

DEPARTMENT OF HEALTH SERVICES

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(916) 657-2941

September 14, 1993

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

Letter No.: 93-66

CHANGES TO PICKLE FORM DHS 7019

Effective November 1, 1993, Pickle form DHS 7019 has been changed to conform with a revision to Section 416.1165(d) of Title 20 of the Code of Federal Regulations. Prior to this federal rule change there were three different formulas used to calculate the amount of income to be deemed to a Pickle child from his/her parent(s) living in the same household. There is now just one method to determine parental deemed income for a Pickle child.

At the end of the year, DHS 7019 will be filed in Pickle Handbook No. 11. Use order form DHS 2031 to order copies of DHS 7019 from the Department of Health Services Warehouse, 1037 North Market Boulevard, Suite No. 9, Sacramento, CA 95834. They will be available in the DHS Warehouse on approximately September 15, 1993. In the interim, use the enclosed camera-ready DHS 7019 form.

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

Sincerely,

ORIGINAL SIGNED BY

Frank S. Martucci, Chief
Medi-Cal Eligibility Branch

Enclosure

PICKLE ELIGIBLES (FINANCIAL ELIGIBILITY WORK SHEET – ELIGIBLE CHILD WITH INELIGIBLE PARENT OR PARENTS)

Case Name: _____ Case Number: _____

Applicant's Name: _____

PART I. INELIGIBLE PARENT'S UNEARNED INCOME

1. Parent's unearned income – do not include public assistance income
2. Allocation for ineligible children (If no children, enter zero in Part I-2c)
Do not include Pickle eligible children.

child # 1	child # 2	child # 3	child # 4
-	-	-	-

a. Allocation (1/2 FBR*
for an individual)

b. Minus child's income

c. Total allocation

_____ + _____ + _____ + _____ = _____

3. Remaining unearned income (subtract line 2c from line 1)

PART II. INELIGIBLE PARENT'S EARNED INCOME

1. Parent's gross earned income
2. Unused portion of allocation for ineligible child(ren)
3. Remaining earned income (subtract II-2 from II-1)

(IF THERE IS NO INCOME REMAINING, AND I-3 AND II-3 ARE BOTH ZERO, DO NOT DEEM, GO TO PART IV. IF THERE IS INCOME, PROCEED WITH PART III.)

PART III. COMBINED INCOMES – parent's allocation		PART IV. PICKLE ELIGIBILITY CALCULATION	
Unearned Income		1. Deemed income from Part III-15.	
1. Remaining unearned income (after allocation) or zero (From I-3)		2. Add eligible child's own OASDI income	
2. Subtract general income exclusion	-20	3. Subtract Title II COLA's	--
3. Countable unearned income (To III-11)		4. Total countable OASDI	
Earned Income		5. Other unearned income	
4. Remaining earned income (From II-3)		6. Subtract general income exclusion	-20
5. Subtract balance of general income exclusion		7. Countable unearned income (IV-1 + IV-4 + IV-5 - \$20)	
6. Remainder		8. Child's countable earned income (subtract \$65 + 1/2 remainder)	-
7. Subtract work expense exclusion	-65	9. Total countable income	
8. Remainder		10. Current SSI/SSP payment level	
9. Subtract 1/2 remainder		If line IV-9 is less than line IV-10, this person is eligible as an aid code 16, 26, or 66.	
10. Countable earned income (To III-12)			
Deemed Income			
11. Countable unearned income (From III 3)			
12. Add countable earned income (From III-10)			
13. Total countable income (From III 11 + III 12)			
14. *Subtract parent allocation	-		
15. Deemed income			

* Individual Federal Benefit Rate (FBR) if one ineligible parent lives with child; couple FBR if both ineligible parents live with child.
DHS 7019 (8/93)

INSTRUCTIONS

FINANCIAL ELIGIBILITY WORK SHEET FOR DHS 7019 (PICKLE CHILD)

I. INELIGIBLE PARENT'S UNEARNED INCOME

Line I-1

Enter the ineligible parent's unearned income.

Line I-2 (If no ineligible siblings, enter zero in I-2c)

Enter the first name of any ineligible child(ren) in the box provided. On line 2a, enter the allocations for any ineligible child(ren) not on public assistance. On line 2b, enter any income for each of the children, excluding \$1,620 per year if student income. Subtract line 2b from 2a, enter the remainder for each child, and total the allocations for all siblings on line 2c.

Line I-3

Subtract line I-2c from line I-1 (unearned income) and enter the difference. This is the remaining unearned income amount unless the allocation amount (line I-2c) exceeds line I-1 (unearned income). In the latter case, the negative figure on line I-3 is carried over to line II-2 (unused portion of allocation).

II. INELIGIBLE PARENT'S EARNED INCOME

Line II-1

Enter the parent's earned income.

Line II-2

Enter the amount of any allocation for ineligible children that is not offset by unearned income (line I-3 minus line I-1). If line I-1 is greater than line I-3, enter zero in line II-2.

Line II-3

Subtract the allocation amount on line II-2 from line II-1 (gross earned income) and enter the difference.

Line II-4

Add lines I-3 and II-3.

NOTE: If, at this point (after the allocation for ineligible children), there is no income remaining either earned or unearned, there is no income available for deeming to the eligible child(ren). In this case, proceed to Part IV. If there is earned and/or unearned income remaining, complete both Parts III and IV.

III. COMBINED INCOMES

Enter the remaining income in the column headed "Earned and Unearned Income" and follow the instructions on each line.

The entry on the last line of Part III (i.e., the "Deemed Income" line) is carried over to the first line (also titled "Deemed Income") of Part IV, "Pickle Eligibility Calculation."

IV. PICKLE ELIGIBILITY CALCULATION

Line IV-1

Enter the deemed income from the last line in Part III. The deemed income is treated as unearned income.

Line IV-2

Enter the applicant's OASDI income.

Line IV-3

Enter any Title II cost-of-living increases that the applicant has received since being discontinued from SSI/SSP. (Use Disregard Computation Worksheet.)

Line IV-4

Subtract line III-3 from III-2 and enter difference.

Line IV-5

Enter any other unearned income of applicant.

Line IV-6

Enter the \$20 any income exclusion.

Line IV-7

Add together the amounts in lines IV-1, IV-4, and IV-5; and then subtract the \$20 any income exclusion (line IV-6) to obtain the total countable unearned income amount.

Line IV-8

Enter the applicant's countable earned income (i.e., earned income after exclusions including the \$65 work expense exclusion and 1/2 the remainder).

Line IV-9

Add the amounts in lines IV-7 and IV-8 to obtain the total countable income.

Line IV-10

Enter the current SSI/SSP payment level.

NOTE: If parent(s) have Title II income, their cost of-living increases are *not* subtracted. Also, there is no allocation to a parent who is receiving public assistance.