DEPARTMENT	OF	HEAL	TH	SER	/ICES
714/744 P Street					
P.O. Box 942732					
Sacramento, CA 9423	34-73	320			
(916) 657-0258					



September 12, 2000

TO:

Letter No.: 00-48

All County Welfare Directors
 All County Administrative Officers
 All County Medi-Cal Program Specialists/Liaisons
 All County Public Health Directors
 All County Mental Health Directors

STATUS OF INCOME LIMITS FOR THE SECTION 1931(b) PROGRAM

This is to advise counties that <u>no</u> further changes in the Section 1931(b) income limits are contemplated through the year 2000.

Since March 1, 2000, the Section 1931(b) program has had two income limits: (1) the original Section 1931(b) "cash-based" income limit, and (2) a new income limit set at the federal poverty level (FPL). The cash-based limit for the Section 1931(b) program is currently used only for purposes of determining eligibility for recipients in circumstances in which the \$240 and one-half deduction was applied. The FPL income limit is currently used for purposes of determining the eligibility of applicants for the Section 1931(b) program, and for purposes of determining the eligibility of Section 1931(b) recipients in circumstances in which the \$240 and one-half income deduction was not applied.

State law requires that the Section 1931(b) program ensure Medi-Cal coverage of families who could have qualified under the rules of the former Aid to Families with Dependent Children program and ensure Medi-Cal coverage of families who do, or could, qualify as recipients of the California Work Opportunity and Responsibility to Kids (CalWORKs) program. Under the Section 1931(b) income limits in place effective March 1, 2000, Section 1931(b) program coverage of these required groups is ensured without any further increases in the Section 1931(b) income limits, notwithstanding the October 2000 increases in the CalWORKs income limits. Therefore, the requirements of state law are met without any further increases in the Section 1, 2000.

If you have questions regarding this subject matter, please call Dave Rappolee of my staff at (916) 657-0163.

Sincerely,

ORIGINAL SIGNED BY

Glenda Arellano, Acting Chief Medi-Cal Eligibility Branch