

## DEPARTMENT OF HEALTH SERVICES

714/744 P STREET  
SACRAMENTO, CA 95814  
(916) 445-1912



August 10, 1981

To: All County Welfare Directors

Letter No. 81-36

SHARE OF COST (SOC) DETERMINATIONS FOR MFBUs WHICH INCLUDE A PERSON IN LONG-TERM CARE (LTC)

Reference: Letter No. 81-28

This is to advise you of steps taken by the Department in response to county questions regarding the policy instructions issued in Letter No. 81-28.

Change in Instructions Regarding Completion of MC 176M

In Letter No. 81-28 you were advised, as the last step in the SOC computation for LTC eligibles, to add back into the SOC certain deductions allowed earlier in the computation against the income of an MFBU which includes an LTC patient. It has been brought to our attention that in a few isolated instances the result of having the step at that point in the computation is that the MFBUs SOC is higher than the difference between the gross income and the maintenance need.

To avoid this situation, effective immediately, instead of adding the appropriate income deduction back in after Column III Line 17, the deductions should be added in after Column III, Line 3. An example of form MC 176M is attached. This replaces the examples contained in Letter No. 81-28. Also attached is a draft of a Share of Cost Determination Worksheet designed specifically for MFBUs which include an LTC person.

For those cases already converted per the instructions in Letter No. 81-28, no action is required unless you have identified a particular case which would be advantaged by these revised instructions.

Request for DHHS to Reexamine and Confirm Federal Policy

AB 251 specifies that to determine the SOC for persons in LTC, the income deductions normally allowed Medically Needy or Medically Indigent persons and families must be included in the SOC determination to the extent required by federal law. We have previously been advised that the federal position is that all income deductions must be considered even if the income belongs to a family member not in LTC.

All County Welfare Directors

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August 10, 1981

We have requested reconsideration of this federal policy. As part of our request we have included an example depicting the result when a nondisabled child requires hospitalization for a three or four month period and the child's parents have earnings. We have pointed out that in these instances the family is disadvantaged in that mandatory deductions are not taken into account in determining the SOC. You will be advised if the response is such that these deductions can be considered as unavailable income.

If you have any questions contact your Medi-Cal Program Consultant.

Sincerely,

Original signed by

David Mitchell for  
Madalyn M. Martinez, Chief  
Medi-Cal Eligibility Branch

Attachments

cc: Medi-Cal Liaisons  
Medi-Cal Program Consultants  
Expiration Date: February 29, 1982

NAME				COURTY DISTRICT	COURTY USE	
<input type="checkbox"/> CATION <input type="checkbox"/> REDETERMINATION <input type="checkbox"/> CHANGE <input type="checkbox"/> RETROACTIVE ELIG <input type="checkbox"/> CORRECTION				EFFECTIVE ELIGIBILITY DATE FOR THIS BUDGET		
Date Number: 7 DIGIT SERIAL NO.            WFRU NO.            PERS. NO.				NO.            YR.		
NO.	NAME — FIRST, MIDDLE, LAST	BIRTHDATE		SEX	<input type="checkbox"/> Social Security No. and <input type="checkbox"/> Private Insurance Claim No. or Railroad Retirement No.	Other Coverage
	Mrs. LTC ABD-MW	Mo.	Day	Yr.	(1) _____ (2) _____	
					(1) _____ (2) _____	
					(1) _____ (2) _____	
					(1) _____ (2) _____	
					(1) _____ (2) _____	
					(1) _____ (2) _____	
					(1) _____ (2) _____	
					(1) _____ (2) _____	

<b>INCOME OF WFRU MEMBERS APPLYING AS AGED, YOUNG, OR DISABLED PLUS INCOME OF SPOUSE OR LEGAT (EXCEPT PA OR OTHER MA)</b>			<b>II. INCOME OF WFRU MEMBERS OR PERSONS RESPONSIBLE FOR THE WFRU NOT LISTED IN I. EXCEPT PA OR OTHER MA</b>			<b>III. DETAILS OF COST COMPUTATION</b>			
<b>NONEXEMPT UNEARNED INCOME</b>			<b>A. NONEXEMPT UNEARNED INCOME</b>			<b>1. Countable Income from I. 13</b>			
Social Security Income in Property (d) Divided by 1 Deductions (e) Minus (e) Combined Unearned Inc. of 7a and 7b (f) Income Deduction Countable Unearned Income (g) minus (f)	a. ASD - MA <b>300</b>	b. Spouse or parent	1. Social Security 2. Net income from property 3. Other—(Specify) 4. 5. Total unearned inc. (add 1 through 4) 6. Deductions 7. Countable unearned inc. (5 minus 6)	1. Social Security 2. Net income from property 3. Other—(Specify) 4. 5. Total unearned inc. (add 1 through 4) 6. Deductions 7. Countable unearned inc. (5 minus 6)	1. Countable Income from I. 13 <b>280</b>	2. Countable Income from I. 14 3. Combined countable income (add 1 and 2)	<b>280</b>	<b>280</b>	
<b>NONEXEMPT EARNED INCOME</b>			<b>B. NONEXEMPT EARNED INCOME</b>			<b>ALLOCATIONS AND DEDUCTIONS</b>			
Gross Earning Income Deductions (1) minus (2) Combined Earning Inc. (add 13a and 13b) (3) Earning Inc. Deduction plus (4) (minus (3)) (4) minus (5) Countable Earning Inc. (6) minus (5) by (2) Total countable inc. (add 10 and 17)	a. <b>300</b>	b.	8. Deductions 9. Countable unearned inc. (5 minus 6) <b>280</b>	1. Social Security 2. Net income from property 3. Other—(Specify) 4. 5. Total unearned inc. (add 1 through 4) 6. Deductions 7. Countable unearned inc. (5 minus 6)	4. Inc. allocated from LTC person to family members at home (276K, Part IV) 5. Total countable income (add 3 and 4) <b>300</b> 6. Allocation from LTC Income (276K, Part IV) 7. Allocation to stepparent (276K, Part V) 8. Allocation to excluded family members (276K, Part I) 9. Special Deduction (276K, Part II)	10. Income to determine PA eligibility 11. Health Insurance 12. Child support 13. Total allocations/deductions (add 6 through 12) 14. Total net nonexempt income (5 minus 13) 15. Total net nonexempt income rounded <b>300</b> 16. Maintenance need	10. Income to determine PA eligibility 11. Health Insurance 12. Child support 13. Total allocations/deductions (add 6 through 12) 14. Total net nonexempt income (5 minus 13) 15. Total net nonexempt income rounded <b>300</b> 16. Maintenance need	17. Share of cost (15 minus 16) 18. Disability/medical adjustment 19. Adjusted share of cost (17 minus 18)	<b>25</b> <b>27</b> <b>5</b> <b>22</b>

SHARE OF COST DETERMINATION - MFBU'S WHICH INCLUDE AN LTC PERSON

Case Name							County District		County Use		
<input type="checkbox"/> New Application <input type="checkbox"/> Redetermination <input type="checkbox"/> Change <input type="checkbox"/> Retroactive Elig. <input type="checkbox"/> Correction							Effective Eligibility Date for this Budget				
							Mo.		Yr.		
State Number				Name - First, Middle, Last			Birthdate		Sex	(1) Social Security No. and (2) Health Insurance Claim No. or Railroad Retirement No.	C Co
Co.	Aid	7 Digit Serial No.		Pers. MFBU No.				Mo. Day Yr.			
									(1) .....		
									(2) .....		
									(1) .....		
									(2) .....		
									(1) .....		
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									(2) .....		
									(1) .....		
									(2) .....		

  

I. Income of MFBU members applying as aged, blind, or disabled plus income of spouse or parent (except PA or other PA)				II. Income of MFBU members not listed in I. (except PA or other PA)				III. Share of cost computation			
<b>A. NONEXEMPT UNEARNED INCOME</b>				<b>A. NONEXEMPT UNEARNED INCOME</b>				1. Countable Income from I 15			
		a. ABD-MN	b. Spouse or Parent	1. Social Security				2. Countable Income from II 16			
1. Social Security				2. Net Income from Property				3. Total Countable Eligibility Income (add 1 and 2)			
2. Net Income from Property				3. Other—Itemize				ELIGIBILITY DEDUCTIONS AVAILABLE FOR SOC			
3. Other—Itemize				4.				4. ABD Income Deductions			
4.				5. Total unearned income (add 1 through 4)				5. Other Income Deductions			
5. Total (add 1 thru 4)				6. Deductions				6. Total Eligibility Deductions (Add 4 & 5)			
6. Deductions				7. Countable unearned inc. (5 minus 6)				7. Total Countable Income (Add 3 & 6)			
7. Remainder (5 minus 6)	a.	b.		<b>B. NONEXEMPT EARNED INCOME</b>				ALLOCATIONS AND DEDUCTIONS			
8. Combined unearned inc. (add 7a and 7b)				8. Gross earned Income				8. Allocation from LTC/B&C Income (176W, Part IV)			
9. Any income deduction	-\$20			9. H CG in last 4 months a. enter \$30				9. Allocation to excluded children (176W, Part I)			
10. Countable unearned Income (8 minus 9)				b. 1/3 Remainder				10. Special deduction (176W, Part II)			
<b>B. NONEXEMPT EARNED INCOME</b>				10. Mand. deduct.				11. Income to determine PA Eligibility			
11. Gross Earned Income	a.	b.		11. W/R expenses				12. Health Insurance			
12. Deductions				12. Total earned income deductions (add 9, 10, 11)				13. Total allocations/deductions (add 8 through 12)			
13. Remainder (11 minus 12)	a.	b.		13. Countable earned income (8 minus 12)				14. Total net nonexempt income (7 minus 13)			
14. Combined earned inc. (add 13a and 13b)				14. Subtotal countable income (add 7 and 13)				15. Total net nonexempt income rounded			
15. \$65 earned inc. deduction plus \$ _____ unused \$20				15. Child Support/Alimony				16. Maintenance need			
16. Remainder (14 minus 15)				16. Total countable Income (14 minus 15)				a. MFBU members not in LTC No. _____			
17. Countable earned inc. (divide 16 by 2)								b. MFBU members in LTC			
18. Total countable inc. (add 10 and 17)								• Personal needs			
								• Upkeep of home			
								• Needs of disabled dependents			
								c. Total maintenance need (16 a + 16 b)			
								17. Share of cost (15 minus 16)			
								18. Underpayment adjustment			
								19. Adjusted Share of Cost (18 minus 19)			

  

Eligibility Worker Signature		Worker Number		Com. Date		County Use	
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