TO:  All County Welfare Directors  
     All County Administrative Officers  
     All County Medi-Cal Program Specialists/Liaisons  
     All County Pickle Coordinators

Letter No.: 96-22

DHS 7021 FORM FOR 10/94 AND 2/96

This All County Welfare Directors Letter is to advise the counties that there are now two DHS 7021 forms in the Department of Health Services (DHS) Warehouse, 1037 North Market Boulevard, Suite 9, Sacramento, California 95834. One DHS 7021 form currently being used is dated 10/94 and the second is a newly edited version dated 2/96 (see camera-ready enclosure). There is a limited supply of the 10/94 version (approximately 15,000) which should be used to finish your 1996 Pickle eligibility determinations. The 2/96 version of the DHS 7021 reflects the minor, non-substantive edits made to the DHS 7021 Instructions dated 9/95 which were included in Pickle Handbook Letter No. 13, dated January 9, 1996. The new form [DHS 7021 (2/96)] will be included in Pickle Handbook Letter Number 14 at the end of the year.

Please estimate your form needs early and order the new DHS 7021 dated 2/96 in time for the 1997 Pickle determination year.

If you have any questions, please contact Sylvia Finberg of my staff at (916) 657-0080.

Sincerely,

FRANK S. MARTUCCI, CHIEF
Medi-Cal Eligibility Branch

Enclosures
# FINANCIAL ELIGIBILITY WORK SHEET I
(Individual or Couple, Applicant With an Ineligible Spouse)

## PART A. NEEDS TEST

1. Applicant's total earned and unearned income (MC 176M, Part I, Line 14): 
2. Title II COLA disregard amount: 
3. Total countable income (subtract A.2 from A.1) 
   (If single applicant or couple pass the screening work sheet, proceed to Part F.): 

## PART B. INELIGIBLE SPOUSE'S UNEARNED INCOME

1. Ineligible spouse's total unearned income—do not include public assistance income: 
2. Title II COLA disregard amount: 
3. Countable unearned income (subtract B.2 from B.1): 
4. Allocation for ineligible children. (If no children, enter zero in B.4.c.)
   Do not include Pickle-eligible children. 
   a. Allocation (couple Federal Benefit Rate [FBR] minus individual FBR): 
   b. Subtract child's income: 
   c. Total allocation: 
   5. Remaining unearned income (subtract line B.4.c. from B.3) (If negative, enter on C.2): 

## PART C. INELIGIBLE SPOUSE'S EARNED INCOME

1. Ineligible spouse's gross earned income: 
2. Unused portion of allocation for ineligible child(ren): 
3. Remaining earned income (subtract C.2 from C.1): 

## PART D. INELIGIBLE SPOUSE'S TOTAL INCOME AFTER ALLOCATIONS (Add B.5 and C.3) (If less than the difference between the FBR for a couple and the FBR for an individual, deeming not applicable. Make no entry for ineligible spouse's income in Part E.): 

## PART E. COMBINED INCOMES (Eligible individual or couple and/or ineligible spouse after Ineligible child allocations)

1. Applicant's gross unearned income (including any applicable ISM-DHS 7044). (If VTR, ISM is zero, use "household of another" SS/SSP payment level in F.1): 
2. Applicant's Title II COLA disregard amount: 
3. Applicant's countable unearned income (subtract line E.2 from line E.1): 
4. Ineligible spouse's unearned income (line B.5) (If B.5 is less than 0, use 0): 
5. Combined unearned income (add lines E.3 and E.4): 
6. Subtract general income exclusion: 
7. Combined countable unearned income: 
8. Earned income of applicant and spouse (use amount from line C.3 for ineligible spouse): 
9. Subtract balance of general exclusion not offset by unearned income (line E.6): 
10. Remaining earned income: 
11. Subtract work expense exclusion: 
12. Remaining earned income: 
13. Subtract 1/2 remaining earned income: 
14. Countable earned income: 
15. Total countable income (add lines E.7 and E.14): 

## PART F. PICKLE ELIGIBILITY CALCULATION

1. Current SS/SSP payment level for an individual or a couple: 
2. Enter total countable income (line A.3 or E.15): 
   
   **If line F.2 is less than or equal to F.1, the applicant is Pickle eligible. If ineligible, enter in Tickler System.**
FINANCIAL ELIGIBILITY WORK SHEET I
(Individual or Couple, Applicant With an Ineligible Spouse)

PART A. NEEDS TEST

1. Applicant's total earned and unearned income (MC 176M, Part I, Line 14): $ 
2. Title II COLA disregard amount: $ 
3. Total countable income (subtract A.2 from A.1) (If single applicant or couple pass the screening work sheet, proceed to Part F.): $ 

PART B. INELIGIBLE SPOUSE'S UNEARNED INCOME

1. Ineligible spouse's total unearned income—do not include public assistance income: $ 
2. Title II COLA disregard amount: $ 
3. Countable unearned income (subtract B.2 from B.1): $ 
4. Allocation for ineligible children, (If no children, enter zero in B.4.c.)
   Do not include Pickle-eligible children.
   a. Allocation (couple Federal Benefit Rate [FBR] minus individual FBR):
      | CHILD #1 | CHILD #2 | CHILD #3 | CHILD #4 |
      | Name     | Name     | Name     | Name     |
   b. Subtract child's income: 
   c. Total allocation: + + + = $ 
5. Remaining unearned income (subtract line B.4.c. from B.3): $ 

PART C. INELIGIBLE SPOUSE'S EARNED INCOME

1. Ineligible spouse's gross earned income: $ 
2. Unused portion of allocation for ineligible child(ren): $ 
3. Remaining earned income (subtract C.2 from C.1): (If negative, enter zero; O.) $ 

PART D. INELIGIBLE SPOUSE'S TOTAL INCOME AFTER ALLOCATIONS (Add B.5 and C.3) (If less than the difference between the FBR for a couple and the FBR for an individual, deeming not applicable. Make no entry for ineligible spouse's income in Part E.): $ 

PART E. COMBINED INCOMES (Eligible individual or couple and/or ineligible spouse after ineligible child allocations)

1. Applicant's gross unearned income (including any applicable ISM-DHS 7044). (If VTR, enter zero and use a household of another in F.1): $ 
2. Applicant's Title II COLA disregard amount: $ 
3. Applicant's countable unearned income (subtract line E.2 from line E.1): $ 
4. Ineligible spouse's unearned income (line E.5): (If B.5 is less than 0, enter 0) $ 
5. Combined unearned income (add lines E.3 and E.4): $ 
6. Subtract general income exclusion: $ 
7. Combined countable unearned income: $ 
8. Earned income of applicant and spouse (use amount from line C.3 for ineligible spouse): $ 
9. Subtract balance of general exclusion not offset by unearned income (line E.6): $ 
10. Remaining earned income: $ 
11. Subtract work expense exclusion: $ 65 
12. Remaining earned income: $ 
13. Subtract 1/2 remaining earned income: $ 
14. Countable earned income: $ 
15. Total countable income (add lines E.7 and E.14): $ 

PART F. PICKLE ELIGIBILITY CALCULATION

1. Current SSI/SSP payment level for an individual or a couple: $ 
2. Enter total countable income (line A.3 or E.15): $ 

If line F.2 is less than or equal to F.1, the applicant is Pickle eligible. If ineligible, enter in Ticker System.