

DEPARTMENT OF HEALTH SERVICES

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January 13, 1994

TO: All County Welfare Directors
All County Administrative Officers
All County Medi-Cal Program Specialist/Liaisons

Letter No.: 94-07

185 PERCENT INCOME DISREGARD

This letter is to inform you of a change in Section 14148 of the Welfare and Institutions Code due to Chapter 69, Statutes of 1993 (Senate Bill 35). This change will provide for an income disregard in determining the eligibility of pregnant women and infants for the 185 percent program. This will result in more persons being eligible for the 185 percent program for which the Department of Health Services (DHS) receives federal financial participation (FFP).

The amount of the income disregard is the difference between 200 and 185 percent of the federal poverty level (FPL) for the family size. Since this disregard will lower net nonexempt income, the impact will be to those pregnant women and infants who without the disregard would be in the 200 percent program due solely to income. That is, as a result of this disregard being applied in determining eligibility for the 185 percent program, pregnant women and infants whose income without the disregard is between 185 and 200 percent of the FPL and who meet regular Medi-Cal property limits will be eligible for the 185 percent program. Those who need the asset waiver provision will continue to be covered under the 200 percent program.

Implementation

The application of this income disregard to new and ongoing cases is no later than February 1, 1994. Counties will not have to take any action to either calculate this 185 percent income disregard or apply it to income. Instead, counties will simply now use the 200 percent income limit on the FPL chart when determining 185 percent eligibility for pregnant women and infants if the family is under the property limit because the income disregard is "built" into the 200 percent chart. We have enclosed a revised 1993 FPL chart with new footnotes describing this change and a chart which includes aid codes and income limits.

EXAMPLE A:Step 1MEDI-CAL FAMILY BUDGET UNIT (MFBU)

Pregnant Mom unborn 9 month old
10 year old

INCOME

\$2300 nonexempt income
- 100 health insurance premium

\$2200 net nonexempt income
- 1100 maintenance need for four

\$1100 Share of Cost

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Step 2

Since the family has a share of cost and contains a pregnant woman and a child under age one, the family income will be recomputed (adding back any unallowable deductions) and compare this amount to the FPL for four.

\$2200	net nonexempt income
+ 100	health insurance premium

\$2300	nonexempt income

Step 3

Since the family is property eligible (no asset waiver required), compare their adjusted net nonexempt income to the 200 percent column of the FPL Chart for the appropriate family size: \$2392 (1993 FPL for four).

Mom and Infant are now eligible for the 185 percent program without any further calculation because the income disregard is "built" into the 200 percent column.

NOTE: Without the income disregard, Mom and Infant would have been ineligible for the 185 percent program. (185 percent of the FPL without the income disregard is \$2213.)

Step 4

Counties will now report Mom and the infant to MEDS under the appropriate 185 percent aid code (rather than to the 200 percent aid code as done in the past) which is renamed to the "Income Disregard" program.

EXAMPLE B:

The same family in Example A have assets above the property limit for four persons.

Step 1 and 2

Counties should follow Step 1 and 2 of Example A. Since current state law only allows an asset waiver for pregnant women and infants with income between 185 and 200 percent, counties must use both the 185 and 200 percent columns to determine if this family is eligible.

Step 3

The income disregard is not applied to income when determining eligibility for the 200 percent asset waiver program. Since this family's income (\$2300) is above 185 percent (\$2213), but below 200 percent (\$2392), they are eligible for the asset waiver program.

Step 4

Counties should report Mom and the infant to MEDS under the 200 percent aid code which is renamed to the "Asset Waiver" program.

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Ongoing Cases

Eligibles in the 200 percent program who will now meet the 185 percent program eligibility should be shifted to the appropriate 185 percent program (Income Disregard) aid code by February 1994, unless the family has excess assets. Data Systems Branch has prepared a list of persons currently receiving benefits under the 200 percent program. These lists will be sent under separate cover to each Medi-Cal liaison. Persons with excess assets will remain in the existing 200 percent (Asset Waiver) aid codes. All others who are currently in the 200 percent program should be shifted to 185 percent aid codes. Note: The 200 percent aid code 70 for pregnant women contains both citizens and undocumented aliens. These are separated under the 185 percent aid codes (44 and 48); therefore, when counties review cases with persons in aid code 70, they must be evaluated for excess assets as well as citizenship when evaluating them for the 185 percent program.

If you have any questions, please contact Ms. Margie Buzdas at (916) 657-0726.

Sincerely,

ORIGINAL SIGNED BY
GLENDA ARELLANO for
Frank S. Martucci, Chief
Medi-Cal Eligibility Branch

Enclosures

AID CODES AND INCOME LEVELS FOR PREGNANT WOMAN AND INFANTS

Income Disregard Program

Aid Code	Benefits	Persons	Income Limits* 200%(\$)	
44	Pregnancy Related and Postpartum Services Only (Citizen/Lawful permanent resident/PRUCOL/Conditional Status)	1	1,162	
48	Pregnancy Related and Postpartum Services Only (Nonimmigrant/Undocumented Status)	2	1,572	
49	Pregnancy Related and Postpartum Services Only (IRCA amnesty)	3	1,982	
47	Full benefits to infants up to one year unless continuous hospitalization lasts beyond one year (Citizen/Lawful permanent resident/Prucol Conditional Status)	4	2,392	
69	Emergency Services Only to infants up to one year unless continuous hospitalization lasts beyond one year (Nonimmigrant/Undocument Status)	5	2,802	
		6	3,212	
		7	3,622	
		8	4,032	
		9	4,442	
		10	4,852	

* The income disregard for the 185 percent program is built-in.

Asset Waiver Program

Aid Code	Benefits	Persons	Income Range**	
			185%(\$)	200%(\$)
70	Pregnancy Related and Postpartum Services Only (Citizen/Lawful Permanent Resident/PRUCOL/Conditional Status/Undocumented/Nonimmigrant/ Temporary Visa)	1	1,075	1,162
75	Pregnancy Related and Postpartum Services Only (IRCA Amnesty Aliens)	2	1,454	1,572
79	Full benefits to infants up to one year unless continuous hospitalization lasts beyond one year (Citizen/Lawful permanent resident/PRUCOL/Conditional Status)	3	1,834	1,982
07	Emergency Medical Services Only to infants up to one year unless continuous hospitalization lasts beyond one year (Nonimmigrant/Undocumented Status)	4	2,213	2,392
		5	2,592	2,802
		6	2,971	3,212
		7	3,351	3,622
		8	3,730	4,032
		9	4,109	4,442
		10	4,448	4,852

Effective 4/01/93

1993 FEDERAL POVERTY LEVEL CHART

Persons	MMNL(\$)	% of FPL	100%(\$)	Annual(\$)	110%(\$)	Annual(\$)	133%(\$)	Annual(\$)	185%(\$)	Annual(\$)	200%(\$)	Annual(\$)
1	600	104	581	6,970	639	7,667	773	9,271	1,075	12,895	1,162	13,940
2	750	96	786	9,430	865	10,373	1,046	12,542	1,454	17,446	1,572	18,860
2 Adults	934	119	786	9,430	865	10,373	1,046	12,542	1,454	17,446	1,572	18,860
3	934	95	991	11,890	1,090	13,079	1,318	15,814	1,834	21,997	1,982	23,780
4	1,100	92	1,196	14,350	1,316	15,785	1,591	19,086	2,213	26,548	2,392	28,700
5	1,259	90	1,401	16,810	1,541	18,491	1,864	22,358	2,592	31,099	2,802	33,620
6	1,417	89	1,606	19,270	1,767	21,197	2,136	25,630	2,971	35,650	3,212	38,540
7	1,550	86	1,811	21,730	1,992	23,903	2,409	28,901	3,351	40,201	3,622	43,460
8	1,692	84	2,016	24,190	2,218	26,609	2,682	32,173	3,730	44,752	4,032	48,380
9	1,825	83	2,221	26,650	2,443	29,315	2,954	35,445	4,109	49,303	4,442	53,300
10	1,959	81	2,426	29,110	2,669	32,021	3,227	38,717	4,488	53,854	4,852	58,220
For each additional member add:	\$14			2,460	226	2,706	273	3,272	380	4,551	411	4,920

Medi-Cal maintenance need limit for person in LTC = \$35

Medi-Cal regular maintenance need level = MMNL

Qualified Medicare Beneficiary (QMB) = 100%

Children born after 9/30/83, ages 6 up to 19 = 100%

Specified Low Income Beneficiaries = 110%

Children age 1 up to age 6 = 133%

Pregnant women and infants up to age 1 in a)

b) Asset Waiver Program: income must fall between 185% and 200% amounts.

Qualified Disabled Working Individuals = 200%

Transitional Medi-Cal (TMC) = 185%

Decimals are rounded up to the nearest dollar