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December 1, 2000

**MEDI-CAL ELIGIBILITY PROCEDURES MANUAL LETTER NO.: 234**

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

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

Enclosed is an update to the previous procedures which describe the MFBU rules to include Sneed/Gamma and forms for the Section 1931(b) program.

On March 1, 2000, income limits for Section 1931(b) applicants were raised to 100 percent of the federal poverty level (FPL). Section 1931(b) recipients have the benefits of either the previous \$240 plus one-half deduction from their gross income and the current California Work Opportunity and Responsibility to Kids Region 1 Minimum Basic Standard of Adequate Care income limits, or the \$90 deduction, and the new 100 percent limit. These procedures provide examples with the new income limits as described in All County Welfare Directors Letter Nos. 99-54 and 00-04.

More information about the change which allows the principal wage earner to work 100 hours or more if the family earned income is at or below 100 percent of the FPL will be provided in the near future in updated procedures under Article 5C (Deprivation).

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If you have any questions, please contact Ms. Margie Buzdas at (916) 657-0726 or Ms. Erin Lynch at (916) 654-5769.

Sincerely,  
Original signed by

Bob Birdseye for  
Glenda Arellano  
Acting Chief  
Medi-Cal Eligibility Branch

Enclosures

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

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#### 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 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 FPL. Recipients of Section 1931(b) may continue to work 100 hours or more if they meet the regular income and property requirements. 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 the PWE is working 100 hours or more, the U-Parent test applies regardless of whether or not the family are recipients for income purposes. See Procedures 5C.

In addition, Senate Bill (SB) 708, chaptered on July 22, 1999, raises the income limits for the Section 1931(b) program to 100 percent of the FPL. The effective date for both changes is 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 if they are otherwise eligible, e.g., meet residency, age, deprivation, income and property requirements. See the Section 5C and 5S of this Manual for more information about deprivation and implementation of the Section 1931(b) program.

#### B. MFBU (MEDI-CAL FAMILY BUDGET UNIT) 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. Note: Sneed is applicable to the Section 1931(b) determination. Persons eligible for Section 1931(b) have a zero share of cost (SOC).

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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 Medi-Cal Family Budget Unit (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 50373 California Code of Regulations). Note: If a family member is aged, blind, disabled and in 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. Some examples are:
  - 1) Persons who are sanctioned from CalWORKs such as those who do not cooperate with work requirements, fleeing felons, the parent of an unborn who is not eligible for CalWORKs until the child is born but whose income is counted in the CalWORKs determination, or those who have reached their time limits. NOTE: These persons must still meet Medi-Cal program requirements to receive benefits (See Section 50379 California Code of Regulations).
  - 2) Persons who are not eligible to receive CalWORKs benefits because they do not have satisfactory immigration status, are eligible for restricted Section 1931(b) benefits.

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), or 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. 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 Medically Needy (MN), Medically Indigent (MI), or the Percent programs, if otherwise eligible.
- There must be at least one deprived child eligible for the Section 1931(b), MN, or Percent programs with a zero SOC for a parent to be eligible for 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.

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- 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 he/she 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 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 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 he/she 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 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). NOTE: Under this scenario where the minor has care and control of herself and/or infant the senior parent's income and property is not counted when the minor reaches age 18 regardless of whether or not she is enrolled in school and expected to graduate before age 19.

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- 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.
- 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 Sneede 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)

### C. SNEEDE REQUIREMENTS

The requirements of the Sneede 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 Sneede 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 Sneede must apply to the Section 1931(b) program as it does for all other Medi-Cal programs. For more information on Sneede, 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, Sneede provisions apply if there is a Sneede class member. If only a parent is eligible for Section 1931(b) after Sneede 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 Sneede 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 Sneede, deductions for the aged, blind, and disabled are applicable. These deductions are not permitted in the Section 1931(b) Sneede determination. Under regular Sneede, 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 federal poverty level (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 Sneede member may receive the full \$240 + 1/2, if applicable. Each Alternative B Sneede recipient with earned income will receive the \$90 deduction up to the amount of their earned income. This is similar to the Sneede rules for deductions under the MN/MI program where each Sneede member receives a full set of applicable deductions, e.g., the \$20 any income disregard, (see Medi-Cal Eligibility Procedures Manual, Article 8F, Page 13), except

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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:
  - o 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 chose 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.
  - o 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.
  - o 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).
  - o 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.
  - o 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:
  - o 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:

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- (1) 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,
- (2) 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: Under regular Sneede, property eligibility is based on the property limits under the regular Medi-Cal program (or a prorated amount). These property limits increase according to family size. The property limits under Section 1931(b) Sneede are the same as under regular Sneede with the exception of a single adult which has a limit of \$3,000 for Section 1931(b). Because property exemptions and income limits for single persons are different under Section 1931(b) than under other Medi-Cal programs and CalWORKs persons who receive automatic Section 1931(b) and persons who are eligible for Medi-Cal-Only Section 1931(b) are not included in the MN or MI MFBU with other family members who are not eligible for Section 1931(b). NOTE: Section 1931(b) Only members are part of the MFBU when determining eligibility for a person in the Percent programs persons because there are no property limits for these programs.

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 ACWDL Nos. 98-43, 99-02, 99-03, 99-20, 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 6 and 8 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.

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

A father and two children ages 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.

<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 – Sneed & Poverty Level Programs Apply)

The same family above now has different circumstances. They are applying as applicants and are not eligible for 1931(b) using applicant (Alternative B) income limits (100 percent with \$90 deductions). Sneed 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 Sneed determination.

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

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

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

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### 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>

Assume Child #1 is eligible. Once eligible, the entire family is considered as recipients in the following month and Child #1 may now be eligible for Section 1931(b) using Alternative A limits and deductions.

### 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			

Assume family fails the current Section 1931(b) 100 percent 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, 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. Note: If the stepparent had no separate child in the household, he/she 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

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### 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.

#### 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) 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 percent 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.

<u>MN</u>	<u>200 Percent Program</u>
Child \$620	Mother's Income \$ 889
Total \$620	Child's Income \$ 620
Limit \$600	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 \$1,000 and the father's net nonexempt earned income is \$589. The mother's 20-year-old has net nonexempt earned income

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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	\$ 1,000
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	\$ 2,089
Limit for 6	\$ 1,905

Since the family is over the Section 1931(b) 100 percent 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	\$696.00	\$ 696.00
Father	\$589.00 + \$60.80 from Mother	\$ 649.80
Mutual Child no. 1	\$ 60.80 from Mother	\$ 60.80
Mutual Child no. 2	\$ 60.80 from Mother	<u>\$ 60.80</u>
Total		\$1,467.40
Limit		\$1,421.00

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	<u>\$ 60.80</u>
Limit	\$469.00

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

### MBU No. 3 Sneede

<20-Year-Old> = \$500.00 + \$60.80 from Mother	
Total	<u>\$560.80</u>
Limit	\$469.00

This child is not eligible for 1931(b)

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	\$ 589.00
Mother	\$ 1,000.00 - \$60.80 allocated to 10-year-old
Mutual Child No. 1	\$ .00
Mutual Child No. 2	\$ .00
Mother's 20-Year-Old	<u>\$ 500.00</u>
Total	\$ 2,028.20
Limit	\$ 1,259.00

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.

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### 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 percent 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.

#### 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	\$ 1,996
Limit	\$ 1,905

Since the family is over the Section 1931(b) 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  $\$200 \div 2 = \$100$  (mutual children #1 and #2).

MBU No. 1 <u>Sneede</u>	MBU No. 2 <u>Sneede</u>	MBU 3 <u>Sneede</u>	MBU 4
Mother \$600	Father \$696	Mutual Child #1 \$100 (father)	<20-Year-Old>\$500
Mother's 10-Year-Old 0	Limit \$696	Mutual Child #2 \$100 (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	\$ 500
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 \$1,000 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.

## MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

### 1931(b) MFBU Using Alternative B (100%)

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	\$ 0			
Total	\$1,510			
Limit (4)	\$1,421			

Sneede Rules apply because the family is over the 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	\$101	(Mother)
Total	\$1408	
Limit (3)	\$1108	

#### MBU#2

Child #1(\$)	0	+\$101
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	\$ 0			
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	\$203.66	(Mother)
Total	\$ 976.32	
Limit (3)	\$ 793	

#### MBU#2

Child #1(\$)	\$50-	\$240+	1/2+	203.66
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.

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### MN MFBU

Mother     \$ 796.34 (\$1,000 - \$203.66 allocation to Child #1) Net unearned income  
Father     \$ 510.00 Net nonexempt earned income  
Child #2     \_\_\_\_\_00 (No allocation is carried over from Mother)  
Total       \$1,306.34  
Limit       \$ 934.00

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.

#### 133 Percent program

Mother \$1,000  
Father     510  
Child #1    N/A  
Child #2    \_\_\_\_\_0  
Total     \$1,510  
Limit     \$1,890

Child #1 is eligible for the 133 Percent program.

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

A married pregnant 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     \$1,180

#### MN Program

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

Mom is eligible for 1931(b). Dad is only eligible for the MN program. His income is not carried over to the MN program because he is a financially responsible relative to Mom and his income was used to make Mom eligible. Once the baby is born, he may be added to the Section 1931(b) program with no determination if there is no change in the family income. If the family income increases, a new determination is required.

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.

## MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

### Example 11 (Recipient Stepparent Household with Separate and Mutual Children)

A married pregnant 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).

<u>Section 1931(b) MFBU</u>		<u>Section 1931(b) Sneede Determination</u>			
Mom	\$ 0	MBU #1		MBU #2	
Unborn	\$ 0				
Mom's Child	\$ 300	Mom	\$205.50	Mom's Child	\$300
Mutual Child	\$ 0	Dad	\$389.00	Total	\$300
Dad	\$ 800	Mutual Child	\$205.50	Limit	\$320
Total	\$1,100	Unborn	\$ .00		
Limit for 5	\$1,074	Total	\$800.00		
		Limit for 4	\$942.00		

NOTE: There is no limit on the number of hours that the PWE may work if he/she is a recipient. 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.

<u>Section 1931(b) MFBU#1</u>		<u>Section 1931(b) MFBU#2</u>	
Senior Mom	\$ 0	<Minor Mom>	\$ 0
Senior Dad	\$2,000	Minor Mom's Infant	\$ 0
Minor Mom	0	Total	\$ 0
Sibling #1	0	Limit (2)	\$ 938
Sibling #2	0		
Total	\$2,000		
Limit (5)	\$1,663		

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

### Example 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.

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### Section 1931(b) MFBU #1

<Senior Mom>	\$3,000 net nonexempt
<Senior Dad>	\$ 50 net nonexempt
Minor Mom	\$ 0
Total	\$3,050
Limit (3)	\$1,180

### Section 1931(b) MFBU #2

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

All the persons in MFBU No. 1 are ineligible. 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>	\$3,090 (- \$90 = \$3,000) net nonexempt
<Senior Dad>	\$ 50 net nonexempt
Minor Mom	\$ 0
Total	\$3,090
Limit	\$ 934
SOC	\$2,156

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

### 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	\$ 750
Limit (3)	\$1,180

All are eligible. 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

<Senior Mother>	\$700
Minor Mother	\$ 50
Total	\$750
Limit	\$938

### Section 1931(b) MFBU#2

<Minor Mother>	\$ 50
Infant	\$ 0
Total	\$ 50
Limit	\$938

### MN Program

Senior Mother	\$ 0
Limit	\$600

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, the senior mother is no longer included in the Section 1931(b) MFBU. If the senior mother had other deprived children in the home who wanted Medi-Cal, the 18-year-old would be an ineligible member of that MFBU.

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### 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                     \$ 50
Limit (2)             \$ 938	Limit                      \$938

The infant is eligible in MFBU #2. Sneede 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 + \$1,004
Limit                 \$696	Total                 \$1,054
	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). Evaluate the minor mother 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 Sneede rules apply and only the income and property of the parent is allocated to the child. (See Sneede 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 + ½ = \$130 net nonexempt earned income
Child                 \$ 0
Total                 \$750
Limit (3)             \$793

All are eligible for Section 1931(b).

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## MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

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### 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 \$1,500 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	\$1,500 - \$240 + 1/2 = \$630 net nonexempt earned income
Child	\$ 0
Total	\$1,250
Limit (3)	\$ 793

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

#### Section 1931(b) MFBU

Grandmother	\$ 620 net nonexempt unearned income
Adult Parent	\$1,500 - \$90 = \$1,410 net nonexempt earned income
Child	\$ 0
Total	\$2,030
Limit (3)	\$1,180

The family is still ineligible. Apply Sneede rules for Alternative A.

#### Section 1931(b) Sneede MBU#1

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

#### Section 1931(b) Sneede MBU #2

Adult Parent	\$1,500 - \$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 Sneede 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) Sneede 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.

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### 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 child. The 20-year-old is considered an adult in the Section 1931(b) determination. The senior parents are not in the Section 1931(b) MFBU because they are not caretaker relatives of a Section 1931(b) child. The senior parents may be aided under the MN program if the 20-year-old is not eligible for Section 1931(b) and he is deprived by the senior parent's incapacity, unemployment. Otherwise the 20-year-old is MI and the senior parents are ineligible unless they are aged, blind, or disabled.

#### Section 1931(b) MFBU

20-Year-Old Parent	\$1,090 - \$90 = \$1,000 net nonexempt earned income
20-Year-Old Parent's Child	\$ 0
Total	\$1,000
Limit	\$ 938

The 20-year-old and her child are not eligible for Section 1931(b), 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

Senior Dad	\$ 650 net unearned income
Senior Mom	\$ 0 income
20-year-old Parent	\$1,000 net earned income
Total	\$1,650
Limit	\$ 934

#### MN MFBU#1

<20-year-old Parent>	\$1,000 net earned income
20-year-old Parent's Child	\$ 0
Total	\$1,000
Limit	\$ 750

The senior parents and the 20-year-old have a SOC of \$716. Evaluate the two-year-old child for the 133 percent program using only the income of her 20-year-old parent (\$1,000) with a family size of two. The two-year-old is eligible for the 133 percent program.

### 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.

#### Section 1931(b)

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

Since the family is ineligible for Section 1931(b), 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.

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**Section 1931(b) Sneede  
MBU#1**

Stepfather	\$	696
Mother	\$0 +	\$1,304
Total		<u>\$2,000</u>
Limit		\$938

**Section 1931(b) Sneede  
MFBU #2**

Separate Child		\$100
Total		<u>\$100</u>
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		<u>0</u>
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.

Father		\$1,200 (\$400 from Mom + \$890 - \$90)
Child #1	\$	200
Child #2	\$	<u>200</u>
Total		\$1,600
Limit		\$1,180

The family is ineligible for Section 1931(b) as applicants. Sneede rules apply. The Father keeps \$696 and allocates the remainder to his children ( $\$1,200 - \$696 = \$504 \div 2 = \$252$ )

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

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

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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 current 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	<u>\$1,520 net nonexempt</u>
Limit	\$1, 421 net nonexempt

As applicants, the family is ineligible because their net nonexempt income of \$1,520 exceeds the Section 1931 income limit for the family. Sneede 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) Sneede

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

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	\$600

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) Determination

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

## MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

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

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

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

MBU #1	MBU #2	MBU #3
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.

### 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 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

	Pending			
SECTION NO.:	50226	MANUAL LETTER NO.:	234	DATE: 12/1/00 8G-21

## MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

Sneede rules apply.

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

Mutual Child's income	\$ 0
Allocation from Mom	\$268
Allocation from Dad	<u>\$111</u>
Total	\$379

MBU #1	MBU #2	MBU #3
Mom	Mutual Child	Dad
\$389	\$379	\$389
Mom's Child	Total	Total
<u>\$268</u>	<u>\$379</u>	<u>\$389</u>
Total	Limit	Limit
\$657	\$265	\$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 been no changes 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.

### U-Parent Test

Mom	\$1,500 net nonexempt earned income
Dad	<u>500 net nonexempt earned income</u>
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 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.

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## MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

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### D. CHARTS AND FORMS

- a) Example 21 Applicant and Recipient Budget Sheet and Sneeede Mini Budget Determination
- b) Section 1931(b) Recipient Income Limits Effective July 1, 1999
- c) Section 1931(b) Sneeede Prorated Income Standard and Property Levels –April 1, 2000
- d) Section 1931(b) Sneeede Prorated Income Standard and Property Levels - March 1, 2000
- e) Section 1931(b) Sneeede Prorated Income Standard and Property Levels – July 1, 1999
- f) Section 1931(b) Sneeede Prorated Income Standard and Property Levels –July 1, 1998
- g) Section 1931(b) Sneeede Prorated Income Standard and Property Levels – January 1, 1998 to June 30, 1998
- h) Section 1931 Applicant & Recipient Budget Form Net Non-Exempt Income [MC 176M-1931 Group-APPL/RECIP (2/00)]
- i) Section 1931 Recipient Budget Form Net Non-Exempt Income [MC 176MA –1931 Group – RECIP (2/00)]
- j) 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)]
- k) Section 1931(b) Sneeede Net Nonexempt Income Determination – Applicant or Recipient [MC175-3I.2A (3/00) 1931 Group]
- l) Section 1931(b) Sneeede Net Nonexempt Income Determination – Recipient MBASC [MC 175-3I.2R (3/00) 1931 Group]
- m) Property Reserve Work Sheet MC 176P (1/99)
- n) Section 1931(b) Sneeede Property Work Sheet [MC 324 (4/99) 1931 Group]
- o) Vehicle Determination Work Sheet for 1931 Group [MC 176 P-V (5/00) 1931 Group]
- p) Unemployed Parent Determination Work Sheet – [MC 337 (3/00)]

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## MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

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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 <i>Mother</i>	Name <i>Father</i>	Name <i># 1</i>	Name <i># 2</i>	Name
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	2	3	4	5
1. Source and amount of nonexempt unearned income.*					
2. Net child/spousal support received. ①					
3. In-kind income (IKI) ②					
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.

① 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.
② 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	7	8	9
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 and child#</i>	800		300		
8. \$90 work expense deduction.	90		90		
9. Remaining nonexempt earned income (subtract line 8 from line 7).	710		210		
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).		200		400	
16. Total countable nonexempt earned income (line 13).	710		210		
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)	710	200	210	400	

E. TOTAL NET COUNTABLE INCOME AFTER OTHER DEDUCTIONS					
19. Court-ordered child support or alimony					
20. 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.	710	200	210	400	

F. PARENTAL/SPOUSAL (P/S) ALLOCATION COMPUTATION (Skip if no parent in MFBU)					
24. P/S own needs (FPL for one person).	696	696			
25. Total unearned in-kind income, income from PA, or income allocated from LTC/B&C spouse (add lines 3, 4 and 17).	0	0			
26. Parent's total net nonexempt income (subtract line 25 from line 23)	710	200			
27. Parent's net nonexempt income less P/S own needs (subtract line 24 from line 26); if negative, enter 0	14	0			
28. Number of persons for whom Parent A is responsible (MC 175-2, Section A). DO NOT COUNT PARENT A.	3				
29. Number of persons for whom Parent B is responsible (MC 175-2, Section B). DO NOT COUNT PARENT B		3			
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	<input type="checkbox"/> A <input 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		4.68	4.68	4.68	

# 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.	196	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"> <li>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.</li> <li>2. Do not include an excluded child.</li> <li>3. Do not list MBU members in more than one MBU.</li> <li>4. If any MBU has excess property, check to see if Medi-Cal linkage still exists for other family members</li> <li>5. Property determinations: enter the allocation for each spouse from MC 324, line 29.</li> <li>6. Enter each person's net nonexempt income from lines 34 or 35.</li> </ol>	

MBU NUMBER <u>1</u>	
Person name/number	Net Nonexempt <input type="checkbox"/> Property <input checked="" type="checkbox"/> Income
1. Mother	\$696.00
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. <u>child #2</u>	<u>\$404.66</u>
2.	
3.	
4.	
5.	
6.	
TOTAL	<u>\$404.66</u>
MBUs <input type="checkbox"/> Property Limit <input checked="" type="checkbox"/> FPL	<u>\$393.00</u>
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	

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## MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

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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.



## MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

### Section 1931(b) Determinations: Sneede v. Kizer Prorated FPL Income Standard and Property Levels - April 1, 2000 -

#### I. MBU Contains an Adult - May also Include an Unborn

Person Type	1931(b) Income	Property
Single Parent	\$ 696	\$3,000
Single Parent with Unborn	938	3,000
Married Couple - Two Adults	938	3,000
Married Couple with Unborn	1,180	3,150
Unmarried Couple - Each Unmarried Partner	696	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 and 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	\$ 469	\$1,500	\$ 393	\$1,050
2	787	2,100	711	1,650
3	1,066	2,475	998	2,070
4	1,331	2,760	1,270	2,400
5	1,588	3,000	1,533	2,679
6	1,840	3,215	1,791	2,925
7	2,090	3,413	2,046	3,150
8	2,338	3,600	2,297	3,360
9	2,584	3,780	2,547	3,437
10*	2,830	3,819	2,796	3,500

**\*NOTE:** Add \$242 for each additional child after 10 to Section 1931(b) income standards to determine prorated income standards.

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

## MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

### Section 1931(b) Determinations: Sneede v. Kizer Prorated FPL Income Standard and Property Levels - March 1, 2000 -

I - MBU Contains an Adult - May also Include an Unborn				
Person Type	1931(b) Income		Property	
Single Parent	\$ 687		\$3,000	
Single Parent with Unborn	922		3,000	
Married Couple - Two Adults	922		3,000	
Married Couple with Unborn	1,157		3,150	
Unmarried Couple - Each Unmarried Partner	687		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 and 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	\$ 461	\$1,500	\$ 386	\$1,050
2	772	2,100	696	1,650
3	1,044	2,475	977	2,070
4	1,302	2,760	1,242	2,400
5	1,552	3,000	1,498	2,679
6	1,798	3,215	1,749	2,925
7	2,041	3,413	1,997	3,150
8	2,282	3,600	2,242	3,360
9	2,522	3,780	2,485	3,437
10*	2,761	3,819	2,727	3,500

**\*NOTE:** Add \$235 for each additional child after 10 to Section 1931(b) income standards to determine prorated income standards.

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

## MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

### Section 1931(b) Determinations: Sneede v. Kizer Prorated Income Standard and Property Levels - July 1, 1999 -

**I. MBU Contains an Adult - May also Include an Unborn**

Person Type	1931(b) Income	Property
Single Parent	\$390	\$3,000
Single Parent with Unborn	639	3,000
Married Couple - Two Adults	639	3,000
Married Couple with Unborn	793	3,150
Unmarried Couple - Each Unmarried Partner	390	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 and 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	\$ 320	\$1,500	\$ 265	\$1,050
2	529	2,100	471	1,650
3	707	2,475	645	2,070
4	860	2,760	806	2,400
5	1,007	3,000	948	2,679
6	1,138	3,215	1,084	2,925
7	1,265	3,413	1,219	3,150
8	1,393	3,600	1,361	3,360
9	1,531	3,780	1,404	3,437
10*	1,560	3,819	1,441	3,500

**\*NOTE:** Add \$14 for each additional child after 10 to Section 1931(b) income standards to determine prorated income standards.

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



# MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

## Section 1931(b) Determinations: Sneed v. Kizer Prorated Income Standard and Property Levels

- July 1, 1998 -

Number of Children Number in MBU	One Parent		
	Income Standard	Prorated Income Standard	Property
1	624	312	1,500
2	775	517	2,100
3	920	690	2,475
4	1,049	840	2,760
5	1,180	984	3,000
6	1,296	1,111	3,215
7	1,412	1,236	3,413
8	1,531	1,361	3,600
9	1,662	1,496	3,780
10	1,676	1,524	3,819

Number of Children Number in MBU	Two Parent		
	Income Standard	Prorated Income Standard	Property
1	775	259	1,050
2	920	460	1,650
3	1,049	630	2,070
4	1,180	787	2,400
5	1,296	926	2,679
6	1,412	1,059	2,925
7	1,531	1,191	3,150
8	1,662	1,330	3,360
9	1,676	1,372	3,437
10	1,690	1,409	3,500

**NOTE:** Add \$14 for each additional person over 10 to determine higher Income Standards

# MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

## Section 1931(b) Determinations: Sneeve v. Kizer Prorated Income Standard and Property Levels

- January 1, 1998 through June 30, 1998 -

Number of Children Number in MBU	One Parent		
	Income Standard	Prorated Income Standard	Property
1	607	304	1,500
2	754	503	2,100
3	895	672	2,475
4	1,020	816	2,760
5	1,147	956	3,000
6	1,260	1,080	3,215
7	1,373	1,202	3,413
8	1,489	1,324	3,600
9	1,616	1,455	3,780
10	1,630	1,482	3,819

Number of Children Number in MBU	Two Parent		
	Income Standard	Prorated Income Standard	Property
1	754	252	1,050
2	895	448	1,650
3	1,020	612	2,070
4	1,147	765	2,400
5	1,260	900	2,679
6	1,373	1,030	2,925
7	1,489	1,159	3,150
8	1,616	1,293	3,360
9	1,630	1,334	3,437
10	1,644	1,370	3,500

**NOTE:** Add \$14 for each additional person over 10 to determine higher Income Standards.

# MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

State of California - Health And Human Services Agency

Department of Health Services

## SEC. 1931 APPLICANT AND RECIPIENT BUDGET FORM FOR DETERMINING NET NON-EXEMPT INCOME AND SECTION 1931 INCOME ELIGIBILITY FOR APPLICANTS; AND FOR RECIPIENTS UNDER ALTERNATIVE B

CASE NAME		COUNTY DISTRICT	COUNTY USE
<input type="checkbox"/> NEW APP <input type="checkbox"/> REDETERMINATION <input type="checkbox"/> CHANGE <input type="checkbox"/> RETRO ELIG <input type="checkbox"/> CORRECTION		EFFECTIVE ELIG DATE FOR THIS BUDGET, MONTH _____ YEAR _____	
NAME MFBU MEMBER #1		NAME MFBU MEMBER #6	
NAME MFBU MEMBER #2		NAME MFBU MEMBER #7	
NAME MFBU MEMBER #3		NAME MFBU MEMBER #8	
NAME MFBU MEMBER #4		NAME MFBU MEMBER #9	
NAME MFBU MEMBER #5		NAME MFBU MEMBER #10	
		OTHER COVERAGE.	

1	ENTER UNEARNED INCOME OF EACH MFBU MEMBER, THEN TOTAL FOR MFBU (INCLUDE NON-EXEMPT DISABILITY-BASED INCOME HERE)	TOTAL MFBU UNEARNED INCOME. \$ _____	UNEARNED INCOME MFBU MEMBER # _____ \$ _____ + _____	UNEARNED INCOME MFBU MEMBER # _____ \$ _____ + _____	UNEARNED INCOME MFBU MEMBER # _____ \$ _____ + _____	UNEARNED INCOME MFBU MEMBER # _____ \$ _____ + _____
2	<input type="checkbox"/> EDUCATIONAL EXPENSE (§50547)	-\$ _____	EXEMPT INCOME (LIST EXEMPT INCOME HERE)			
3	<input type="checkbox"/> \$50 SUPPORT RECEIVED (§50554.5)	-\$ _____				
4	REMAINING NON-EXEMPT UNEARNED INCOME	BOX 4 = \$ _____				
5	ENTER EARNINGS OF EACH MFBU MEMBER, SUBTRACT \$90 WORK EXPENSE DEDUCTION FROM EACH, THEN TOTAL REMAINDERS FOR MFBU	TOTAL MFBU EARNINGS \$ _____	EARNINGS, MFBU MEMBER # _____ \$ _____ - \$90 WRK EXP DED = \$ _____	EARNINGS, MFBU MEMBER # _____ \$ _____ - \$90 WRK EXP DED = \$ _____	EARNINGS, MFBU MEMBER # _____ \$ _____ - \$90 WRK EXP DED = \$ _____	EARNINGS, MFBU MEMBER # _____ \$ _____ - \$90 WRK EXP DED = \$ _____
6	<input type="checkbox"/> DEPENDENT CARE DEDUCTION (§50553.5)	-\$ _____	COUNTY USE			
7	REMAINING NON-EXEMPT EARNED INCOME	BOX 7 = \$ _____				
8	TOTAL REMAINING INCOME: NON-EXEMPT UNEARNED INCOME & NON-EXEMPT EARNED INCOME (LINES 4 + 7)	\$ _____				
9	<input type="checkbox"/> CHILD/SPOUSAL SUPPORT PYMTS (§50554)	-\$ _____				
10	<input type="checkbox"/> ALLOCATION TO EXCLUDED CHILDREN (§50558)	-\$ _____				
11	<input type="checkbox"/> ALLOCATION TO PA FAMILY MEMBER (§50557)	+ \$ _____				
12	TOTAL MFBU NET NON-EXEMPT INCOME (ROUNDED DOWN TO THE NEAREST DOLLAR)	= \$ _____				
13	SEC 1931 FPL INCOME LIMIT FOR FAMILY	\$ _____ (ENTER FPL INCOME LIMIT APPROPRIATE FOR FAMILY SIZE HERE)				
	IF INCOME FROM LINE 12 IS LESS THAN OR EQUAL TO LIMIT FROM LINE 13, FAMILY IS INCOME ELIGIBLE	<input type="checkbox"/> ELIGIBLE	<input type="checkbox"/> NOT ELIGIBLE IF NO SNEEDE - ELIGIBLE CLASS MEMBER, EVALUATE FOR OTHER MEDICAL PROGRAMS, IF SNEEDE - ELIGIBLE CLASS MEMBER, EVALUATE FOR SEC 1931 UNDER SNEEDE			
ELIGIBILITY WORKERS SIGNATURE		WORKER NUMBER	COMPUTATION DATE	COUNTY USE		

MC 176 MA - 1931 Group--APPLURECIP (2/00)

Pending

SECTION NO.: 50226      MANUAL LETTER NO.: 234      DATE: 12/1/00      8G-35



# MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

State of California - Health And Human Services Agency

Department of Health Services

## SEC. 1931 RECIPIENT BUDGET FORM: FOR DETERMINING NET NON-EXEMPT INCOME AND SECTION 1931 INCOME ELIGIBILITY FOR RECIPIENTS UNDER ALTERNATIVE A

CASE NAME:		COUNTY DISTRICT	COUNTY USE
<input type="checkbox"/> NEW APP <input type="checkbox"/> REDETERMINATION <input type="checkbox"/> CHANGE <input type="checkbox"/> RETRO ELIG. <input type="checkbox"/> CORRECTION		EFFECTIVE ELIG DATE FOR THIS BUDGET. MONTH: _____ YEAR _____	
NAME MFBU MEMBER #1.		NAME MFBU MEMBER #6	
NAME MFBU MEMBER #2		NAME MFBU MEMBER #7	
NAME MFBU MEMBER #3		NAME MFBU MEMBER #8	
NAME MFBU MEMBER #4		NAME MFBU MEMBER #9	
NAME MFBU MEMBER #5.		NAME MFBU MEMBER #10	
OTHER COVERAGE			
1	ENTER UNEARNED INCOME OF EACH MFBU MEMBER, THEN TOTAL FOR MFBU (DO NOT INCLUDE NON-EXEMPT DISABILITY-BASED INCOME HERE)	TOTAL MFBU UNEARNED INCOME	UNEARNED INCOME MFBU MEMBER # _____ : UNEARNED INCOME MFBU MEMBER # _____ \$ _____ + \$ _____ +
		\$ _____	UNEARNED INCOME MFBU MEMBER # _____ : UNEARNED INCOME MFBU MEMBER # _____ \$ _____ + \$ _____ +
2	<input type="checkbox"/> EDUCATIONAL EXPENSE (§50547)	- \$ _____	EXEMPT INCOME (LIST EXEMPT INCOME HERE)
3	<input type="checkbox"/> \$50 SUPPORT RECEIVED (§50554 5)	- \$ _____	
4	REMAINING NON-EXEMPT UNEARNED INCOME	BOX 4 = \$ _____	
5	ENTER DISABILITY-BASED INCOME (DBI) OF EACH MFBU MEMBER, THEN TOTAL FOR MFBU	TOTAL MFBU DISABILITY-BASED INCOME	
5		\$ _____	DBI OF MFBU MEMBER # _____ : DBI OF MFBU MEMBER # _____
			\$ _____ + \$ _____ +
6	\$240 DEDUCTION	- \$240	
7	REMAINING NON-EXEMPT DISABILITY - BASED INCOME (DBI) (IF DEDUCTION EXCEEDS DISABILITY BASED INCOME, ENTER '0')	BOX 7 = \$ _____	7A UNUSED \$240 (LINE 6 - LINE 5 IF NEGATIVE ENTER 0) : \$ _____ (UNUSED \$240)
8	ENTER EARNINGS FOR UP TO TWO MFBU MEMBERS, THEN TOTAL FOR MFBU (IF 3 OR MORE PERSONS WITH EARNINGS, SKIP LINES 8 & 9 AND PROCEED TO WORKSHEET FOR 3+ EARNERS)	TOTAL MFBU EARNINGS	EARNINGS OF MFBU MEMBER # _____ : EARNINGS OF MFBU MEMBER # _____
8		\$ _____	\$ _____ + \$ _____ +
			\$ _____ + \$ _____ +
9	<input type="checkbox"/> UNUSED \$240 DEDUCTION (FROM BOX 7A)	- \$ _____	
10	REMAINING NON-EXEMPT EARNED INCOME (OR FROM LINE 12 WORKSHEET), IF DEDUCTION EXCEEDS EARNED INCOME, ENTER '0'	= \$ _____	
11	50% DEDUCTION (DIVIDE AMOUNT IN LINE 10 BY 2)	= \$ _____	
12	<input type="checkbox"/> DEPENDENT CARE DEDUCTION (§50553 5)	- \$ _____	
13	REMAINING NON-EXEMPT EARNED INCOME	BOX 13 \$ _____	
14	<input type="checkbox"/> UNUSABLE DEDUCTIONS	- \$ _____	
15	REMAINING NON-EXEMPT EARNED INCOME	= \$ _____	
16	<input type="checkbox"/> CHILD/SPOUSAL SUPPORT PYMTS (§50554)	- \$ _____	
17	<input type="checkbox"/> ALLOCATION TO EXCLUDED CHILDREN (§50558)	- \$ _____	
18	<input type="checkbox"/> ALLOCATION TO PA FAMILY MEMBER (§50557)	+ \$ _____	
19	REMAINING NON-EXEMPT EARNED INCOME	= \$ _____	
19	SEC 1931 MBSAC INCOME LIMIT FOR FAMILY	\$ _____	
IF INCOME FROM LINE 18 IS LESS THAN LIMIT FROM LINE 19, FAMILY IS INCOME ELIGIBLE		<input type="checkbox"/> ELIGIBLE	<input type="checkbox"/> NOT ELIGIBLE IF NO SNEEDE - ELIGIBLE CLASS MEMBER, EVALUATE FOR OTHER MEDI-CAL PROGRAMS, IF SNEEDE - ELIGIBLE CLASS MEMBER, EVALUATE FOR SEC. 1931 UNDER SNEEDE
ELIGIBILITY WORKERS SIGNATURE:		WORKER NUMBER	COMPUTATION DATE
			COUNTY USE:

MC 176 MA - 1931 Group - RECIP (2/00)

Pending

SECTION NO.: 50226      MANUAL LETTER NO.: 234      DATE: 12/1/00      8G-36



# MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

State of California—Health And Human Services Agency

Department of Health Services

## SEC. 1931 PROGRAM WORKSHEET: APPLYING THE \$240 & ½ DEDUCTION TO RECIPIENT FAMILIES WITH 3 OR MORE PERSONS WITH EARNINGS

NAME:					
1	<b>Family's Non-exempt earned income</b>	\$ _____	\$ _____	\$ _____	\$ _____
2	<b>Non-exempt earned income of two highest earners</b>	\$ _____			
3	<b>Unused \$240 deduction (from box 7a Recipient Budget Sheet (MC176M 1931 RECIP); if result is 0 or less, enter 0)</b>	- \$ _____			
4	<b>Remaining Non-exempt earned income of two highest earners (if deduction exceeds earned income, enter "0")</b>	= \$ _____			
5	<b>Non-exempt earned income of 3rd highest earner</b>	\$ _____			
6	<b>\$120 deduction</b>	- \$120			
7	<b>His/her remaining Non-exempt earned income (if deduction exceeds earned income, enter "0.")</b>	= \$ _____			
8	<b>Non-exempt earned income of 4th highest earner</b>	\$ _____			
9	<b>\$120 deduction</b>	-\$120			
10	<b>His/her remaining Non-exempt earned income (if deduction exceeds earned income, enter "0.")</b>	= \$ _____			
11	<b>Other remainder Non-exempt earned income (If 5 or more persons with earnings, enter Total of their remainder earned income after subtracting \$120 from earnings of each.) (If deduction exceeds earned income, enter "0")</b>	= \$ _____			
12	<b>Non-exempt earned income Subtotal (total of all remainder earned income: add lines 4, 7, 10 &amp; 11 this worksheet); enter amount on Section 1931 Program Budget Sheet (line 10)</b>	= \$ _____			

MC 176M-A --1931Group-- 3+earner (5/99)

SECTION NO.: **Pending** 50226      MANUAL LETTER NO.: 234      DATE: 12/1/00      8G-37

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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	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
Person Type	<input type="checkbox"/> Parent A or <input type="checkbox"/> Caretaker Relative	<input type="checkbox"/> Parent B or <input type="checkbox"/> Caretaker Relative	<input type="checkbox"/> Child	<input type="checkbox"/> Child	<input type="checkbox"/> Child

A. NONEXEMPT, UNEARNED INCOME (EXCLUDING DISABILITY-BASED INCOME)	Name	Name	Name	Name
1. Source and amount of nonexempt unearned income				
2. Net child/spousal support received <sup>Ⓛ</sup>				
3. In-kind income (IKI) <sup>Ⓜ</sup>				
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

<sup>Ⓛ</sup> Child/Spousal Support    Child support is income to the child, not to the parent or caretaker relative  
 Payments Received  
 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.

<sup>Ⓜ</sup> 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	Name	Name	Name	Name
6. Source and amount of disability-based income:				

# MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

C. NONEXEMPT EARNED INCOME					
7. Source and amount of nonexempt earned income (include TWC, SDI and earned IKI)					
8. \$90 work expense deduction.					
9. Remaining nonexempt earned income (subtract line 8 from line 7).					
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).					
16. Total countable nonexempt earned income (line 13).					
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).					

E. TOTAL NET COUNTABLE INCOME AFTER OTHER DEDUCTIONS					
19. Court-ordered child support or alimony.					
20. 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.					

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

# 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.					
33. Enter the lesser of either line 24 or 26.					
34. Parent's total net nonexempt income (add lines 25, 33 and 31 or 32).					
35. Child's total net nonexempt income (add lines 23, 31 and 32); enter on MC 175-4.					

## PART 2

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

MBU NUMBER	
Person name/number	Net Nonexempt <input type="checkbox"/> Property <input type="checkbox"/> Income
1.	
2.	
3.	
4.	
5.	
6.	
<b>TOTAL</b>	
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.	
<b>TOTAL</b>	
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	

# MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

MBU NUMBER _____	
Person name/number	Net Nonexempt <input type="checkbox"/> Property <input type="checkbox"/> Income
1.	
2.	
3.	
4.	
5.	
6.	
<b>TOTAL</b>	
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.	
<b>TOTAL</b>	
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.	
<b>TOTAL</b>	
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.	
<b>TOTAL</b>	
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	

# 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 -- RECIPIENT

Case Name	County District	County Use
Case Number	Effective Date Month	Year

Case Type: RECIPIENT USING MINIMUM BASIC STANDARD OF ADEQUATE CARE (MBSAC)

### 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
Person Type	<input type="checkbox"/> Parent A or <input type="checkbox"/> Caretaker Relative	<input type="checkbox"/> Parent B or <input type="checkbox"/> Caretaker Relative	<input type="checkbox"/> Child	<input type="checkbox"/> Child	<input type="checkbox"/> Child

A. NONEXEMPT UNEARNED INCOME (EXCLUDING DISABILITY-BASED INCOME)	Name	Name	Name	Name	Name
1. Source and amount of nonexempt unearned income.*					
Net child/spousal support received ①					
② In-kind income (IKI) ②					
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

① Child/Spousal Support Payments Received	<p><i>Child support is income to the child, not to the parent or caretaker relative</i></p> <p>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</p>
② Unearned IKI	<p>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.</p>
Child/Spousal support and/or IKI computations:	

B. DISABILITY-BASED INCOME	Name	Name	Name	Name	Name
6. Source and amount of disability-based income (Continue to line 7, even if no disability income.)					

# MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

7 Section 1931(b) \$240 deduction.					
8 Remaining nonexempt disability-based income (subtract line 7 from line 6). Enter 0 if negative.					
9 Unused Section 1931(b) deduction (If line 6 is 0, enter \$240. Otherwise, subtract line 6 from line 7.) Enter 0 if negative.					

<b>C. NONEXEMPT EARNED INCOME</b>					
10. Source and amount of nonexempt earned income (include TWC, SDI and earned IKI).					
11. Section 1931(b) deduction from line 9					
12. Remaining nonexempt earned income (subtract line 11 from line 10).					
13. 50% earned income deduction (one-half of line 12).					
14. Child care deduction.					
15. Other deductions.					
16. Total deductions (add lines 13, 14 and 15).					
17. Total net nonexempt earned income (subtract line 16 from line 12)					

<b>D. TOTAL COUNTABLE INCOME</b>					
18 Total countable nonexempt unearned income (line 5)					
19 Total countable disability-based income (line 8)					
J Total countable nonexempt earned income (line 17).					
21. 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).					
22 Total countable income (add lines 18, 19, 20 and 21).					

<b>E. TOTAL NET COUNTABLE INCOME AFTER OTHER DEDUCTIONS</b>					
23 Court-ordered child support or alimony.					
24 Income used to determine PA eligibility (see MC 175-6, Section B).					
25 Other deductions:					
26. Total deductions (add lines 23, 24 and 25).					
27. Total net countable income (subtract line 26 from line 22). Enter this amount on MC 175-4 if no parent in MFBU. If parent in MFBU, continue.					

<b>F. PARENTAL/SPOUSAL (P/S) ALLOCATION COMPUTATION (Skip if no parent in MFBU)</b>					
28 P/S own needs (subtract \$1 from MBSAC for one person).					
29 Total unearned in-kind income, income from PA, or income allocated from LTC/B&C spouse (add lines 3, 4 and 21).					
30. Parent's total net nonexempt income (subtract line 29 from line 27)					

# MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

31. Parent's net nonexempt income less P/S own needs (subtract line 28 from line 30); if negative, enter 0.					
32. Number of persons for whom Parent A is responsible (MC 175-2, Section A). DO NOT COUNT PARENT A.					
33. Number of persons for whom Parent B is responsible (MC 175-2, Section B). DO NOT COUNT PARENT B.					
34. Child's natural/adoptive parent - check if Parent A and/or B (see MC 175-2)			<input type="checkbox"/> A <input type="checkbox"/> B	<input type="checkbox"/> A <input type="checkbox"/> B	<input type="checkbox"/> A <input type="checkbox"/> B
35. Parent A's allocation to spouse (if any) and natural/adopted children (divide Parent A's line 31 by line 32 and enter in applicable box). Do not enter under Parent B if unmarried.					
36. Parent B's allocation to spouse (if any) and natural/adopted children (divide Parent B's line 31 by line 33 and enter in applicable box). Do not enter under Parent A if unmarried.					
37. Enter the lesser of either line 28 or 30.					
38. Parent's total net nonexempt income (add lines 29, 37 and 35 or 36).					
39. Child's total net nonexempt income (add lines 27, 35 and 36); enter on MC 175-4.					

## PART 2

### SECTION 1931(b) MBU DETERMINATION – PROPERTY AND INCOME

Section 1931(b) MBSAC Income Test

Section 1931(b) Property Determination

**Instructions:**

1. Include unborn in the mother's MBU and property limit/MBSAC 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.  
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 38 or 39.

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

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

# MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

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

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

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

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

# MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

State of California—Health and Human Services Agency

Department of Health Services

## PROPERTY RESERVE WORK SHEET

Name \_\_\_\_\_ Case Number \_\_\_\_\_ Month \_\_\_\_\_

I. NONEXEMPT OTHER REAL PROPERTY (ORP)	II. PROPERTY RESERVE: USE REVERSE TO ITEMIZE OR TO PROVIDE DETAILS		
<p><b>A. Determine market value and encumbrances of ORP on reverse, and list in 1 and 2. Note: If ORP owned jointly with persons not in MFBU, list only the share of market value and encumbrances of persons in MFBU.</b></p>			
1. Market Value per Section 50412	\$		
2. Encumbrances per Section 50413	\$		
3. Net Market Value (line 1 minus line 2)	\$		
4. Life Estate (determine value per Section 50442 and procedure 9A)	\$		
5. Net Market Value of notes, mortgages, deeds of trust from sale of real property owned by MFBU member	\$		
6. Total net ORP (add lines 3, 4, and 5) Enter in Column I, line C1	\$		
<p><b>B. INCOME FROM NONEXEMPT ORP</b></p>			
<input type="checkbox"/> Monthly <input type="checkbox"/> Yearly, if yes, \$ _____ + 12			
1. Rental Income	\$		
2. Upkeep and Repair			
a. \$ _____ (from B1) x .15	\$		
b. + \$4.17	\$ 4.17		
c. Line a + b	\$		
d. Actual upkeep and repair	\$		
e. Greater of line 2c or 2d	\$		
3. Interest	\$		
4. Taxes and Assessments	\$		
5. Utilities	\$		
6. Insurance	\$		
7. Total expenses (add lines 2e through 6)	\$		
8. Net rental income (line 1 minus line 7) (Enter on MC 176 M Column I or II)	\$		
9. Income from ORP other than rental income (Section 50508) (Enter on MC 176 M, Column I or II)	\$		
10. Total income from ORP (line 8 plus line 9)	\$		
<p><b>C. UTILIZATION—NONEXEMPT ORP</b></p>			
1. Total Net Market Value of ORP (from Col. 1, line A6)	\$		
2. 6% per year utilization requirement	\$ X.005		
3. Income needed	\$		
4. a. Is B10 greater than C3? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, utilization met. If no, recompute rental income with actual upkeep and repair, if lower.			
b. Is B10 now greater than or equal to C3? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, utilization met.			
c. If still no, is utilization period implemented? <input type="checkbox"/> Yes <input type="checkbox"/> No			
5. Exemption: If 4a, b, or c is yes, enter lesser of \$6,000 or line C1. Otherwise, enter Ø.	\$		
<p><b>II. PROPERTY RESERVE: USE REVERSE TO ITEMIZE OR TO PROVIDE DETAILS</b></p>			
1. Excess value ORP			
a. Enter from Col. I, line C1			
b. Enter from Col. I, line C5			
c. Line 1a—1b	\$		
2. Notes, mortgages, deeds of trust NOT from the sale of real property owned by MFBU member	\$		
3. Liquid assets [money, checking/savings accounts, stocks, bonds, etc. (other than for business)]	\$		
4. CSV of nonexempt life insurance	\$		
5. Burial plots, vaults, or crypts not for family use and not exempt as ORP	\$		
6. Value of designated burial funds in excess of \$1,500	\$		
7. Nonbusiness vehicles, boats, vans, or trailers; other than one exempt for transportation			
Item	Market Value e.g., DMV license fee x 50 or appraised value	Encumbrance	
			\$
			\$
			\$
8. Jewelry, not exempt and valued over \$100			\$
9. Other countable property			\$
10. Subtotal property reserve (add lines 1 through 9)			\$
11. Long-term care insurance exemption (benefits paid)			-\$
12. Community spouse resource allowance			-\$
13. Total property reserve (line 10 minus 11 and 12)			\$
14. Number of persons in MFBU _____ Property limit for MFBU			\$
15. Is line 14 greater than or equal to line 13? <input type="checkbox"/> Yes—property eligible <input type="checkbox"/> No—excess property—ineligible Explain property requirements. * If "NO," complete Sneeede Screening below			
<p><b>III. SNEEDE: PROPERTY SCREENING</b> If excess property and MFBU includes child(ren) complete the following:</p>			
DOES THE MFBU INCLUDE:			YES NO
1. A stepparent with property?			<input type="checkbox"/> <input type="checkbox"/>
2. An unmarried couple with mutual child(ren)?			<input type="checkbox"/> <input type="checkbox"/>
3. A child with own nonexempt property?			<input type="checkbox"/> <input type="checkbox"/>
4. A nonparent caretaker relative in the same MFBU with the child(ren) for whom care is provided and the caretaker wants Medi-Cal?			<input type="checkbox"/> <input type="checkbox"/>
<p>* If "NO" to all of the above, stop here. * If "YES" to any of the above and: (1) the MFBU includes a parent, complete MC175-2, MC175-3P, and MC175-4. (2) the MFBU does <i>not</i> include a parent, complete MC175-3P and MC175-4.</p>			
Eligibility Worker Signature	Worker Number	Computation Date	County Use

MC 176 P (7/00)

Pending

SECTION NO.: 50226      MANUAL LETTER NO.: 234      DATE: 12/1/00      8G-46

# MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

## PROPERTY RESERVE WORK SHEET—SECTION 1931(b) PROGRAM

Name \_\_\_\_\_ Case Number \_\_\_\_\_ Month \_\_\_\_\_

**A. NONEXEMPT OTHER REAL PROPERTY (ORP)**  
 Determine market value and encumbrances of nonexempt ORP in county use section and list in 1 and 2. Note: If nonexempt ORP owned jointly with persons not in the MFBU, list only the share of market value and encumbrances of persons in the MFBU.

### COUNTY USE SECTION

1. Market Value per Section 50412	\$
2. Encumbrances per Section 50413	- \$
3. Net Market Value (line 1 minus line 2)	\$
4. Life Estate (determine value per Section 50442 and procedure 9A)	\$
5. Total net nonexempt ORP (add lines 3 and 4)—Enter in B.1.	\$

**B. PROPERTY RESERVE**

1. Total net nonexempt ORP from A.5.	\$
2. Notes, mortgages, deeds of trust owned by MFBU member and not producing income	\$
3. Nonbusiness liquid assets (money, checking/savings, stocks, bonds)	\$
4. IRAs and accessible KEOGHs	\$
5. Burial plots, vaults, or crypts (not for family use)	\$
6. Excess revocable designated burial funds (over \$1500)	\$
7. Nonexempt vehicles, boats, vans, trailers, etc. (list items and amounts from MC 176 P-V)	\$
	\$
	\$
	\$
8. Other countable property (list items)	\$
	\$
	\$
	\$
9. Subtotal property reserve (add lines 1 through 8)	\$
10. Long-term care insurance exemption (benefits paid)	- \$
11. Total property reserve (line 9 minus line 10)	\$
12. Property limit for MFBU Number of persons in MFBU _____	\$
13. Is line 12 greater than or equal to line 11?	
<input type="checkbox"/> Yes—property eligible <input type="checkbox"/> No—property ineligible (see below) <ul style="list-style-type: none"> <li><input type="checkbox"/> Did you explain spenddown options to ensure the ability to get TMC later?</li> <li><input type="checkbox"/> Did you do the <i>Sneede</i> Screen? (See other side.)</li> <li><input type="checkbox"/> If not eligible for the Section 1931(b) program, determine eligibility for the AFDC-MN program.</li> </ul>	

MC 176 P (7/00)

Pending

SECTION NO.: 50226      MANUAL LETTER NO.: 234      DATE: 12/1/00      8G-47

# MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

State of California—Health and Human Services Agency

Department of Health Services

## SECTION 1931(b) SNEEDE V. KIZER PROPERTY WORK SHEET

Case name	County district	County use
Case number	Effective date	
	Month	Year

**INSTRUCTIONS**

- o List all nonexempt property from MC 176P-1931.
- o If property is owned by more than one person, equally divide the net market value by the number of owners unless evidence is provided to rebut the division.
- o Joint bank accounts: If available to anyone in the MFBU, do not count the money in a joint account against the MFBU more than once. Equally prorate the bank account among the owners in the MFBU (subject to rebuttal).
- o Stepparent property is exempt.

**I. ALLOCATION FROM SPOUSE/PARENT**

- A. For a married couple, enter their total community property in Column II. Enter each spouse's separate property in Column III.
- B. For an unmarried couple or a single parent, enter their separate property in Column III; leave Column II blank.

LIST EXEMPT PROPERTY AND NAME OF OWNER	I. LIST ONLY THE PARENT'S NONEXEMPT PROPERTY	II. COMMUNITY PROPERTY	III. SEPARATE PROPERTY	
			Parent A	Parent B
	1. Nonexempt Other Real Property			
	2. Checking			
	3. Savings			
	4. Other			
	5. Cash			
	6 Nonexempt Vehicle			
	7. Other			
	8.			
	9.			
	10.			
	11. Subtotal Net Nonexempt Property	\$	\$	\$
	12. Enter each spouse's share of community property (divide line 11, Column II, by 2)		\$	\$
	13. Parent's total net nonexempt property (add lines 11 and 12)			
	14. Number of persons for whom each parent is responsible (see totals on MC 175-2)			
	15. Allocation to each person for whom parent is responsible (divide line 13 by line 14)		(A) \$ Enter on line 27.	(B) \$ Enter on line 28.

MC 324 (4/99) 1931 Group

Pending

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SECTION NO.: 50226      MANUAL LETTER NO.: 234      DATE: 12/1/00      8G-48

# MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

## II. ALLOCATION FROM SPOUSE TO SPOUSE (Skip if MFBU does not contain a married couple.)

16. Enter line 15A in both boxes.	\$	\$
17. Enter line 15B in both boxes.	\$	\$
18. Total (add lines 16 and 17). This is each spouse's total share of their net nonexempt property. (Enter this amount on MC 175-4 in the married couple's mini budget unit )	\$	\$

## III. NET NONEXEMPT PROPERTY FOR CHILDREN OR NONPARENT CARETAKER RELATIVE (Do not list unborns.)

Name of child or caretaker relative	1.		2.		3.		4.		5.	
Child's natural/adoptive parent—see Section I (circle A or B or both)	A	B	A	B	A	B	A	B	A	B
List only the child's or caretaker relative's property										
19. Checking	\$		\$		\$		\$		\$	
20. Savings										
21. Nonexempt vehicle										
22. Nonexempt ORP										
23. Other										
24.										
25.										
26. TOTAL										
27. Allocation from Parent A*										
28. Allocation from Parent B*										
29. Net nonexempt property (add lines 26, 27, and 28) enter on MC 175-31.2, Part 2.										

Name of child or caretaker relative (continued)	6.		7.		8.		9.		10.	
Child's natural/adoptive parent—see Section I (circle A or B or both)	A	B	A	B	A	B	A	B	A	B
List only the child's or caretaker relative's property										
19. Checking	\$		\$		\$		\$		\$	
20. Savings										
21. Nonexempt vehicle										
22. Nonexempt ORP										
23. Other										
24.										
25.										
26. TOTAL										
27. Allocation from Parent A*										
28. Allocation from Parent B*										
29. Net nonexempt property (add lines 26, 27, and 28) enter on MC 175-31.2, Part 2.										

\* Enter an allocation from Section I, line 15, only if this is the child's natural/adoptive parent. Leave blank if caretaker relative household.

Eligibility Worker Signature	Worker number	Date of computation
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COMPLETE MC 175-4 NEXT

MC 324 (4/99) 1931 Group

Pending

SECTION NO.: 50226      MANUAL LETTER NO.: 234      DATE: 12/1/00      8G-49

# MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

State of California—Health and Human Services Agency

Department of Health Services

## VEHICLE DETERMINATION WORK SHEET FOR 1931 GROUP

Case name _____	Case number _____		
<b>DIRECTIONS</b>	<b>VEHICLE NUMBER ONE</b>	<b>VEHICLE NUMBER TWO</b>	<b>VEHICLE NUMBER THREE</b>
List all vehicles owned by anyone in the MFBU. <b>NOTE:</b> Complete additional work sheets if more than three vehicles.	Make _____ Model _____ Year _____	Make _____ Model _____ Year _____	Make _____ Model _____ Year _____

**STEP ONE—Only Unlicensed Vehicles on Indian Reservation Which Do Not Require Licensing and All Licensed Vehicles. For All Other Vehicles, Go to Step Two.**

A vehicle used for any reason listed below is exempt.

1. On the job or for income producing purposes even if only on a seasonal basis or temporarily unemployed.
2. Long distance travel essential to individual's employment, e.g., traveling sales, migrant farm worker moving from job to job.
3. Home (only one vehicle per household)
4. Transportation of disabled individual living in the home.
5. Transportation of primary fuel/water for the home.

Is vehicle exempt? If yes, list reason and STOP. If NO, go to Step Two.	<input type="checkbox"/> Yes <input type="checkbox"/> No Reason: _____	<input type="checkbox"/> Yes <input type="checkbox"/> No Reason: _____	<input type="checkbox"/> Yes <input type="checkbox"/> No Reason: _____
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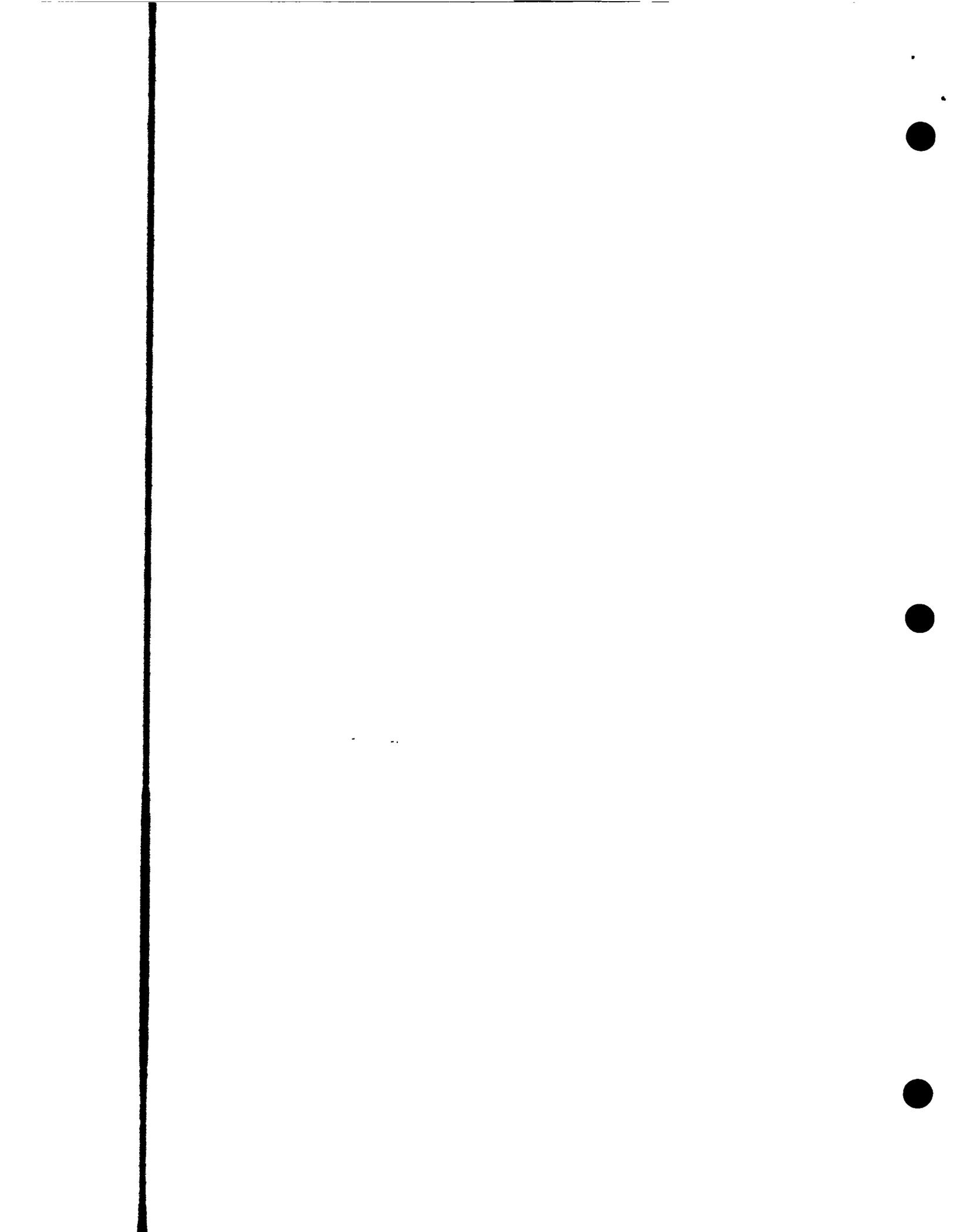
**STEP TWO—Only Vehicles Not Exempt In Step One**

A. Enter estimate of Fair Market Value (FMV).	FMV \$ _____	FMV \$ _____	FMV \$ _____
B. Licensed Only—If Unlicensed, Go to Step Two (C). Enter excess FMV (estimate of FMV minus \$4,650). If zero, then exempt, STOP. If not zero, go to Step Two (C)	— 4,650 Excess FMV \$ _____	— 4,650 Excess FMV \$ _____	— 4,650 Excess FMV \$ _____
C. All Remaining Vehicles—Enter encumbrance (amount owed).	Amount owed \$ _____	Amount owed \$ _____	Amount owed \$ _____
D. Determine equity value (EV) of vehicle (FMV of vehicle from Step Two (A) minus encumbrance in Step Two (C)).	EV \$ _____	EV \$ _____	EV \$ _____

**STEP THREE—Countable Vehicle Value**

A. Compare Step Two (B) and Step Two (D). Enter the <i>lesser value</i> .	<b>Check One</b> <input type="checkbox"/> Excess FMV \$ _____ <i>or</i> <input type="checkbox"/> EV \$ _____	<b>Check One</b> <input type="checkbox"/> Excess FMV \$ _____ <i>or</i> <input type="checkbox"/> EV \$ _____	<b>Check One</b> <input type="checkbox"/> Excess FMV \$ _____ <i>or</i> <input type="checkbox"/> EV \$ _____
B. Enter \$1,500 in the column under the one vehicle with the highest <i>equity value</i> . If excess FMV is the lesser amount, enter zero. Enter zero in all columns where \$1,500 is not entered.	- \$ _____	- \$ _____	- \$ _____
C. Subtract Step Three (B) from Step Three (A) and enter result. If zero, then car is exempt. If not zero, then enter amount on Property Reserve Work Sheet (MC 176 P (Back) 1931).	- \$ _____	- \$ _____	- \$ _____

MC 176 P-V (500) 1931 Group



# MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

State of California—Health and Human Services Agency

Department of Health Services

## PRINCIPAL WAGE EARNER (PWE) WORKING 100 HOURS OR MORE UNEMPLOYED PARENT DETERMINATION WORKSHEET

Case name	Case number
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<p><b>SECTION 1931(b) APPLICANTS AND MEDICALLY NEEDY (MN) FAMILIES</b></p> <p><i>Note: If the PWE is a Section 1931(b) recipient he/she may work 100 hours or more without a separate unemployment income test.</i></p>	<p style="text-align: center;"><i>County Use</i></p>																																																											
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 5%; text-align: center;">1</td> <td style="width: 75%;">Earnings of Principal Wage Earner (PWE)</td> <td style="width: 15%; text-align: right;">– \$90</td> <td style="width: 5%;"></td> </tr> <tr> <td style="text-align: center;">2</td> <td>Earnings of Second Parent/Spouse</td> <td style="text-align: right;">– \$90</td> <td></td> </tr> <tr> <td style="text-align: center;">3</td> <td>Earnings of Child #1</td> <td style="text-align: right;">– \$90</td> <td></td> </tr> <tr> <td style="text-align: center;">4</td> <td>Earnings of Child #2</td> <td style="text-align: right;">– \$90</td> <td></td> </tr> <tr> <td style="text-align: center;">5</td> <td>Earnings of Child #3</td> <td style="text-align: right;">– \$90</td> <td></td> </tr> <tr> <td style="text-align: center;">6</td> <td><b>Countable Earned Income</b> (lines 1+2+3+4+5)</td> <td style="text-align: right;"><b>\$</b></td> <td></td> </tr> <tr> <td style="text-align: center;">7</td> <td>Dependent Care Deduction</td> <td></td> <td></td> </tr> <tr> <td style="text-align: center;">8</td> <td>Court Ordered Child/Spousal Support Deduction</td> <td></td> <td></td> </tr> <tr> <td style="text-align: center;">9</td> <td>Allocation to PA Member</td> <td></td> <td></td> </tr> <tr> <td style="text-align: center;">10</td> <td>Allocation to Excluded Children</td> <td></td> <td></td> </tr> <tr> <td style="text-align: center;">11</td> <td><b>Total Deductions</b> (lines 7+8+9+10)</td> <td style="text-align: right;"><b>\$</b></td> <td></td> </tr> <tr> <td style="text-align: center;">12</td> <td><b>Total Net Nonexempt Earned Income</b> (lines 6-11)</td> <td style="text-align: right;"><b>\$</b></td> <td></td> </tr> <tr> <td style="text-align: center;">13</td> <td>100% FPL Limit for Family Size of <small>(Number in MFBU)</small></td> <td style="text-align: right;"><b>\$</b></td> <td></td> </tr> <tr> <td style="text-align: center;">14</td> <td>Is Total Net Nonexempt Earned Income at or below 100% of the FPL?</td> <td style="text-align: right;"> <input type="checkbox"/> Yes   <input type="checkbox"/> No                 </td> <td></td> </tr> <tr> <td style="text-align: center;">15</td> <td colspan="3"> <p>If line 14 is <u>Yes</u>, then the PWE is considered an Unemployed Parent.</p> <p>Evaluate family for the Section 1931(b) program if the youngest child in the home is under 18 or 18 and enrolled in school and expected to graduate prior to age 19. If not and the youngest child is under 21, then determine eligibility for the Medically Needy program.</p> <p>If line 14 is <u>No</u>, then the PWE is employed and there is no Unemployed Parent deprivation.</p> </td> </tr> </table>	1	Earnings of Principal Wage Earner (PWE)	– \$90		2	Earnings of Second Parent/Spouse	– \$90		3	Earnings of Child #1	– \$90		4	Earnings of Child #2	– \$90		5	Earnings of Child #3	– \$90		6	<b>Countable Earned Income</b> (lines 1+2+3+4+5)	<b>\$</b>		7	Dependent Care Deduction			8	Court Ordered Child/Spousal Support Deduction			9	Allocation to PA Member			10	Allocation to Excluded Children			11	<b>Total Deductions</b> (lines 7+8+9+10)	<b>\$</b>		12	<b>Total Net Nonexempt Earned Income</b> (lines 6-11)	<b>\$</b>		13	100% FPL Limit for Family Size of <small>(Number in MFBU)</small>	<b>\$</b>		14	Is Total Net Nonexempt Earned Income at or below 100% of the FPL?	<input type="checkbox"/> Yes  <input type="checkbox"/> No		15	<p>If line 14 is <u>Yes</u>, then the PWE is considered an Unemployed Parent.</p> <p>Evaluate family for the Section 1931(b) program if the youngest child in the home is under 18 or 18 and enrolled in school and expected to graduate prior to age 19. If not and the youngest child is under 21, then determine eligibility for the Medically Needy program.</p> <p>If line 14 is <u>No</u>, then the PWE is employed and there is no Unemployed Parent deprivation.</p>		
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Eligibility Worker name	Worker number	Date
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MC 337 (2/00)

SECTION NO.: **Pending** 50226      MANUAL LETTER NO.: 234      DATE: 12/1/00      8G-51

