February 21, 2007

TO:       ALL COUNTY WELFARE DIRECTORS       Letter No.: 07-06
          ALL COUNTY ADMINISTRATIVE OFFICERS
          ALL COUNTY MEDI-CAL PROGRAM SPECIALIST/LIAISONS
          ALL COUNTY HEALTH EXECUTIVES
          ALL COUNTY MENTAL HEALTH DIRECTORS

SUBJECT: NEW LIMITS AND DISREGARDS FOR THE AGED AND DISABLED
         FEDERAL POVERTY LEVEL PROGRAM FOR 2007

This letter is to provide counties with the 2007 income limits for the Aged and Disabled Federal Poverty Level (A&D FPL) program as follows:

The effective income limit for an A&D FPL individual is $1081 as of April 1, 2007. This income limit is equal to $851 (100 percent of the FPL for one, effective April 1, 2007) and the $230 standard disregard for an individual.

The A&D FPL couple income limit, according to the formula for this program, would be 100 percent of FPL for two of $1141 and the $310 standard disregard for a couple; a total of $1451. However, Welfare and Institutions Code, Section 14005.40 (1) requires that the A&D FPL couples effective income standard be no less than the Supplemental Security Income/State Supplementary Payment (SSI/SSP) couple payment standard. The new SSI/SSP payment standard is $1502 as of January 1, 2007.

For determinations from January 1, 2007 through March 30, 2007, the income disregard would be $402, which is the difference between the SSI/SSP couple payment of $1502 and $1100 (100 percent of the FPL for two, effective April 1, 2006).

The income disregard must be decreased to $361 for determinations from April 1 to December 31, 2007. This is equal to the difference between the SSI/SSP couple
payment level which is now $1502 as of January 1, 2007, and $1141 (100 percent of FPL for two, effective April 1, 2007).

If you have other questions regarding our response, please call Mr. Craig Yagi, at (916) 552-9522.

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Maria Enriquez, Chief
Medi-Cal Eligibility Branch