DEPARTMENT OF HEALTH SERVICES
714/744 P Street
P.O. Box 942732
Sacramento, CA 94234-7320
(916) 657-2941

December 10, 1997

TO: All County Welfare Directors   Letter No.: 97-62
        All County Administrative Officers
        All County Medi-Cal Program Specialists/Liaisons

FORM REVISIONS: <u>SNEEDE</u> V. <u>KIZER</u>

Ref.:   All County Welfare Directors Letter Nos. 97-36, 97-33 and 96-29

The purpose of this letter is to transmit camera-ready copies of the newly revised:

MC 175-2 (9/97)   <u>Sneede</u> v. <u>Kizer</u>
                              Responsible Relative Determination

MC 175-3I.1 (9/97)   <u>Sneede</u> v. <u>Kizer</u>
                              Net Nonexempt Income Determination -- Continuation Sheet

MC 175-3I (11/97)   <u>Sneede</u> v. <u>Kizer</u>
                              Net Nonexempt Income Determination

<u>FORM REVISIONS:</u>

<u>MC 175-2 Sneede v. Kizer Responsible Relative Determination</u>

- The section of the form used to determine the number of persons for whom a parent is responsible has been revised to accommodate the parental needs allocation and deeming procedures required under the <u>Gamma</u> v. <u>Belshé</u> court order. The revision has resulted in separate determinations for property and income.

<u>MC 175-3I Sneede v. Kizer Net Nonexempt Income Determination -- Continuation Sheet</u>

- Information regarding deductions has been relocated to the instructions part of the form.

- Section F has been revised in order to reference new line numbers on the MC 175-3I (5/97)

MC 175-3I Sneede v. Kizer Net Nonexempt Income Determination

- Item 27 in Section F has been relocated to item 26 in Section E. Item No. 26 in Section F has been renumbered Item No. 27. These corrections were made to avoid an incorrect determination of the parent's net countable income when there is inkind income and income from PA/Other PA, LTC, or B&C spouse.

Counties are instructed to begin using the MC 175- 3I (Rev. 11/97), the MC 175-3I.1 (Rev. 9/97) and the MC 175-2 (Rev. 9/97) no later than February 1, 1998. Counties must discard all previous versions of these forms. Camera-ready copies may be obtained by contacting Seymour Reed at (916) 657-0840 for your convenience. The revised forms will be available in the warehouse by December 1, 1997.

REMINDER:

The MC 239 SN-3 (Rev.2/22/91) <u>Sneede v. Kizer Excluded Child Statement from Parent or Caretaker Relative (New Applicaiton and Annual Redetermination)</u> form continues to be required when a parent or caretaker relative does not want to apply for or receive Medi-Cal for a child who is a Sneede class member.

OBSOLETE FORMS:

MC 239 SN-2 (Rev.12/90) <u>Sneede v. Kizer Excluded Child Statement from Parent or Caretaker Relative (Class members identified through status report or class notice)</u>

If you have any questions, please call Marge Buzdas at (916) 657-0726.

Sincerely,

ORIGINAL SIGNED BY
TOM WELCH for

Frank S. Martucci, Chief
Medi-Cal Eligibility Branch

Enclosures

SNEEDE V. KIZER
RESPONSIBLE RELATIVE DETERMINATION
(Complete Only if Parent is in MFBU)

Case name	County district	County use

Case number	Effective date	
	Month	Year

INSTRUCTIONS

1. Complete only when MFBU exceeds Property Limits or has a Share of Cost.
2. Property and Income allocations are only from Spouse to Spouse and from Parent to Natural/Adoptive Child(ren).
3. Complete only Column A when the household consists of only a single parent.
4. Complete Columns A and B in all other situations.

	(A)	(B)
I. Enter name(s) of PARENT/SPOUSE (do not list PA/Other PA).		
II. Spouse (leave blank if unmarried).		
III. List others for whom Parent/Spouse is responsible. List excluded and ineligible child(ren). DO NOT LIST UNBORN, PA/OTHER PA.		
IV. Total number of persons parent is responsible for—Property Determination. (Add sections I, II, and III.) Transfer to line I 14 of the MC 175-3P.		
V. Subtract one for Parent A in Column A. Subtract one for Parent B in Column B.	−1	−1
VI. Total number of persons parent is responsible for—Income Determination. (line IV minus line V) Transfer to line 28 or line 29 of the MC 175-3I.		

Next complete the MC 175-3P for Property Determinations or the MC 175-3I for Share of Cost Determinations.

Eligibility Worker signature	Worker number	Date

MC 175-2 (9/97)

SNEEDE V. KIZER
NET NONEXEMPT INCOME DETERMINATION

Case name	County district	County use

Case number	Effective date	
	Month	Year

INSTRUCTIONS

* **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 child/spousal support 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 among the persons who receive the income. Example: MFBU of four receives free housing. Use in-kind income for four and each person receives one-fourth of the in-kind income. Add an unborn's share of in-kind income to the pregnant woman's share. If the pregnant woman is PA/other PA and not in the MFBU, give the unborn's share to the father of the unborn if he is in the MFBU.

*** **ABD-MN deductions** — Allow each ABD-MN child: $20, any income deduction, and $65 and one-half earned income deduction. Allow each ABD-MN *adult* or *spouse* of an 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 176W, part VI, before completing Sections A or B.

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 (Do not list unborns)	Name	Name	Name	Name	Name
PERSON TYPE	☐ Parent A or ☐ Caretaker relative	☐ Parent B or ☐ Caretaker relative	☐ 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. Income available from PA or other PA (MC 175-6, line A.4.)					
6. Other:					
7. Other:					
8. Total (add line 1 through line 7)					
9. ***ABD-MN $20 and any income deduction (skip if AFDC-MN/MI)					
10. Countable unearned income (line 8 minus line 9; enter on section D, line 16)					

Enter computation for child/spousal support and/or unearned in-kind income:

***NONEXEMPT EARNED INCOME— ABD-MN or spouse/parent of ABD-MN	Name	Name	Name	Name	Name
11. Gross earned income					
12. $65 earned income deductions plus $_____ unused $20 from line 9					
13. Remainder (line 11 minus line 12)					
14. Countable earned income (divide line 13 by 2; enter on Section D, line 17)					
NONEXEMPT EARNED INCOME—AFDC-MN/MI ONLY					
15. Net earned income (MC 176W, part IV, line 10; enter on Section D, line 17)					
TOTAL COUNTABLE INCOME AFDC-MN/MI and/or ABD-MN					
16. Countable unearned income (from line 10)					
17. Countable earned income (from line 14 or 15)					
18. Income allocated from LTC/B&C person to family members at home (from MC 176W, part B, or from MC 175-7, line C.2.)					
19. Total countable income (add lines 16, 17, and 18)					
OTHER DEDUCTIONS AFDC-MN/MI and/or ABD-MN					
20. Health insurance					
21. Child support/alimony					
22. Income to determine PA eligibility (MC 175-6, Section B.)					
23. Other:					
24. Total deductions (add lines 20 through 22)					
25. Total net countable income (line 19 minus line 24) Enter this on MC 175-4 if no parent in MFBU. If parent in MFBU, continue.					
26. Parent's total net nonexempt income LESS in-kind income and income from PA/OTHER PA, LTC, or B&C spouse (line 25 minus lines 4, 5, and 18)					
PARENTAL/SPOUSAL ALLOCATION COMPUTATION AFDC-MN/MI and/or ABD-MN (skip if no parent in MFBU) P/S NEEDS ALLOCATION AMOUNT	− 600	− 600			
27. Parent's net countable income less P/S allocation (line 26 minus $600; if negative, enter $0)					
28. Number of persons for whom Parent A is responsible (Section A of MC 175-2) DO NOT COUNT PARENT A.					
29. Number of persons for whom Parent B is responsible (Section B of MC 175-2) DO NOT COUNT PARENT B					
30. Child's natural/adoptive parent. Circle A or B, or both (see MC 175-2).			A — B	A — B	A — B
31. Parent A's allocation to spouse (if any) and natural/adopted children (divide Parent A's line 27 by line 28) Enter in each applicable box. Do not enter under Parent B if unmarried.					
32. Parent B's allocation to spouse (if any) and natural/adopted children (divide Parent B's line 27 by line 29) Enter in each applicable box. Do not enter under Parent A if unmarried.					
33. Enter child's net countable income (from line 25)					
34. Child's total net nonexempt income (add lines 31, 32, and 33; enter on MC 175-4).					
35. a. Enter lesser of: $600 (P/S allocation) or amount from line 26					
b. Enter amount from line 32 for Parent A or line 31 for Parent B					
c. Enter total from lines 4, 5, and 18					
d. Total parents' net countable income (add lines 35a, b, and c)					

ibility Worker signature	Worker number	Computation date

GO TO MC 175-4 NEXT

SNEEDE V. KIZER
NET NONEXEMPT INCOME DETERMINATION—Continuation Sheet

Case name	County district	County use

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* **Child/spousal support payments received**

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  Divide the $50 per month child/spousal support 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 among the persons who receive the income. Example: MFBU of four receives free housing. Use in-kind income for four and each person receives one-fourth of the in-kind income. Add an unborn's share of in-kind income to the pregnant woman's share. If the pregnant woman is PA/other PA and not in the MFBU, give the unborn's share to the father of the unborn if he is in the MFBU.

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2. Net income from property					
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5. Income available from PA or other PA (MC 175-6, line A.4.)					
6. Other:					
7. Other:					
8. Total (add line 1 through line 7)					
9. ***ABD-MN $20 and any income deduction (skip if AFDC-MN/MI)					
10. Countable unearned income (line 8 minus line 9; enter on section D, line 16)					

Enter computation for child/spousal support and/or unearned in-kind income:

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PARENTAL/SPOUSAL ALLOCATION COMPUTATION AFDC-MN/MI and/or ABD-MN (skip if no parent in MFBU) P/S NEEDS ALLOCATION AMOUNT					
26. Child's natural/adoptive parent. Circle A or B, or both (see MC 175-2).	A B	A B	A B	A B	A B
27. Parent A's allocation to natural/adopted children (line 27 from MC 175-3I) Enter in each applicable box.					
28. Parent B's allocation to natural/adopted children (line 28 from MC 175-3I) Enter in each applicable box.					
29. Enter child's net countable income (from line 25)					
30. Child's total net nonexempt income (add lines 27, 28, and 29; enter on MC 175-4).					

ility Worker signature	Worker number	Computation date

GO TO MC 175-4 NEXT