DATE: February 16, 2024

Medi-Cal Eligibility Division Information   Letter No.: I 24-06

TO: ALL COUNTY WELFARE DIRECTORS
            ALL COUNTY ADMINISTRATIVE OFFICERS
            ALL COUNTY MEDI-CAL PROGRAM SPECIALISTS/LIAISONS

SUBJECT: UPDATES TO THE STEPPARENT COMPUTATION WHEN ONLY THE
            SEPARATE CHILDREN OF ONE SPOUSE WANT MEDI-CAL (MC 176
            W.1) AND SNEEDE V. KIZER MINI BUDGET UNITS AND SHARE OF
            COST DETERMINATIONS (MC 175-4) (REFERENCE: ALL COUNTY
            WELFARE DIRECTOR'S LETTER NO.: 22-25)

The purpose of this Medi-Cal Eligibility Division Information Letter (MEDIL) is to provide
counties with the updated versions of the Stepparent Computation When Only the
Separate Children of One Spouse Want Medi-Cal (MC 176 W.1) and Sneede v. Kizer
Mini Budget Units and Share of Cost Determinations (MC 175-4) forms.

The MC 176 W.1 and MC 175-4 have been updated to reflect the elimination of the
asset limits for all Non-MAGI programs, effective January 1, 2024.

The MC 176 W.1 and MC 175-4 are available on the Department of Health Care
Services website at:
   1) MC 176 W.1
   2) MC 175-4

If you have any questions, or if we can provide further information, please contact
Michael Allen by phone at (916) 345-7554 or by email at Michael.Allen@dhcs.ca.gov.

Sincerely,

Theresa Hasbrouck
Chief, Policy Development Branch
Medi-Cal Eligibility Division
Department of Health Care Services

Enclosure

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State of California
Gavin Newsom, Governor

California Health and Human Services Agency

State of California—Health and Human Services Agency   Department of Health Care Services

SNEEDE v. KIZER MINI BUDGET UNITS AND SHARE OF COST DETERMINATIONS

Case name	Case number	Effective date (month/year)

Instructions:

1. Include unborn in the mother's mini budget unit (MBU) and maintenance need income level, unless mother is married and only her separate children want Medi-Cal. If pregnant woman is Public Assistance (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.

4. Share of Cost Determinations: Enter each person's net nonexempt income from MC 175-3I.

5. Establish separate mini budget unit for parent and his/her children who have no (or exempt) income of their own. Enter amounts from line 26 (for each child in parent's MBU) and the amount from line 29 (for the parent) from MC 176 W-1.

6. Establish a separate mini budget unit for each child with own nonexempt income. Enter amount from line 28 from MC 176 W-1 as child's total net income.

MBU # 1		MBU # 2	
Person Name	Net Nonexempt Income	Person Name	Net Nonexempt Income
1.		1.	
2.		2.	
3.		3.	
4.		4.	
5.		5.	
6.		6.	
7.		7.	
8.		8.	
9.		9.	
10.		10.	
TOTAL		TOTAL	
MBU's Maintenance Need		MBU's Maintenance Need	
Share of Cost		Share of Cost	
Rounded Share of Cost		Rounded Share of Cost	
If SOC, is there an eligible pregnant woman or child under 19 in MBU? No; stop here. Yes; go to MC 175-5		If SOC, is there an eligible pregnant woman or child under 19 in MBU? No; stop here. Yes; go to MC 175-5	

MBU # 3	
Person Name	Net Nonexempt Income
1.	
2.	
3.	
4.	
5.	
6.	
7.	
8.	
9.	
10.	
TOTAL	
MBU's Maintenance Need	
Share of Cost	
Rounded Share of Cost	
If SOC, is there an eligible pregnant woman or child under 19 in MBU? No; stop here. Yes; go to MC 175-5	

MBU # 4	
Person Name	Net Nonexempt Income
1.	
2.	
3.	
4.	
5.	
6.	
7.	
8.	
9.	
10.	
TOTAL	
MBU's Maintenance Need	
Share of Cost	
Rounded Share of Cost	
If SOC, is there an eligible pregnant woman or child under 19 in MBU? No; stop here. Yes; go to MC 175-5	

MBU # 5	
Person Name	Net Nonexempt Income
1.	
2.	
3.	
4.	
5.	
6.	
7.	
8.	
9.	
10.	
TOTAL	
MBU's Maintenance Need	
Share of Cost	
Rounded Share of Cost	
If SOC, is there an eligible pregnant woman or child under 19 in MBU? No; stop here. Yes; go to MC 175-5	

MBU # 6	
Person Name	Net Nonexempt Income
1.	
2.	
3.	
4.	
5.	
6.	
7.	
8.	
9.	
10.	
TOTAL	
MBU's Maintenance Need	
Share of Cost	
Rounded Share of Cost	
If SOC, is there an eligible pregnant woman or child under 19 in MBU? No; stop here. Yes; go to MC 175-5	

Eligibility Worker signature	Worker number	Date of computation

State of California—Health and Human Services Agency　　　　Department of Health Care Services

Stepparent Computation
When Only The Separate Children Of One Spouse Want Medi-Cal

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

Instructions

- This work sheet is to be used when only the separate children of one spouse want Medi-Cal. The MFBU will consist of only the natural/adoptive parent (as an ineligible person) and his/her separate children who want Medi-Cal. IMPORTANT: IF PARENT IS Public Assistance (PA)/OTHER PA, DO NOT COMPLETE THIS FORM; THE MFBU WILL CONSIST OF ONLY THE SEPARATE CHILDREN WHO WANT MEDI-CAL.

  Do not include in this MFBU the parent's spouse, mutual children, spouse's separate children, or the parent's other separate children who do not want Medi-Cal.

- Conduct all Modified Adjusted Gross Income (MAGI) determinations for children who want Medi-Cal first. Only complete this worksheet if one or more of the separate children who want Medi-Cal do not qualify for MAGI. Include in the MFBU all the natural/adoptive parent's separate children. If some of the separate children are eligible for MAGI, include them as ineligible members of the MFBU. MAGI eligible MFBU members count in the MFBU size and income limit. If any of the MAGI eligible separate children have countable income of their own and the MFBU has a share of cost (SOC), proceed to a Sneede determination.

- Only a portion of the natural/adoptive parent's income will be used in these determinations. The rest will be considered allocations to the spouse and to the parent's other natural/adopted children who do not want Medi-Cal.

- Enter income on a separate sheet of paper.

State of California—Health and Human Services Agency   Department of Health Care Services

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I.   RESPONSIBLE RELATIVE DETERMINATION – Do *not* list PA/Other PA, Unborns, or Stepchildren

    A. Enter name of parent who wants Medi-Cal
       for only his/her separate children: _____

    B. Enter name of spouse: _____

    C. Enter the names of ALL the parent's natural/adopted
       children (include both the children who do and who
       do not want Medi-Cal):   _____

        _____

        _____

        _____

        _____

        _____

        _____

    D. Total number of persons in lines I.A. through I.C.   _____

II.   SHARE OF COST DETERMINATION
INSTRUCTIONS
Do not consider community income; use "name on the check" rule. Consider only the parent's income and income of the separate child who wants Medi-Cal.

* Child/Spousal Support Payments Received:	Child support is income to the child, not to the parent or caretaker relative.
For AFDC-MN/MI only:	Divide the $50 per month 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.
For ABD-MN only:	Each ABD-MN child for whom absent parent support payments are intended will receive a one-third deduction from this income.
** Unearned In-Kind Income:	Prorate the unearned in-kind income among the persons who receive the income. Example: MFBU of four gets free housing. Use in-kind income for four and each person gets one-fourth of the in-kind income. If pregnant minor in MFBU, add unborn's share to the pregnant minor's share of in-kind income.
*** ABD-MN Deductions:	**Allow the ABD-MN child:** $20 any income deduction and $65 plus one-half earned income deduction. **Allow each ABD-MN adult or parent of an ABD-MN child:** $20 any income deduction and $65 plus one-half earned income deduction.

NOTE: If any of the following deductions apply, complete MC 176 W, Part VI before completing Sections A or B.

State of California—Health and Human Services Agency   Department of Health Care Services

Educational Expenses..Section 50547
Student Deduction...Section 50551
$30 Plus 1/3..Section 50551.1
Work Expenses for the Blind...............................Section 50551.4
Income for Self-Support ....Section 50551.5

ENTER NAME OF EACH MFBU MEMBER

PERSON TYPE	Parent	Child	Child	Child
A. NONEXEMPT UNEARNED INCOME: AFDC-MN/MI and/or ABD-MN				
1. RSDI				
2. Net income from property				
3. Net child/spousal support received*				
4. In-kind income**				
5.				
6.				
7. Total (add 1 through 6)				
8. ABD-MN $20 any income deduction (skip if AFDC-MN/MI)				
9. Countable unearned income (7 minus 8; enter in section D, line 15)				
B. NONEXEMPT EARNED INCOME— ABD-MN ONLY***				
10. Gross earned income				
11. $65 earned income deduction PLUS $_____ unused $20 (line 8)				
12. Remainder (10 minus 11)				
13. Countable earned income (divide line 12 by 2); (enter in section D, line 16)				
C. NONEXEMPT EARNED INCOME – AFDC-MN/MI ONLY				
14. Net earned income (MC 176 W, Part IV, line 10) (enter in section D, line 16)				

ENTER COMPUTATION FOR CHILD/SPOUSAL SUPPORT and/or UNEARNED IN-KIND INCOME:

III.   SHARE OF COST DETERMINATION (continued)

D. TOTAL COUNTABLE INCOME: AFDC-MN/MI and/or ABD-MN				
15. Countable unearned income (from line 9)				
16. Countable earned income (from line 13 or 14)				
17. Total countable income (add lines 15 and 16)				
E. OTHER DEDUCTIONS: AFDC-MN/MI and/or ABD-MN				
18. Health insurance				
19. Child support/alimony paid				
20.				
21.				
22. Total allocation/deductions (add 18 through 21)				
23. Total net countable income less in-kind income (line 17 minus line 4 and 22). Enter this on MC 175-4 if no parent in MFBU; otherwise continue.				
F. PARENTAL ALLOCATION: AFDC-MN/MI and/or ABD-MN (Skip if no parent in MFBU	-$600	Enter net countable income (line 23) Less Parental Needs Deduction		
24. Parent's total net nonexempt income LESS P/S Needs (line 23 minus $600)				
25. Number of persons for whom parent is responsible (see section I.D.) DO NOT INCLUDE PARENT				
26. Parent's allocation to separate children who want Medi-Cal (divide line 24 by line 25); (enter in each applicable box)				
27. Enter child's net nonexempt income (from line 23)				
28. Child's total net nonexempt income (add lines 26 and 27)				
29. Parental Needs Deduction (the lesser of $600 or the amount on line 23, plus line 4)				

30. Total net nonexempt income of the parent (add all totals from lines 26 and 29)		Note: This line establishes the parent's net		
31. Total net nonexempt income for MFBU (add all totals from lines 27 and 30)				
32. Maintenance needs for MFBU				
33. Share of cost (line 31 minus line 32)				
34. Underpayment adjustment				
35. Rounded share of cost				

If SOC and separate **children have own income (even if some of the separate children are MAGI eligible)**, Sneede case exists. Next, complete MC 175-4 and establish separate mini budget unit for parent and his/her children who have no (or exempt) income of their own. Enter amounts from line 26 (for each child in parent's MBU) and the amount from line 29 (for the parent). Establish a separate mini budget unit for each child with own nonexempt income. Enter amount from line 28 as child's total net income.

Eligibility Worker Signature	Worker Number	Date