STATE OF CALIFORNIA—HEALTH AND WELFARE AGENCY EDMUND G. BROWN JR., Governor

DEPARTMENT OF HEALTH SERVICES
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February 27, 1981

To: All County Welfare Directors Letter No. 81-7

MFBU REGULATION REVISION

Below are some questions and answers pertaining to the MFBU regulation revisions which became effective February 7, 1981. These are questions received from various counties on policy issues which were not addressed at the training sessions nor in Medi-Cal Letter No. 80-44.

Question 1: If an 18 to 21 year old is living with a relative other than a parent, must that relative complete the Statement of Facts for the 18 to 21 year old?

Response: Revised Title 22, Section 50030 includes under the definition of "child" a person who is 18 to 21 years of age and is living with a caretaker relative. Section 50085 defines a caretaker relative as "a relative who provides care and supervision to a child." Therefore, if based upon the statements of the 18 to 21 year old and/or the relative, it is determined that no care and supervision is being provided, the 18 to 21 year old meets the definition of an adult and would complete the Statement of Facts. If care and supervision is being provided then the relative would complete the Statement of Facts.

For persons between ages 14 and 18 who are living with a relative, it is to be presumed that the relative provides care and supervision. Therefore, the relative should be requested to complete the Statement of Facts for the child. If the relative refuses to accept responsibility, the child can complete the Statement of Facts in accordance with Section 50163 (a)(1). An attempt to contact the child's parents is not necessary.

Question 2: When an unmarried minor parent living with his/her parent(s) is a student and has earnings, are the earnings exempt for the MFBU which includes his/her child(ren)?

Response: Since by definition the unmarried minor parent is a child, his/her earnings are exempt for both MFBUs providing the conditions of Section 50543 are met. If the unmarried minor parent is not living with his/her parent(s), and therefore does not meet the definition of a child, the exemption is not applicable.

Question 3: What income of the unmarried minor parent living with his/her parent(s) is considered in the share-of-cost determination for the MFBU which includes his/her child(ren)?

Response: All income produced or actually received by the unmarried minor parent, such as nonexempt earnings, UIB, DIB, etc., is considered. Additionally any income received by the parent(s) on behalf of the unmarried minor parent is considered to the extent it is made available to him/her in accordance with CAC, Title 22, Sections 50513 and 50515. For example, the parent is payee for $100 OASDI or child support received for the unmarried minor parent. The parent gives the unmarried minor parent $75 from the check each month. Only the $75 would be considered in the share-of-cost determination for the MFBU which includes the unmarried minor parent's child(ren).

All of the income received by or on behalf of the unmarried minor parent would, of course, be considered in the share-of-cost determination which includes the unmarried minor parent and his/her parent(s).

Question 4: Under what circumstances is child support an allowable income deduction?

Response: In accordance with new Section 50554 child support paid by a member of the MFBU is an allowable deduction when:

1. The child support is paid under a court order or through an arrangement with the District attorney;

2. The child support is paid by an AFDC-MN or MI person or by an ineligible member of the MFBU; and

3. The amount of the deduction is the lesser of the amount of the court order/district attorney arrangement and the amount actually paid.

When a family requests Medi-Cal for only the separate children of one parent, a court ordered child support obligation of the stepparent is a deduction from his/her income when determining both the stepparent's ability to meet the stepparent unit's needs (MC 176 W, Part V, A) and the excess need of the stepparent unit (MC 176 W, Part V, C). The amount specified in the court order is a deduction whether or not it is actually paid since the law requires the deduction to be given based upon obligation rather than actual payment. In addition to court ordered obligations, any voluntary child support paid by the stepparent is a deduction when determining the stepparent contribution (MC 176 W, Part V, B). The appropriate regulations are Sections 50375, 50559 and 50561. These Sections will be amended shortly to specify more clearly the provisions of the law.

The MFBU regulations and procedures will be distributed shortly. The procedures will be issued in Medi-Cal Manual Letter No. 47. Due to the number of pages involved, the regulations will be issued in Medi-Cal Manual Letters No. 48A and 48B.

If you have any questions contact your Medi-Cal program consultant.

Sincerely,

Original signed by

Barbara V. Carr, Acting Chief
Medi-Cal Eligibility Branch

cc: Medi-Cal Liaisons
Medi-Cal Program Consultants

Expiration Date: August 31, 1981