Sneede</u>	<u>Sneede</u>
Husband	MBU #1	MBU #2	MBU #2
Wife	Husband		
<Mutual Children>	Wife	Mom's Child	Dad's Child
Wife's Separate Child	<Mutual Children>		
Husband's Separate Child			

The family is evaluated for Section 1931(b) and is over the applicant income limit. Sneede rules apply. Assume MBU#1 passes. Evaluate the separate children for the MN or Percent programs if they have a SOC. Evaluate the mutual children for the MI program. If the children have a SOC in the MN/MI program after applying Sneede rules, they would be evaluated for the Percent program using the responsible relative's family's income in the MFBU. Compare the income limit to the poverty limit for a family size of six. If the parents have no mutual or separate child eligible for a program with zero SOC, they are not be eligible for the Section 1931(b) program and should be evaluated for the MN program.

Note: If the stepparent had no separate child in the household or that child did not request aid, the stepparent could be linked as an essential person for Section 1931(b), but not for the MN program. His income must be included if his spouse is requesting benefits even if he does not wish to be aided. See Example 7.

<u>MN Program</u>	<u>MI Program</u>
Separate Children	Mutual Children

Example 5: (Only the Separate Children of a Parent in a Stepparent Household Apply)

If only the separate children of a parent wish to be aided (applicants), Section 1931(b) uses the same rules as the MN/MI program. Only the separate children and their ineligible parent are in the MFBU. Follow the procedures as described in Article 5K Example C, or Article 8F Example 10; however, use the applicant (Alternative B) income deductions, parental needs allowance, and income limits. The ineligible wife is allowed to allocate to her spouse, separate child, and any non-deprived mutual children which reduces her total income. The allocation to her spouse and any mutual children are deducted from the net non-exempt income (net balance available to the MFBU from Mom). This balance plus any income from the separate children are compared to the 100 percent limit for a family size of those in the budget unit only. If the separate children are ineligible for Section 1931(b) and are eligible as MN's with a SOC, determine eligibility for the Percent program and compare the parent and her children's income to the limit for only the ineligible parent and her separate children.

MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

1931(b)

<Mom> (Net income minus deductions and allocations to spouse and mutual children)
 Mom's Separate Children

Example 6: (Sneede Case - Child with Income is only Eligible For Percent Program)

A single mother and her nine month-old child with income apply for Medi-Cal. The mother has net nonexempt income of \$889 and the child has net nonexempt income of \$620. The county determines Section 1931(b) and then applies Sneede because the family is over the Section 1931(b) April 1, 2001 limit.

<u>Section 1931(b) MFBU</u>	<u>Sneede MBU No. 1</u>	<u>Sneede MBU No. 2</u>
Mother \$ 889	Mother \$696	Child \$620 + \$193 from Mother
Child \$ 620	Total \$696	Total \$813
Total \$1,509	Limit \$696	Limit \$469
Limit (2) \$ 938		

The mother passes Section 1931(b) because she keeps her parental needs amount of \$696 and allocates the remainder to her child; however, the child is above the prorated Sneede 100% limit. The county then evaluates the child for the MN program. Since the child has a SOC, he or she is evaluated for the 200 Percent program. There are no health premiums to add back.

MN

Child \$620
 Total \$620
 Limit \$600

200 Percent Program

Mother's Income \$ 889
 Child's Income \$ 620
 Total \$1,509
 Limit (2) \$1,875

Child is eligible for the 200 Percent program. Mom is eligible for Section 1931(b) because she has a child who is eligible for Medi-Cal with no SOC. The child may be eligible as a recipient the following month if Mom has earned income using Alternative B.

Example 7: (Married Couple, Mutual and Separate Children, and a 20 Year Old)

Married parents apply for Medi-Cal for themselves, their two mutual children and the mother's two separate children, one of which is a 20-year-old child. The mother's net nonexempt earned income is \$1000 and the father's net nonexempt unearned income is \$589. The mother's 20-year-old has net nonexempt earned income of \$500. The principal wage earner works 100 hours or more and the family pass the earned income U-parent test so there is deprivation for their mutual children.

Section 1931(b) MFBU

Mother	\$ 1000
Father	\$ 589
Mutual Child no. 1	0
Mutual Child no. 2	0
Mother's 10-Year-Old	0
<Mother's 20-Year-Old>	<u>\$ 500</u>
Total	<u>\$2,089</u>
Limit for 6	\$1,905

MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

Since the family is over the Section 1931(b) 100% 4/1/01 FPL limit and there are Sneede class members, Sneede rules apply. The Section 1931(b) Sneede parental needs amount at this time is \$696. The mother keeps \$696 and allocates $\$304 \div 5 = \60.80 . The father keeps \$589 because he has less than the parental needs limit.

MBU No. 1 Sneede

Mother	\$696	\$696.00
Father	\$589 + \$60.80 from Mother	\$649.80
Mutual Child no. 1	\$60.80 from Mother	\$ 60.80
Mutual Child no. 2	\$60.80 from Mother	\$ 60.80
Total		\$1467.40
Limit		\$1421.00

The mother, father, and mutual children are not eligible for Section 1931(b). The mother, father, and the mutual children should be evaluated for the MN program.

MBU No. 2 Sneede

Mother's 10-year-old = \$0 + \$60.80(from Mother)	
Total	\$60.80
Limit	\$469.00

Mother's 10-year-old is eligible for 1931(b)

MBU No. 3 Sneede

< 20-Year-Old > = \$500 + \$60.80 from Mother	
Total	\$560.80
Limit	\$469.00

This child is not eligible for 1931(b) because he/she is over the age limit.

The income of the 20-year-old is used again because children are not responsible relatives. If a mutual child in MBU No. 1 had his or her own income, it also would be used again.

MN/MI

Father	\$ 589
Mother	\$ 1000- \$60.80 allocated to 10 year old
Mutual Child No. 1	\$ 0
Mutual Child No. 2	\$ 0
Mother's 20-Year-Old	\$ 500
Total	\$ 2028.20
Limit	\$ 1259.00

These family members are over the limit. Sneede rules would apply. Those children who did not pass would be evaluated for the Percent program. NOTE: If Sneede applies to a MN/MI budget unit and there are no parents in the MFBU because they were eligible for Section 1931(b), the child(ren) in the MBU receive a full standard of need rather than a prorated income/property limit similar to when a parent is PA or other PA. In month two, redetermine the family as recipients using Alternative A and the \$240+1/2 disregards.

Example 8: (Employed Unmarried Parents with Mutual and Separate Children)

Unmarried parents apply for Medi-Cal for themselves and their two mutual children and the mother's two separate children, one of which is a 20-year-old child. The mother's net nonexempt income is \$600 and the father's net nonexempt income is \$896. Both are employed but the family's earned income is below the 100% limit for the U-Parent test; therefore, there is deprivation for their mutual children. The mother's 20-year-old has unearned net nonexempt income of \$500.

MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

Section 1931(b) MFBU

Mother	\$ 600
Father	\$ 896
Mutual Child #1	0
Mutual Child #2	0
Mother's 10-Year-Old	0
<Mother's 20-Year-Old>	<u>\$ 500</u>
Total	<u>\$1,996</u>
Limit	\$1,905

Since the family is over the Section 1931(b) April 1, 2001 limit and there are Sneede class members, Sneede rules apply. The Section 1931(b) Sneede parental needs amount for applicants at this time is \$696. The mother keeps \$600 and allocates nothing because she has less than \$696. The father keeps \$696 and allocates \$200 + 2 = \$100 (mutual children #1 and #2).

<u>MBU No. 1</u>		<u>MBU No. 2</u>		<u>MBU 3</u>		<u>MBU 4</u>	
<u>Sneede</u>		<u>Sneede</u>		<u>Sneede</u>			
Mother	\$600	Father	\$696	Mutual Child #1	\$100 (father)	<20 Year Old>	\$500
Mother's 10 Year Old	<u>0</u>	Limit	\$696	Mutual Child #2	<u>\$100</u> (mother)	Limit	\$469
Total	\$600			Total	\$200		
Limit	\$938			Limit	\$711		

All are eligible except the 20 year old. Evaluate him for the MN program.

MN MFBU

Mother's 20-Year-Old	<u>\$ 500</u>
Total	<u>\$ 500</u>
Limit	\$ 600

The 20-year-old is eligible for the MN program.

Example 9: (Married Recipients Terminated from CalWORKs)

An incapacitated married father with \$600 gross earned income, his spouse with \$1000 gross unearned income, and their two children are terminated from CalWORKs due increased unearned income. One of the children has gross earned income of \$50. This family is considered recipients for the Section 1931(b) determination. Recipients must be determined for Section 1931(b) by either Alternative A or B depending on which is the most beneficial. The County uses Alternative B first, since the family has more unearned income.

1931(b) MFBU Using Alternative B (100 Percent)

Father	\$ 600 - \$90 = \$510 net earned income
Mother	\$1,000 net nonexempt unearned income
Child #1	\$ 50 - \$90 = \$0 net nonexempt earned income
Child #2	<u>\$ 0</u>
Total	\$1,510
Limit (4)	\$1,421

MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

Sneede Rules apply because the family is over the April 1, 2001 Section 1931(b) limit and there are Sneede class members. Note: In this example, we will proceed to Sneede because the family has more unearned income; however, counties may wish to redetermine the family using Alternative A and do the Sneede determination only if the family fails both Alternatives. Mother keeps the parental allocation of \$696 and divides the remainder of \$304 by 3 = \$101.33.

MBU #1 Sneede

Mother	\$696 (Parental Needs)
Father	\$510 +\$101 (Mother)
Child #2	<u>\$101</u> (Mother)
Total	\$1408
Limit (3)	\$1108

MBU#2

Child #1(\$)	<u>0+\$101</u>
Total	\$101
Limit	\$393

Child #1 is eligible in MBU #2. None of the family members in MBU #1 are eligible using Alternative B. Evaluate them using Alternative A.

1931(b) MFBU Using Alternative A (MBASC)

Father	\$ 600 gross earned income
Child #1	\$ 50 gross earned income
Minus \$240+1/2	\$205 net earned income
Mother	\$1,000 gross unearned income
Child #2	<u>\$ 0</u>
Total	\$1,205
Limit (4)	\$ 942

Sneede Rules Apply. Mother keeps the parental allocation of \$389 and divides the remainder of \$611 by 3 = \$203.66.

MBU #1 Sneede

Mother	\$ 389.00 (Parental Needs)
Father	\$ 600.00 - \$240+ 1/2 +203.66 (Mother)
Child #2	<u>\$203.66</u> (Mother)
Total	\$ 976.32
Limit (3)	\$ 793

MBU#2

Child #1(\$)	<u>\$50- \$240+ 1/2+ 203.66</u>
Total	\$203.66
Limit	\$265

None of the persons in MBU #1 pass using either Alternative A or B. They are not eligible for Four Month Continuing Medi-Cal or the Transitional Medi-Cal programs. Evaluate them for the MN program. The mother may deduct the larger of the two Alternative allocations to Child #1 who is eligible for Section 1931(b) in MBU #2 since Child #1 was eligible for Section 1931(b) using both Alternatives.

MN MFBU

Mother	\$796.34 (\$1,000 - \$203.66 allocation to Child #1) Net unearned income
Father	\$510 Net nonexempt earned income
Child #2	<u>0</u> (No allocation is carried over from Mother)
Total	\$1306.34
Limit	934.

Mother and Father have a SOC of \$372. Child #2 (age 3) should be evaluated for the 133 Percent program using the total family size but not the income of Child #1.

MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

133 Percent program

Mother \$1000
Father \$ 510
Child #1 N/A
Child #2 0
Total \$1510
Limit \$1890

Child #1 is eligible for the 133 Percent program based on the April 1, 2001 FPL limits.

Example 10: (Married Pregnant Woman with No Other Children)

A married pregnant adult woman with no other children in her last four months of pregnancy 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 \$1180

MN Program

Dad \$ 0
Total \$ 0
MNL Limit \$600

Mom is eligible for 1931(b) using the April 1, 2001 limits. 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.

NOTE: If the parents of the unborn were unmarried and there are no born mutual children, this example would be similar to the married example above. Dad would be an ineligible MFBU member until the baby is born or may opt out for the first year as in the MN program unless the mother continues to request Medi-Cal after the postpartum period. Deprivation would still need to be established. Sneede would apply if his income caused Mom to be ineligible for Section 1931(b). CalWORKs does not include the unmarried parent in the MFBU until the mutual unborn is born if the pregnant mother has separate children in the home who are being aided; however, for ease of administration and Sneede is applied in adverse situations, Section 1931(b) rules will remain the same for the unmarried parent of the unborn with or without separate children of the mother. If Mom and the unborn are eligible for Section 1931(b), Dad may 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 11: (Recipient Stepparent Household with Separate and Mutual Children)

A married woman lives with her separate child, her spouse and their mutual child. All were receiving Section 1931(b). Mom is now pregnant and Dad's income has increased. Since Dad has the most income and it is earned income, Alternative A is used. After the \$240 and ½ deduction, his net nonexempt income is \$800. Mom's child has \$300 net nonexempt unearned income. The family fails the Section 1931(b) income test. Sneede Rules Apply. Dad keeps \$389 and allocates the remainder to Mom and his mutual child. Mom's separate child keeps \$300 of his/her own. All are eligible for Section 1931(b) based on the April 1, 2001 limits.

MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

Section 1931(b) MFBU

Section 1931(b) Sneede Determination

Mom	\$	0	MBU #1		MBU #2
Unborn	\$	0			
Mom's Child	\$	300	Mom	\$205.50	Mom's Child
Mutual Child	\$	0	Dad	\$389.00	Total
Dad	\$	800	Mutual Child	\$205.50	Limit
Total	\$	1,100	Unborn	\$ 0	\$320
Limit for 5	\$	1,074	Total	\$800.00	
			Limit for 4	\$942.00	

NOTE: There is no limit to the number of hours that a recipient may work if he/she has already been established as the PWE and there is no "break in aid". The spouse's income is counted regardless of whether or not he/she wishes to be aided if the spouse and/or mutual children are requesting aid which is similar to the MN/MI and Percent programs. If any family member fails to pass Section 1931(b), Alternative B should be applied, before or after Sneede, if there are Sneede class members. If an MBU fails to pass, those persons should be evaluated for TMC. 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 has a SOC, 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.

Example 12: (Applicant Minor Parent, Siblings, Senior Parents)

A deprived minor parent and siblings apply based on the 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	Section 1931(b) MFBU#2
Senior Mom	<Minor Mom>
Senior Dad	Minor Mom's Infant
Minor Mom	Total
Sibling #1	Limit (2)
Sibling #2	
Total	
Limit (5)	

Only the infant is eligible for Section 1931(b) using the April 1, 2001 limits. The other family members in the first MFBU should be evaluated for the MN or the Percent programs.

Example 13: (Minor Child, Infant and Boyfriend Living with Senior Parents)

The 16-year-old minor mother and her 17-year-old unemployed boyfriend who is the parent of her child live with her senior parents. The parents are not applying for Medi-Cal nor do they have care and control of the minor mother; however, they are financially responsible for the minor mother and should complete the Statement of Facts. The minor is linked because her infant is deprived. We will assume that there is no in-kind income to the boyfriend. Senior Mom has \$3,090 in earned income. Dad has \$50 unearned income. Use Alternative B and the \$90 deduction for earned income.

Section 1931(b) MFBU #1	Section 1931(b) MFBU #2
<Senior Mom>	<Minor Mom>
<Senior Dad>	Minor Dad
Minor Mom	Infant
Total	Total
Limit (3)	

MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

All the persons in MFBU No. 1 are ineligible based on the April 1, 2001 Section 1931(b) limits. The minor Mom should be evaluated for the MI program. She has no deprivation to be aided as an MN although care and control is not an issue for the MN program.. Her parents are ineligible members. If she has a SOC, evaluate her for the 100 Percent program. The minor Dad and the infant are eligible for Section 1931(b). NOTE: Since these are two separate MFBU's MFBU #1 cannot be redetermined using recipient rules in month two.

MI MFBU #1

<Senior Mom>	\$3090 (-\$90 = \$3000) net nonexempt
<Senior Dad>	\$ 50 net nonexempt
Minor Mom	\$ 0
Total	\$3090
Limit	\$ 934
SOC	\$2156

Minor Mom has a SOC for the MI program because she is not eligible for the 100 Percent program (\$1,180) using April 1, 2001 FPL limits.

EXAMPLE 14: (Senior Parent Applying for Pregnant Minor and her Unborn)

Pregnant minor, age 17, and senior mother apply for Medi-Cal. If the senior mother applies for herself and her child, it is assumed that she has care and control. Otherwise, she would be an ineligible member of the MFBU. There is no senior father in the home. There are no other siblings in the household. The senior mother has net nonexempt income of \$700 per month. The minor has \$50 net nonexempt income per month.

Section 1931(b) MFBU

Senior mother	\$700
Minor Mother	\$ 50
Unborn	N/A
Total Income	<u>\$750</u>
Limit (3)	\$1,180

All are eligible based on the April 1, 2001 limits. Assume the baby is born. If the senior mother does not have care and control of both the minor and her baby, she becomes an ineligible member of the MFBU. The senior mother can apply for the MN program in an MFBU by herself (similar to what would occur if the minor mother were receiving CalWORKs).

Section 1931(b) MFBU#1	Section 1931(b) MFBU#2	MN Program
<Senior Mother> \$700	<Minor Mother> \$50	Senior Mother <u>\$0</u>
Minor Mother <u>\$ 50</u>	Infant <u>\$ 0</u>	Limit \$600
Total \$750	Total \$50	
Limit \$938	Limit \$938	

Senior mother may deduct all her income in the MN program determination because it was used to make the minor mother eligible. She is eligible for no SOC. NOTE: When the minor turns 18 and is not enrolled in school, the senior mother is no longer included in the Section 1931(b) MFBU with the daughter. The senior mother may continue to be aided in the MN program using her daughter as linkage if she is otherwise eligible until the minor reaches age 21. The daughter and grandchild are not in the MFBU with the senior mother as long as they remain eligible for Section 1931(b). This is similar to the budget unit composition if the daughter and grandchild were eligible for CalWORKs.

MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

Example 15: (Senior Parent with Care and Control of a Deprived Minor and Infant)

Same scenario above, but the senior has care and control of both the minor and the infant and the senior's income or property made the minor mother ineligible. Use Alternative B (100 percent of the FPL) for applicants.

<u>Section 1931(b) MFBU #1</u>	<u>Section 1931(b) MFBU #2</u>
Senior mother \$1,700	<Minor mother> \$50
Minor mother \$ 50	Infant 0
Total \$1,750	Total <u>\$50</u>
Limit (2) \$ 938	Limit \$938

The infant is eligible in MFBU #2 based on April 1, 2001 limits. Sneed rules apply to MFBU #1. Mother keeps \$696 and allocates the remainder of \$1004 to the minor.

<u>Section 1931(b) MBU#1</u>	<u>Section 1931(b) MBU#2</u>
Senior mother \$696 parental needs	Minor mother \$50 + \$1004
Limit \$696	Total <u>\$1054</u>
	Limit \$469

The senior mother is potentially eligible for Section 1931(b) if the minor has no SOC. The minor mother is ineligible for Section 1931(b) based on April 1, 2001 limits. Evaluate the minor mother for the MN program.

MN MFBU

Minor Mom 0 (Minor mother's income was used to make her infant eligible above)
Total \$ 0
Limit \$ 600

Minor mother is eligible for the MN program with no SOC; therefore, the senior mother is eligible. If the minor had a SOC, both should be evaluated for the MN program and the minor for the Percent program if she has a SOC as an MN. In month two, determine family as recipients using Alternative A, if any income is earned.

Example 16: (Recipient Senior Parent with Care and Control, Adult Parent, and Adult Parent's Child)

A 26-year-old adult parent who does not have care and control of her minor child lives with her minor child and her mother (grandmother of the child). The grandmother has care and control of the minor child. All are being redetermined as recipients after being terminated from CalWORKs. Under the Section 1931(b) program, a caretaker relative with care and control of a child may be aided even if the adult parent is in the home. If the MFBU has excess income or property, modified Sneed rules apply and only the income and property of the parent is allocated to the child. (See Sneed Procedures 8F Example 18 on the married minor child living with the senior parent.) If the grandmother is ineligible, he/she is not eligible under the MN program if the adult parent is being aided in Section 1931(b) with the parent's child. The MN program does not allow a caretaker to be aided if the adult parent of a minor child is living in the home. Since the family has earned income, they will be evaluated first under Alternative A.

Section 1931(b) MFBU

Grandmother \$620 net nonexempt unearned income
Adult Parent \$500- \$240+1/2= \$130 net nonexempt earned income
Child \$ 0
Total \$750
Limit (3) \$793 All are eligible for Section 1931(b) based on April 1, 2001 limits.

MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

Example 17: (Recipient Senior Parent with Care and Control, Adult Parent, and Adult Parent's Child)

Same example as 16; however, the adult parent has \$1500 gross earned income using Alternative A which makes the family ineligible for Section 1931(b).

Section 1931(b) MFBU

Grandmother	\$620 net nonexempt unearned income
Adult Parent	\$1500 - (\$240 + 1/2) = \$630 net nonexempt earned income
Child	\$ 0
Total	\$1250
Limit (3)	\$ 793

Alternative B should now be applied using the \$90 and the 100% FPL limit to determine if this method would be more beneficial. The Sneed computation is postponed pending the results of the Alternative B (100% FPL) determination.

Section 1931(b) MFBU

Grandmother	\$620 net nonexempt unearned income
Adult Parent	\$1500 - \$90 = \$1410 net nonexempt earned income
Child	\$ 0
Total	\$2030
Limit (3)	\$1180

The family is still ineligible based on the April 1, 2001 limits. Apply Sneed rules for Alternative A.

Section 1931(b) Sneed MBU#1

Grandmother	\$620 net nonexempt unearned
Total	\$620
Limit (1)	\$390

Section 1931(b) Sneed MBU #2

Adult Parent	\$1500 - (\$240 + 1/2) = \$630
Child	\$ 0
Total	\$630
Limit for (2)	\$639

The adult parent and child in MBU#2 are eligible for Section 1931(b). Determine Sneed MBU #1 again using Alternative B income limits. No \$90 deduction is allowed because Grandmother's income is unearned. No aged, blind, or disabled MN deductions are allowed under the Section 1931(b) program.

Section 1931(b) Sneed MBU#1

Grandmother	\$620 net nonexempt unearned income
Total	\$620
Limit (1)	\$696

Grandmother is eligible. Note: If Grandmother were not eligible, she could not be aided in the MN program unless she has linkage of her own such as aged, blind, or disabled because the MN program does not allow a caretaker relative to be aided if there is a parent living in the home regardless of who has care and control. If she were terminated from CalWORKs because the family's earnings were from employment and they had received CalWORKs for three of the last six months, she would be eligible for TMC.

Example 18: (20 Year Old Parent Living with Her Child and Senior Parents)

A 20-year-old parent has care and control of her two year old child, lives with her senior parents, and all are requesting Medi-Cal as applicants. There is absent parent deprivation for the two year old child. The 20-year-old

MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

is considered an adult in the Section 1931(b) determination. The senior parents are not in the Section 1931(b) MFBU because they are not caretaker relatives of a Section 1931(b) child.

Section 1931(b) MFBU

20-Year-Old Parent	\$900-\$90=\$910 net nonexempt earned income
20-Year-Old Parent's Child	\$ 0
Total	\$ 910
Limit (2)	\$938

The 20-year-old parent and her child are eligible for Section 1931(b) based on the April 1, 2001 limits. The senior parents may be aided under the MN program until the "minor" parent is age 21 if the 20-year-old is deprived by the senior parent's incapacity or unemployment and they are otherwise eligible. The 20-year-old is not in the MFBU with the senior parents.

MN MFBU

Senior Parents

Same scenario, except the 20-year-old applicant has more earned income.

Section 1931(b) MFBU

20-Year-Old Parent	\$1090-\$90=\$1000 net nonexempt earned income
20-Year-Old Parent's Child	\$ 0
Total	\$1000
Limit	\$938

The 20-year-old and her child are not eligible for Section 1931(b) based on the April 1, 2001 limits. All family members may be evaluated for the MN program following the minor mother MN/MI MFBU rules since the 20 year old is still considered a child. Assume the senior parent is incapacitated.

MN MFBU #1

MN MFBU#2

Senior Dad	\$650 net unearned income	<20-year-old Parent>	\$1000 net earned income
Senior Mom	\$ 0 income	20-year-old Parent's Child	\$ 0
20-year-old Parent	\$1000 net earned income	Total	\$1000
Total	\$1650	Limit	\$ 750
Limit	\$ 934		

The senior parents and the 20 year old have a SOC of \$716. Redetermine MFBU#1 using Sneed rules. Mom and Dad are eligible with no SOC. The 20-year old parent has a \$688 SOC. Evaluate the two year old child for the 133 percent program using only the income of her 20 year old parent (\$1000) with a family size of two. The two year old is eligible for the 133 percent program. If there is no deprivation for the 20-year-old she may be eligible for the MI program and the senior parents are ineligible members of the MFBU unless they are aged, blind, or disabled.

Example 19: (Essential Person)

Married couple with no mutual children apply for Medi-Cal. The wife has a separate child. The stepfather requests to be aided as essential person. He may not opt out because his wife wants to be aided; however, he can be an ineligible member of the MFBU if he does not want to be aided. The wife has no income. The child has net income of \$100. The stepfather has \$2,000 net nonexempt income per month.

MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

Section 1931(b) MFBU

Stepfather	\$2,000
Mother	\$ 0
Separate Child	\$ 100
Total	\$2,100
Limit	\$1,180

Since the family is ineligible for Section 1931(b) based on the April 1, 2001 limits, Sneede rules apply. The stepfather keeps \$696 and allocates the remainder to his wife = \$1,304. The mother has no income and allocates nothing to her child.

Section 1931(b) Sneede MFBU#1

Stepfather	\$ 696
Mother	\$1,304
Total	\$2,000
Limit	\$ 938

Section 1931(b) Sneede MFBU #2

Separate Child	\$100
Total	\$100
Limit	\$469

The child is eligible; however, the mother and stepfather are not eligible for Section 1931(b) and should be evaluated for the MN and county programs. The stepfather is not eligible for the MN program as an essential person. NOTE: He may only be aided as an MN if his wife is incapacitated since he has no deprived child.

MN

<Stepfather>	\$2,000
Mother	0
Total	\$2,000
Limit	\$ 934

The mother has a share of cost of \$1,066. Redetermine case as recipients in month two using Alternative A, if family has earned income.

Example 20: (Spouse in Long Term Care)

Mother is disabled and in long term care. She is in her own MFBU. Father and their mutual two children apply for Medi-Cal. Mom allocates \$400 to her husband. Each child receives \$200 from Social Security. The father has \$890 gross earned income.

Section 1931(b) MFBU

Father	\$1200 (\$400 from Mom + \$890-\$90)
Child #1\$	\$ 200
Child #2 \$	\$ 200
Total	\$1600
Limit	\$1180

The father and the children are ineligible for Section 1931(b) as applicants based on the April 1, 2001 limits. Sneede rules apply. The Father keeps \$696 and allocates the remainder to his children (\$252).

MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

MBU#1	MBU#2	MBU#3
Father <u>\$696</u>	Child #1 <u>\$200+\$252</u>	Child #2 <u>\$200 +\$252</u>
Total <u>\$696</u>	Total <u>\$452</u>	Total <u>\$452</u>
Limit <u>\$696</u>	Limit <u>\$469</u>	Limit <u>\$469</u>

All are eligible for Section 1931(b). Note: If Mom allocates income to children who had no other income, that would also become a Sneed case.

Example 21: (Married Applicants and Children with Earned and Unearned Income)

Married parents with two mutual children (assume Dad is incapacitated) are applying for Medi-Cal. Mom earns \$800/month and the father receives \$200/month in Social Security disability income. Child #1 (who is 17 and not in school) has earnings of \$300/month. Child #2 receives \$400/month in Social Security Disability. For purposes of determining the Section 1931(b) eligibility for applicant's, Dad's \$200 and Child #2's \$400/month in Social Security disability payments are treated as unearned income (the \$240 and one-half deduction does not apply to applicants.) Therefore, the father's \$200 and child #2's \$400 disability income amounts result in the family having \$600 in net unearned income. Subtract the \$90 work expense deduction from Mom's earning and Child #1's earnings, leaving Mom with \$710 in net earnings and Child #1 with \$210 in net earnings. Add these two amounts together to get the family's total net earnings: \$920. Add the family's total net earnings (\$920) and the family's total net unearned income (\$600) together to get the family's total net nonexempt income: \$1,520. Compare this to the April 1, 2001, Section 1931 Program income limit for a family of 4: \$1421 (Alternative B- 100 percent of the FPL).

Section 1931(b) MFBU

Mom	\$ 710 net nonexempt
Dad	\$ 200 net nonexempt
Child #1\$	\$ 210 net nonexempt
Child #2\$	\$ 400 net nonexempt
Total	\$1,520 net nonexempt
Limit	\$1, 421 net nonexempt

As applicants, the family is ineligible because their net nonexempt income of \$1,520 exceeds the April 1, 2001 Section 1931 income limit for the family. Sneed rules would then apply. Mom keeps the \$696 parental needs allocation and divides the remainder of \$14 by 3 = \$4.66. Dad's income is below the parental needs limit; therefore, he keeps the entire \$200. See the Applicant Budget Sheet in the Attachments for this example.

Section 1931(b) Sneed

MBU #1	MBU #2	MBU #3
Mother <u>\$696</u>	Child #1 <u>\$210 + \$4.66</u>	Child #2 <u>\$400+\$4.66</u>
Father <u>\$200+ \$4.66</u>	Total <u>\$214.66</u>	Total <u>\$404.66</u>
Total <u>\$900.66</u>	Limit <u>\$393</u>	Limit <u>\$393</u>
Limit <u>\$938</u>		

Mother, Father, and Child #1 are eligible for Section 1931(b). Evaluate Child #2 for the MN program.

MN Program

MFBU	
Child #2\$ <u>\$400</u>	
Limit <u>\$600</u>	

MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

Child #2 is eligible without a SOC. In month #2, use Alternative A and the \$240 +1/2 deductions for recipients to determine if Child #2 is eligible for Section 1931(b). See the worksheet example (a) in the Charts and Forms section.

Example 22: (Unmarried Parent Working 100 Hours or More)

Unmarried Mom, Dad, their mutual eight-month-old child, and Mom's separate child (age four) apply for Medi-Cal. Dad is incapacitated. Mom works part time and has \$690 earned income and \$700 unearned income. Dad has \$500 unearned income. The children have no income.

Section 1931(b) MFBU

Mom's net nonexempt income	\$1300 (690-\$90+\$700)
Dad's net nonexempt income	500
Mutual child	0
Mom's child	<u>0</u>
Total income	\$1,800
Limit for 4	\$1,421

Since the family is above the April 1, 2001 Section 1931(b) income limit and the couple is not married, Sneede rules apply. We will assume they are property eligible.

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

Mutual Child's income	\$ 0
Allocation from Mom	\$ 302
Allocation from Dad	<u>\$ 0</u>
Total	\$302

<u>MBU #1</u>	<u>MBU #2</u>	<u>MBU #3</u>
Mom	Mutual Child	Dad
\$696	\$302	\$500
Mom's Child	Total	Total
<u>302</u>	<u>\$302</u>	<u>\$500</u>
Total	Limit	Limit
\$998	\$393	\$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	<u>750</u>
SOC	\$248

Mom and her separate child have a SOC of \$248 in month one. 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.

MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

133 Percent Program

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

Mom's separate child is eligible for the 133 percent program as of April 1, 2001 in month one. In month two, the family was evaluated as recipients (Alternative A).

Section 1931(b) Determination

Mom's net nonexempt income	\$925 (690-\$240+ ½ +\$700)
Dad's net nonexempt income	500
Mutual child	0
Mom's child	<u>0</u>
Total income	\$ 1425
Limit for 4	\$ 942

Sneede rules apply.

Mom's income	\$925	Mom's Separate Child	\$ 0	Dad's income	\$500	Mutual Child	\$0
Parental needs	<u>- 389</u>	Allocation from Mom	<u>\$268</u>	Parental Needs	<u>- 389</u>	Allocation from Mom	\$268
Total	\$ 536	Total	\$268	Allocation ÷ 1	\$111	Allocation from Dad	<u>\$111</u>
Allocation ÷ 2 =	\$ 268			Total		Total	\$379

MBU #1		MBU #2		MBU #3	
Mom	\$389	Mutual Child	\$379	Dad	\$389
Mom's Child	<u>\$268</u>	Total	<u>\$379</u>	Total	<u>\$389</u>
Total	\$657	Limit	\$265	Limit	\$390
Limit	\$639				

Dad is the only person who passes under Alternative A in month two. The family is evaluated under Alternative B (100% of FPL). Assume that there has not been any change in income; therefore, Dad and the mutual child pass Section 1931(b), Mom's separate child is eligible under the 133 Percent program and Mom has a SOC of \$248. 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 for deprivation purposes, the U-Parent test applies. NOTE: If Mom had been unemployed at the time of application and unemployment was established as the basis for the child's deprivation rather than Dad's incapacity, Mom could have worked 100 hours or more without this U-Parent test.

U-Parent Test

Mom	\$1,500	net nonexempt earned income
Dad	<u>500</u>	net nonexempt earned income
Total	\$2,000	
Limit for 4	\$1,421	

Although Mom and Dad failed the U-Parent test, 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

MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

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. If the parent(s) do not wish the child to receive Medi-Cal and they meet all program requirements, the county may "suppress" the card and the child is still considered eligible. In Sneede situations where the MFBU fails to pass Section 1931(b) and the recipient parent's or parent's MBU passes using only one Alternative, but not the other Alternative, the allocated amount to the children which was used to establish the parent(s) eligibility may not be changed. Alternative A and B may be used for the other MBU's using the allocation which made the parents eligible. If the parent(s) pass or fail using either Alternative, the most advantageous allocation may be used to determine eligibility for the children.

Example 23: (Minor Parent with a CalWORKs Child Living with Senior Parent)

Minor parent and minor parent's child living with senior parent. The senior parent does not have care and control of both the minor and the minor parent's child; therefore, she is ineligible for Section 1931(b). The minor's child is receiving CalWORKs; however, the minor parent is ineligible for CalWORKs due to the senior parent's income. NOTE: This is one of the exceptions to the automatic Section 1931(b) described in Section B above.

Section 1931(b) MFBU

<Senior parent>	\$900
Minor parent	<u>\$ 0</u>
Limit	\$900
Limit	\$968

The minor parent is eligible for Section 1931(b). If the minor had income which was used in determining the CalWORKs grant, he or she would receive a deduction equal to the amount by which the infant's cash grant was decreased from the grant amount the infant would have received if the minor parent had no income. The senior parent should be evaluated for the MN program.

If the minor parent had income which resulted in Section 1931(b) ineligibility, Sneede rules would apply. If the minor were still ineligible, she/he and the senior parent should be evaluated for the MN or Percent programs. The senior parent may be an eligible member in the MN program.

Example 24: (Unmarried Parents with an SSI Child)

Unmarried parents living with their mutual child who is receiving SSI. The parents are applying for Medi-Cal based on the father's incapacity.

Section 1931(b) MFBU

Father	\$400
Mother	<u>\$600</u>
Total	\$1000
Limit	\$ 968

Sneede rules apply. The unmarried parents do not allocate any income to each other or to their SSI child.

Section 1931(b) MBU #1

Father	\$400
Limit	\$714

Section 1931(b) MBU #2

Mother	<u>\$600</u>
Limit	\$714

The mother and father are both eligible for Section 1931(b).

MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

Example 25: (Married 19 Year Old Parents Living With Senior Parents and Sibling)

Married 19-year-old parents have care and control of their two year old child and live with the 19 year old mother's senior parents and the 19 year old mother's younger 10 year old sister. All are requesting Medi-Cal as applicants. There is unemployed parent deprivation for the two year old child and incapacity deprivation for the younger sister. The 19-year-old parents are considered adults in the Section 1931(b) determination. The senior parents are not in the Section 1931(b) MFBU.

Section 1931(b) MFBU

19 Year Old Mother	\$500 net nonexempt unearned income
19 Year Old Father	\$1090-\$90=\$1000 net nonexempt earned income
2 Year Old Parent's Child	\$ 0
Total	<u>\$1500</u>
Limit	\$1220

The above family is not eligible for Section 1931(b) based on the April 1, 2001 limits. Evaluate the other family members separately to see if they are eligible for Section 1931(b).

Section 1931(b) MFBU

Senior Mother	\$ 650 net nonexempt income
Senior Father	\$ 600 Net nonexempt income
10 Year Old Child	<u>\$ 0</u>
Total	\$1250
Limit	\$1220

Since all family members failed to pass Section 1931(b), they may be evaluated for the MN program following the married minor mother MN MFBU rules since the 19 year old mother is still considered a child under that program. NOTE: If either the 19 year old family or the senior parent family passed Section 1931(b), they would not be in the MFBU of those who did not pass Section 1931(b) and were then evaluated for the MN or MI program. This is similar to the MFBU composition when some family members are eligible for CalWORKs.

MN MFBU #1

<Senior Dad>	\$ 650 net income
<Senior Mom>	\$ 600
19 Year-Old Mother	\$ 500 net income
<19Year Old Father>	\$1000 net income
<2 Year Old Child>	\$ 0
<10 Year-Old Sibling>	<u>\$ 0</u>
Total	\$2750
Limit	\$1417

There is no inappropriate deeming when determining eligibility for the 19 year old mother. The 19-Year Old Mother has a monthly share of cost of \$1333. For more information about the MN Sneed determination for married minor children living with a senior parent, see the Procedures Article 8F, Example 18.

MN MFBU #2

<19-Year-Old Mother>	\$ 500 net income
19 Year-Old Father	\$1000 net income
2 Year-Old Child	\$ 0
Total	<u>\$1500</u>
Limit	\$ 934

MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

Evaluate the 2 year-old child for the 133 Percent Program. The child is eligible. The father has a share of cost of \$566.

MN MFBU #3

<19 Year-Old Mother>	\$ 500
Senior Father	\$ 650
Senior Mother	\$ 600
10 Year Old Child	\$ 0
Total	<u>\$1750</u>
Limit	\$1100

Since the 19 year old has income, Sneede rules apply.

Sneede MN MBU #1

Senior Father	\$ 650-\$600 = \$50 ÷ 3 = \$16.66 net income
Senior Mother	\$ 600+ \$16.66 net Income
10 Year Old	\$ 0 + \$16.66 net Income
Total	\$1233.32 net income
Limit	\$934

Sneede MN MBU #2

<19 Year-Old Mother> \$ 500+\$16.66 income

The senior father, mother, and 10 year old child are eligible with no share of cost.

Example 26: (Unmarried Pregnant Woman, Her Separate Child, and Father of Unborn)

An unmarried pregnant woman in her second trimester, her four year old separate child, and the unemployed father of the unborn request Medi-Cal. The father may not be aided in the Section 1931(b) MFBU until his child is born.

Section 1931(b) MFBU

Pregnant Mother	\$1000 net earned income
Unborn	\$ 0
Mother's Separate Child	\$ 500 net unearned income
<Father of Unborn>	\$ 600 net unearned income
Total	\$2100
Limit	\$1471

The family is over the Section 1931(b) limit based on April 1, 2001 FPL limits. Sneede rules apply

Pregnant Mother	\$1000 - \$968 = \$32 + 1
Father of Unborn	\$600
Mother's Separate Child	\$500 + \$32 from Mother

Section 1931(b) Sneede MBU #1

Pregnant Mother	\$968
Unborn	<u>\$ 0</u>
Total	\$968
Limit	\$968

Section 1931(b) Sneede MBU #2

Mother's Separate Child	<u>\$532</u>
Total	\$532
Limit	\$484

Section 1931(b) Sneede MBU #3

<Father of Unborn>	\$600
Total	<u>\$600</u>
Limit	\$716

The pregnant mother and her unborn are eligible for Section 1931(b). The mother's separate child and the father of the unborn should be evaluated for the MN program .

MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

MN MFBU

Mother's Separate Child	\$ 500
Father of the Unborn	<u>\$ 600</u>
Total	<u>\$1100</u>
Limit	\$750

Sneede rules apply.

MN Sneede MBU #1

Mother's Separate Child	\$500
Limit	\$375

MN Sneede MBU #2

Father of the Unborn	\$600
Limit	\$600

Mother's separate child failed to pass. She should be evaluated for the 133 Percent program. The father of the unborn passed the MN program.

100 Percent Program

Pregnant Mother	\$1000 net earned income
Unborn	\$ 0
Mother's Separate Child	\$ 500 net unearned income
<Father of Unborn>	<u>\$ N/A</u>
Total	\$1500
Limit	\$1957

Mother's separate child is eligible for the 133 Percent program. In month two, redetermine the family as Section 1931(b) recipients. The separate child may now be eligible for the Section 1931(b) program since her mother has earned income. The father of the unborn should be evaluated for the Section 1931(b) program if he is still unemployed after the birth of the unborn or he may opt out until the infant is age one if he no longer requests aid.

Example 27: (Grandchildren on CalWORKs, 18 Year Old Parents without Satisfactory Immigration Status (SIS), Senior Parent without SIS)

Citizen grandchildren on CalWORKs. The 18 year old parents are not enrolled in school (adults) and do not have satisfactory immigration status nor does the 40 year old senior parent. The all live together and all are requesting aid. Since the grandchildren are financial eligible for CalWORKs, assume that the 18 year old parents are eligible for Section 1931(b) without a determination.

<u>CalWORKs</u>	<u>Section 1931(b) MFBU</u>	<u>MN MFBU</u>
Grandchildren	18 year old parents	Senior parent \$1000 net nonexempt income
		Limit \$ 600

The senior parent is not eligible for Section 1931(b) because she has no deprived "child" who is eligible for Section 1931(b) or another zero SOC program. The senior parent is eligible for the MN program until 18 year old deprived child reaches age 21. The parents and the senior parents are only eligible for restricted Medi-Cal benefits.

MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

Example 28: (Senior Mother, Unmarried Minor Daughter, Unmarried Father of Minor Daughter's Child, Unmarried Minor Parent's Mutual Deprived Child, Married Pregnant Adult Daughter and Spouse.)

Senior Mom with younger children, a 17 year old daughter with a boyfriend and their child, and a married 18 year old pregnant daughter in her first trimester with her husband. All want aid. Assume that the 17 year old father of the child and the 18 year old father of the unborn are unemployed. Assume that the 18 year old mother is not enrolled in school and expected to graduate by age 19 and is therefore considered an adult; however, she is not eligible for Section 1931(b) because she has no other deprived children and is not in her last trimester of pregnancy. See Example 25. Adult children who have deprived children are not included in the Section 1931(b) MFBU with the senior parent and may apply on their own.

Section 1931(b) MFBU #1

Senior grandmother
Other children under 18
Unmarried 17 year old minor mother

Section 1931(b) MFBU #2

<Unmarried 17 year old minor mother>
17 year minor mother's child
Unmarried father of child

Assume that MFBU #1 and MFBU #2 pass the Section 1931(b) test. NOTE: Persons that pass Section 1931(b) are not included in the MN/MI MFBU; therefore, the senior grandmother, unmarried 17 year old minor mother and siblings are not included in the MN MFBU.

MN MFBU MFBU #3 (adult case)

Married 18 year old mother
Unborn
Husband

If the senior grandmother, unmarried 17 year old minor mother, and younger children (MFBU#1 above) failed to pass Section 1931(b), but MFBU #2 is still eligible for Section 1931(b), the following example would apply: Follow example 18 in the Sneed Procedure 8F on page 54. NOTE: The 18 year old married mother is considered a child in the MN program. All parents, spouses, and siblings including the unborn are together in MFBU #1. Modified Sneed rules apply to MFBU #1

MN MFBU #1

<Senior grandmother>
<Younger siblings>
Married 18 year old
Unborn
<Spouse of the 18 year>
<Unmarried 17 year old>

MN MFBU #2

Spouse of the 18 year old
<Married 18 year old>
unborn

MN MFBU #3

<Married 18 year old>
unborn
Unmarried 17 year old
Senior grandmother
Younger siblings

On the other hand, if no family members are eligible for Section 1931(b), all except the child of the 17 year old and the parent of that child would be included in the MN MFBU #1 (See Example 18 in the Sneed Procedures 8F page 54).

MN MFBU #1

<Senior grandmother>
<Younger siblings>
Married 18 year old
Unborn
<Spouse of 18 year old>
<unmarried 17 year old>

MN MFBU #2

Spouse of 18 year old
<Married 18 year old>
Unborn

MN MFBU #3

<Married 18 year old>
Unborn
Senior grandmother
Younger siblings
17 year old

MN MFBU #4

<17 year old>
Child of 17 year old
Other parent of child

MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

Note: Modified SneeDe rules apply to MFBU #1. See Procedures Article 8F. Also, when the 18 year old reaches her last trimester, she and her unborn may be aided as adults in the Section 1931(b) program if eligible. Her husband is ineligible until the child is born and he must be aided alone in the MN program. See Example 10.

Section 1931(b) MFBU #3

Married 18 year old
Unborn
Husband

When the unmarried 17 year old reaches age 18 and is not enrolled in school, she will be an adult and may be aided without any deeming from the senior Mom.

Section 1931(b) MFBU #1

Senior grandmother
Younger children

Section 1931(b) MFBU #2

18 year old unmarried mom
Child of 18 year old
Unmarried father of child

If any of the persons under 21 lack deprivation or linkage, they are not eligible for Section 1931(b) or the MN program and must be aided in the Medically Indigent program or the appropriate Percent programs.

E. CHARTS AND FORMS

- a) Section 1931(b) SneeDe Prorated Income Standard and Property Levels –April 1, 2000
- b) Section 1931(b) SneeDe Prorated Income Standard and Property Levels - March 1, 2000
- c) Section 1931(b) SneeDe Prorated Income Standard and Property Levels – July 1, 1999
- d) Section 1931(b) SneeDe Prorated Income Standard and Property Levels –July 1, 1998
- e) Section 1931(b) SneeDe Prorated Income Standard and Property Levels – January 1, 1998 to June 30, 1998
- f) Section 1931 Applicant & Recipient Budget Form Net Non-Exempt Income [MC 176M-1931 Group-APPL/RECIP (2/00)]
- g) Section 1931 Recipient Budget Form Net Non-Exempt Income [MC 176MA –1931 Group – RECIP (2/00)]
- h) Section 1931 Program Worksheet: Applying the \$240 & 1/2 Deduction to Recipient Families with Three or More Persons with Earnings [MC 176M-A –1931 Group – 3+ Earner (5/99)]
- i) Section 1931(b) SneeDe Net Nonexempt Income Determination – Applicant or Recipient [MC175-31.2A (3/00) 1931 Group]
- j) Section 1931(b) SneeDe Net Nonexempt Income Determination – Recipient MBASC [MC 175-31.2R (3/00) 1931 Group]
- k) Property Reserve Work Sheet MC 176P (1/99)
- l) Section 1931(b) SneeDe Property Work Sheet [MC 324 (4/99) 1931 Group]
- m) Vehicle Determination Work Sheet for 1931 Group [MC 176 P-V (5/00) 1931 Group]
- n) Unemployed Parent Determination Work Sheet – [MC 337 (3/00)]
- o) Section 1931(b) Recipient Income Limits Effective July 1, 1999
- p) Section 1931(b) SneeDe Prorated Income Standard and Property Levels - April 2002
- q) Example 21 Applicant and Recipient Budget Sheet and SneeDe Mini Budget Determination

MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

F. EXAMPLES

1. Some Family Members Receive CalWORKs	Page 6
2. Family Members Who are Not Eligible for Section 1931(b) Due to Age	Page 6
3. Applicant Family – Sneed and Poverty Level Programs Apply	Page 7
4. Stepparent with Separate and Non-Deprived Mutual Children	Page 8
5. Only the Separate Children of a Parent in a Stepparent Household Apply	Page 8
6. Sneed Case – Child with Income is Only Eligible for Percent Programs	Page 9
7. Married Couple, Mutual & Separate Children and 20 Year Old Separate Child	Page 9
8. Employed Unmarried parents with Mutual and Separate Children	Page 10
9. Married Recipients Terminated from CalWORKs	Page 11
10. Married Pregnant Woman with No Other Children	Page 13
11. Recipient Stepparent Household with Separate and Mutual Children	Page 13
12. Applicant Minor Parent, Siblings, Senior Parents	Page 14
13. Minor “Adult” Child, Infant, and Boyfriend Living with Senior Parents	Page 14
14. Senior Parent with Applying for a Pregnant Minor and Unborn	Page 15
15. Senior Parent with Care and Control of a Deprived Minor and Infant	Page 16
16. Recipient Senior Parent with Care and Control, Adult Parent & Adult’s Child	Page 16
17. Recipient Senior Parent with Care and Control, Adult Parent & Adult’s Child	Page 17
18. 20 Year Old Parent Living with her Child and Senior Parents	Page 17
19. Essential Person	Page 18
20. Spouse in Long Term Care	Page 19
21. Married Applicants and Children with Earned and Unearned Income	Page 20
22. Unmarried Parent Working 100 Hours or More	Page 21
23. Minor Parent with CalWORKs Child Living with a Senior Parent	Page 23
24. Unmarried Parents with a SSI Child	Page 23
25. Married 19 Year Old Parents Living with Senior Parents and Sibling	Page 24
26. Unmarried Pregnant Woman, Her Separate Child, Father of Unborn	Page 25
27. Grandchildren on CalWORKs, 18 Year Old Parents Without Satisfactory Immigration Status (SIS), Senior Parent Without SIS.	Page 26
28. Senior Mother, Unmarried Minor Daughter, Unmarried Father of Minor Daughter’s Child, Unmarried Parent’s Mutual Deprived Child, Married Pregnant Adult Daughter and her Spouse	Page 27

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MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

TABLE 1: SECTION 1931(b) INCOME LIMITS EFFECTIVE JULY 1, 1999

Family Size	Effective Section 1931 Income Limit**
1	\$390
2	\$639
3	\$793
4	\$942
5	\$1,074
6	\$1,208
7	\$1,327
8	\$1,445
9	\$1,567
10	\$1,701*

*Add \$14 dollars for each additional needy person over 10.

** The figures in this column will be used for purposes of determining Section 1931(b) income eligibility. If the family's net non-exempt income is less than the amount in this column appropriate for that size family, the family is eligible for the Section 1931(b) program.

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MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

Section 1931(b) Determinations: Sneede v. Kizer Prorated FPL Income Standard and Property Levels - April 1, 2002 -

I. MBU Contains an Adult - May also Include an Unborn				
Person Type	1931(b) Income		Property	
Single Parent	\$ 739		\$3,000	
Single Parent with Unborn	995		3,000	
Married Couple - Two Adults	995		3,000	
Married Couple with Unborn	1,252		3,150	
Unmarried Couple - Each Unmarried*Partner	739		3,000	
II. MBU Contains Adult(s) and Child(ren)				
Allow the full non-Sneede Section 1931(b) income/property limits for the MBU based on the number of individuals in the MBU.				
III. MBU Contains a Nonparent Caretaker Relative or Child(ren) with No Parents Living in the Home, or Child(ren) Whose Parent is PA/Other PA or Not in the MFBU				
Each MBU receives full non-Sneede 1931(b) income/property limit based on the number of persons in each MBU. If there is a pregnant minor in the MFBU, include the unborn in the pregnant minor's MBU.				
IV. MBU Contains Only Children Who Live with One or Both Parents (Not Stepparents) and They Are in the Same MFBU (Do not include a parent who is PA/other PA and not in the MFBU. Also, if there is a pregnant minor in the MFBU, her unborn is considered as another child in the pregnant minor's MBU)				
No. of Children in MBU	One Parent		Two Parents	
	Prorated Income	Prorated Property	Prorated Income	Prorated Property
1	\$ 498	\$1,500	\$ 418	\$1,050
2	835	2,100	755	1,650
3	1,132	2,475	1,059	2,070
4	1,412	2,760	1,348	2,400
5	1,685	3,000	1,628	2,679
6	1,954	3,215	1,902	2,925
7	2,219	3,413	2,172	3,150
8	2,482	3,600	2,440	3,360
9	2,745	3,780	2,705	3,437
10*	3,006	3,819	2,970	3,500

***NOTE:** Add \$257 for each additional child after 10 to Section 1931(b) income standards to determine prorated income standards.

$$\frac{\text{No. Children in MBU}}{\text{Parent(s) + No. Children in MBU}} \times \text{1931(b) Income Standard for Parent(s) + Child(ren) in MBU} = \text{Prorated income}$$

10/10/10

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MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

State of California—Health and Human Services Agency

Department of Health Services

SECTION 1931(b) SNEEDE V. KIZER NET NONEXEMPT INCOME DETERMINATION AND MINI BUDGET UNIT (MBU) DETERMINATION – APPLICANT

Case Name <i>Example 21</i>	County District	County Use
Case Number	Effective Date Month	Year

Case Type: APPLICANT OR RECIPIENT USING FEDERAL POVERTY LEVEL (FPL) INCOME STANDARD

PART 1

NOTE: The only deduction applicable to the Section 1931(b) program is the deduction for educational expenses, as provided in Section 50547, Title 22, California Code of Regulations.

ENTER NAME OF EACH MFBU MEMBER (Do not list unborns)	Name	Name	Name	Name	Name
	<i>Mother</i>	<i>Father</i>	<i>#1</i>	<i>#2</i>	
Person Type	<input checked="" type="checkbox"/> Parent A or <input type="checkbox"/> Caretaker Relative	<input checked="" type="checkbox"/> Parent B or <input type="checkbox"/> Caretaker Relative	<input checked="" type="checkbox"/> Child	<input checked="" type="checkbox"/> Child	<input type="checkbox"/> Child

A. NONEXEMPT UNEARNED INCOME (EXCLUDING DISABILITY-BASED INCOME)					
1. Source and amount of nonexempt unearned income:*					
2. Net child/spousal support received. ⓐ					
3. In-kind income (IKI). ⓑ					
4. Income available from PA/other PA (see MC 175-6, line A.4).					
5. Total nonexempt unearned income (add lines 1, 2, 3, and 4).					

* Sources include: net income from property, Social Security nondisability payments, etc.

ⓐ Child/Spousal Support Payments Received	Child support is income to the child, not to the parent or caretaker relative. Divide the \$50 per month child/spousal support deduction by the number of persons for whom the income is intended. Any unused remainder will be prorated among the remaining persons who still have support payments to apply against the deduction.
ⓑ Unearned IKI	Prorate the unearned IKI among the persons who receive the income. Example: Medi-Cal family budget unit (MFBU) of four receives free housing. Use IKI for four and each person receives one-fourth of the IKI. Add an unborn's share of IKI to the pregnant woman's share. If the pregnant woman is Public Assistance (PA)/other PA, and not in the MFBU, give the unborn's share to the father of the unborn if he is in the MFBU.
Child/Spousal support and/or IKI computations:	

B. DISABILITY-BASED INCOME				
6. Source and amount of disability-based income: <i>SSA Disability-Father</i> <i>SSA Disability-Child#2</i>		<i>\$200</i>		<i>\$400</i>

MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

C. NONEXEMPT EARNED INCOME				
7. Source and amount of nonexempt earned income (include TWC, SDI and earned IKI). <i>Employment - mother & child #1 800</i>	<i>800</i>		<i>300</i>	
8. \$90 work expense deduction.	<i>90</i>		<i>90</i>	
9. Remaining nonexempt earned income (subtract line 8 from line 7).	<i>710</i>		<i>210</i>	
10. Child care deduction.				
11. Other deductions.				
12. Total deductions (add lines 10 and 11).				
13. Total net nonexempt earned income (subtract line 12 from line 9).				

D. TOTAL COUNTABLE INCOME				
14. Total countable nonexempt unearned income (line 5).				
15. Total countable disability-based income (line 6).		<i>200</i>		<i>400</i>
16. Total countable nonexempt earned income (line 13).	<i>710</i>		<i>210</i>	
17. Income allocated from LTC/B&C person to family members at home (from MC 176W, Part B, or from MC 175-7, line C.2).				
18. Total countable income (add lines 14, 15, 16 and 17)	<i>710</i>	<i>200</i>	<i>210</i>	<i>400</i>

E. TOTAL NET COUNTABLE INCOME AFTER OTHER DEDUCTIONS				
9. Court-ordered child support or alimony.				
10. Income used to determine PA eligibility (see MC 175-6, Section B).				
21. Other deductions:				
22. Total deductions (add lines 19, 20 and 21).				
23. Total net countable income (subtract line 22 from line 18). Enter this amount on MC 175-4 if no parent in MFBU. If parent in MFBU, continue.	<i>710</i>	<i>200</i>	<i>210</i>	<i>400</i>

F. PARENTAL/SPOUSAL (P/S) ALLOCATION COMPUTATION (Skip if no parent in MFBU)				
24. P/S own needs (FPL for one person).	<i>696</i>	<i>696</i>		
25. Total unearned in-kind income, income from PA, or income allocated from LTC/B&C spouse (add lines 3, 4 and 17).	<i>0</i>	<i>0</i>		
26. Parent's total net nonexempt income (subtract line 25 from line 23).	<i>710</i>	<i>200</i>		
27. Parent's net nonexempt income less P/S own needs (subtract line 24 from line 26); if negative, enter 0.	<i>14</i>	<i>0</i>		
28. Number of persons for whom Parent A is responsible (MC 175-2, Section A). DO NOT COUNT PARENT A.	<i>3</i>			
29. Number of persons for whom Parent B is responsible (MC 175-2, Section B). DO NOT COUNT PARENT B.		<i>3</i>		
30. Child's natural/adoptive parent - check if Parent A and/or B (see MC 175-2).			<input checked="" type="checkbox"/> A <input checked="" type="checkbox"/> B	<input checked="" type="checkbox"/> A <input checked="" type="checkbox"/> B
31. Parent A's allocation to spouse (if any) and natural/adopted children (divide Parent A's line 27 by line 28 and enter in applicable box). Do not enter under Parent B if unmarried.		<i>4.66</i>	<i>4.66</i>	<i>4.66</i>

MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

32. Parent B's allocation to spouse (if any) and natural/adopted children (divide Parent B's line 27 by line 29 and enter in applicable box). Do not enter under Parent A if unmarried	0				
33. Enter the lesser of either line 24 or 26.	696	200			
34. Parent's total net nonexempt income (add lines 25, 33 and 31 or 32).	696	204.66			
35. Child's total net nonexempt income (add lines 23, 31 and 32): enter on MC 175-4.			214.66	414.66	

PART 2

SECTION 1931(b) MBU DETERMINATION – PROPERTY AND INCOME	
<input checked="" type="checkbox"/> Section 1931(b) FPL Income Test	<input type="checkbox"/> Section 1931(b) Property Determination
<p>Instructions:</p> <ol style="list-style-type: none"> 1. Include unborn in the mother's MBU and property limit/FPL income level unless mother is married, and only her separate children want Medi-Cal. If the pregnant woman is PA/other PA, include the unborn in the spouse's or father's MBU. 2. Do not include an excluded child. 3. Do not list MBU members in more than one MBU. 4. If any MBU has excess property, check to see if Medi-Cal linkage still exists for other family members. 5. Property determinations: enter the allocation for each spouse from MC 324, line 29. 6. Enter each person's net nonexempt income from lines 34 or 35. 	

MBU NUMBER <u>1</u>	
Person name/number	Net Nonexempt <input type="checkbox"/> Property <input checked="" type="checkbox"/> Income
1. Mother	\$ 696
2. Father	\$ 204.66
3.	
4.	
5.	
6.	
TOTAL	\$ 900.66
MBUs <input type="checkbox"/> Property Limit <input checked="" type="checkbox"/> FPL	\$ 938.00
Check one: <input type="checkbox"/> Excess property – FAIL <input type="checkbox"/> Income ineligibility – exceeds FPL – Property eligible – FAIL <input checked="" type="checkbox"/> Income eligible – at or below FPL – Property eligible – PASS	

MBU NUMBER <u>2</u>	
Person name/number	Net Nonexempt <input type="checkbox"/> Property <input checked="" type="checkbox"/> Income
1. Child #1	\$ 214.66
2.	
3.	
4.	
5.	
6.	
TOTAL	\$ 214.66
MBUs <input type="checkbox"/> Property Limit <input checked="" type="checkbox"/> FPL	\$ 393.00
Check one: <input type="checkbox"/> Excess property – FAIL <input type="checkbox"/> Income ineligibility – exceeds FPL – Property eligible – FAIL <input checked="" type="checkbox"/> Income eligible – at or below FPL – Property eligible – PASS	

MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

MBU NUMBER <u>3</u>	
Person name/number	Net Nonexempt <input type="checkbox"/> Property <input checked="" type="checkbox"/> Income
1. Child # 2	\$ 404.66
2.	
3.	
4.	
5.	
6.	
TOTAL	\$ 404.66
MBUs <input type="checkbox"/> Property Limit <input checked="" type="checkbox"/> FPL	\$ 393.00
Check one: <input type="checkbox"/> Excess property - FAIL <input checked="" type="checkbox"/> Income ineligibility - exceeds FPL - Property eligible - FAIL <input type="checkbox"/> Income eligible - at or below FPL - Property eligible - PASS	

MBU NUMBER	
Person name/number	Net Nonexempt <input type="checkbox"/> Property <input type="checkbox"/> Income
1.	
2.	
3.	
4.	
5.	
6.	
TOTAL	
MBUs <input type="checkbox"/> Property Limit <input type="checkbox"/> FPL	
Check one: <input type="checkbox"/> Excess property - FAIL <input type="checkbox"/> Income ineligibility - exceeds FPL - Property eligible - FAIL <input type="checkbox"/> Income eligible - at or below FPL - Property eligible - PASS	

MBU NUMBER	
Person name/number	Net Nonexempt <input type="checkbox"/> Property <input type="checkbox"/> Income
1.	
2.	
3.	
4.	
5.	
6.	
TOTAL	
MBUs <input type="checkbox"/> Property Limit <input type="checkbox"/> FPL	
Check one: <input type="checkbox"/> Excess property - FAIL <input type="checkbox"/> Income ineligibility - exceeds FPL - Property eligible - FAIL <input type="checkbox"/> Income eligible - at or below FPL - Property eligible - PASS	

MBU NUMBER	
Person name/number	Net Nonexempt <input type="checkbox"/> Property <input type="checkbox"/> Income
1.	
2.	
3.	
4.	
5.	
6.	
TOTAL	
MBUs <input type="checkbox"/> Property Limit <input type="checkbox"/> FPL	
Check one: <input type="checkbox"/> Excess property - FAIL <input type="checkbox"/> Income ineligibility - exceeds FPL - Property eligible - FAIL <input type="checkbox"/> Income eligible - at or below FPL - Property eligible - PASS	