

**DEPARTMENT OF HEALTH SERVICES**

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P.O. Box 942732  
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(916) 657-2941



August 24, 1999

TO: All County Welfare Directors  
All County Administrative Officers  
All County Medi-Cal Program Specialists/Liaisons  
All County Public Health Directors  
All County Mental Health Directors

Letter No.: 99-41

**REVISIONS TO INCOME BUDGET FORMS FOR THE SECTION 1931 PROGRAM**

Ref. All County Welfare Directors Letter (ACWDL) No. 99-32 and 98-43

The treatment for income counted by public assistance programs and used to reduce the grant of family members of an individual on Medi-Cal in the Medically Needy program was extended to applicants and recipients for the Section 1931 program by ACWDL No. 99-32. This allocation was inadvertently omitted from the Section 1931 income budget forms transmitted by ACWDL No. 99-32.

This ACWDL transmits revised budget forms in Exhibit A. These revised forms include space for this allocation. The budget steps have been re-numbered to reflect the addition of this allocation.

Please direct questions regarding this ACWDL to Dave Rappolee of my staff at (916) 657-0163.

Sincerely,

ORIGINAL SIGNED BY

ANGELINE MRVA, Chief  
Medi-Cal Eligibility Branch

Enclosures

**ENCLOSURE**

**EXHIBIT A**

This exhibit provides a one-page “camera ready” version of the Section 1931 Applicant Program Budget Sheet and a one-page “camera ready” version of the Recipient Program Budget Sheet.

This version adds the deduction for allocations to excluded children to the work sheet.

# **SEC. 1931 APPLICANT PROGRAM BUDGET SHEET FOR DETERMINING APPLICANT NET NON-EXEMPT INCOME AND SECTION 1931 INCOME ELIGIBILITY**

Case Name				County District		County Use	
<input type="checkbox"/> New App. <input type="checkbox"/> Redetermination <input type="checkbox"/> Change <input type="checkbox"/> Retro Elig. <input type="checkbox"/> Correction				Effective Elig. Date for this budget: Mo.                      Yr.			
Name MFBU Member #1:			Name MFBU Member #6:			Other Coverage	
Name MFBU Member #2:			Name MFBU Member #7:				
Name MFBU Member #3:			Name MFBU Member #8:				
Name MFBU Member #4:			Name MFBU Member #9:				
Name MFBU Member #5:			Name MFBU Member #10:				
1	Enter unearned income of each MFBU member, then total for MFBU (include non-exempt disability-based income here)	Total MFBU Unearned Income \$ _____	Unearned income MFBU member # _____ \$ _____ +		Unearned income MFBU member # _____ \$ _____ +		
			Unearned income MFBU member # _____ \$ _____ +		Unearned income MFBU member # _____ \$ _____ +		
2	<input type="checkbox"/> Educational Expense (§ 50547)	- \$ _____	Exempt Income (List exempt income here):				
3	<input type="checkbox"/> \$50 Support Received (§50554.5)	- \$ _____					
4	Remaining non-exempt unearned income	Box 4 = \$ _____					
5	Enter earnings of each MFBU member, subtract \$90 work expense deduction from each, then total remainders for MFBU	Total MFBU Earnings: \$ _____	Earnings, MFBU member # _____ \$ _____ - \$90 wrk exp ded = \$ _____	Earnings, MFBU member # _____ \$ _____ - \$90 wrk exp ded = \$ _____	Earnings, MFBU member # _____ \$ _____ - \$90 wrk exp ded = \$ _____	Earnings, MFBU member # _____ \$ _____ - \$90 wrk exp ded = \$ _____	
6	<input type="checkbox"/> Dependent Care Deduction (§ 50553.5)	- \$ _____	County Use				
7	Remaining Non-exempt earned Income	Box 7 = \$ _____					
8	Total Remaining Income: Non-exempt unearned income & Non-exempt earned income (lines 4+7)	\$ _____					
9	<input type="checkbox"/> Child/Spousal Support Pymts (§ 50554)	- \$ _____					
10	<input type="checkbox"/> Allocation to excluded children (§ 50558)	- \$ _____					
11	<input type="checkbox"/> Allocation to PA family member (§50557)	+ \$ _____					
12	Total MFBU Net-nonexempt Income (rounded down to the nearest dollar)	= \$ _____					
13	Sec. 1931 income limit for family	\$ _____					
	If income from line 12 is less than limit from line 13, family is income eligible	<input type="checkbox"/> Eligible	<input type="checkbox"/> Not Eligible: if no Sneed-eligible class member, evaluate for other Medi-Cal programs; if Sneed- eligible class member, evaluate for Sec. 1931 under Sneed.				
Eligibility Worker Signature		Worker Number	Computation Date		County Use		

**SEC. 1931 RECIPIENT PROGRAM BUDGET SHEET FOR DETERMINING RECIPIENT NET NON-EXEMPT INCOME  
AND SECTION 1931 INCOME ELIGIBILITY**

Case Name _____			County District _____		County Use _____																			
<input type="checkbox"/> New App. <input type="checkbox"/> Redetermination <input type="checkbox"/> Change <input type="checkbox"/> Retro Elig. <input type="checkbox"/> Correction			Effective Elig. Date for this budget: _____		Mo. _____	Yr. _____																		
Name MFBU Member #1: _____		Name MFBU Member #6: _____		Other Coverage																				
Name MFBU Member #2: _____		Name MFBU Member #7: _____																						
Name MFBU Member #3: _____		Name MFBU Member #8: _____																						
Name MFBU Member #4: _____		Name MFBU Member #9: _____																						
Name MFBU Member #5: _____		Name MFBU Member #10: _____																						
1	Enter unearned income of each MFBU member, then total for MFBU (do not include non-exempt disability-based income here)	Total MFBU Unearned Income = \$ _____	Unearned income MFBU member # _____ \$ _____ + Unearned income MFBU member # _____ \$ _____ +																					
2	<input type="checkbox"/> Educational Expenses (§ 50547)	- \$ _____	Exempt Income (List exempt income here):																					
3	<input type="checkbox"/> \$50 Support Received (§ 50554.5)	- \$ _____																						
4	Remaining non-exempt unearned income	Box 4 = \$ _____																						
5	Enter disability-based income (DBI) of each MFBU member, then total for MFBU	Total MFBU Disability-Based Income: \$ _____	DBI of MFBU member # _____ \$ _____ + DBI of MFBU member # _____ \$ _____ +																					
6	\$240 deduction	- \$240																						
7	Remaining Non-exempt disability-based income (DBI) (if deduction exceeds disability based income, enter "0".)	Box 7 = \$ _____	7a Unused \$240 (line 6-line 5; if negative enter 0)		\$ _____ (Unused \$240)																			
8	Enter earnings for up to two MFBU members, then total for MFBU (if 3 or more persons with earnings, skip lines 8 & 9 and proceed to worksheet for 3+ earners)	Total MFBU Earnings: \$ _____	Earnings of MFBU member # _____ \$ _____ + Earnings of MFBU member # _____ \$ _____																					
9	<input type="checkbox"/> Unused \$240 deduction (from box 7a)	- \$ _____	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td>14</td> <td>Total Remaining Non-exempt unearned income, Non-exempt disability-based income &amp; Non-exempt earned income (total from box 4, 7, &amp; 13)</td> <td>\$ _____</td> </tr> <tr> <td>15</td> <td><input type="checkbox"/> Child/Spousal Support Pymts (§ 50554)</td> <td>- \$ _____</td> </tr> <tr> <td>16</td> <td><input type="checkbox"/> Allocation to excluded children (Sec. 50558)</td> <td>- \$ _____</td> </tr> <tr> <td>17</td> <td><input type="checkbox"/> Allocation to PA family member (§50557)</td> <td>+ \$ _____</td> </tr> <tr> <td>18</td> <td>Total MFBU Net-nonexempt income (rounded down to the nearest dollar)</td> <td>= \$ _____</td> </tr> <tr> <td>19</td> <td>Sec. 1931 income limit for family</td> <td>\$ _____</td> </tr> </table>				14	Total Remaining Non-exempt unearned income, Non-exempt disability-based income & Non-exempt earned income (total from box 4, 7, & 13)	\$ _____	15	<input type="checkbox"/> Child/Spousal Support Pymts (§ 50554)	- \$ _____	16	<input type="checkbox"/> Allocation to excluded children (Sec. 50558)	- \$ _____	17	<input type="checkbox"/> Allocation to PA family member (§50557)	+ \$ _____	18	Total MFBU Net-nonexempt income (rounded down to the nearest dollar)	= \$ _____	19	Sec. 1931 income limit for family	\$ _____
14	Total Remaining Non-exempt unearned income, Non-exempt disability-based income & Non-exempt earned income (total from box 4, 7, & 13)	\$ _____																						
15	<input type="checkbox"/> Child/Spousal Support Pymts (§ 50554)	- \$ _____																						
16	<input type="checkbox"/> Allocation to excluded children (Sec. 50558)	- \$ _____																						
17	<input type="checkbox"/> Allocation to PA family member (§50557)	+ \$ _____																						
18	Total MFBU Net-nonexempt income (rounded down to the nearest dollar)	= \$ _____																						
19	Sec. 1931 income limit for family	\$ _____																						
10	Remaining non-exempt earned income (or from line 12 worksheet); if deduction exceeds earned income, enter "0."	= \$ _____																						
11	50% deduction (divide amount in line 10 by 2)	= \$ _____																						
12	<input type="checkbox"/> Dependent Care Deduction (§ 50553.5)	- \$ _____																						
13	Remaining Non-exempt earned income	Box 13 = \$ _____																						
If income from line 18 is less than limit from line 19, family is income eligible		<input type="checkbox"/> Eligible	<input type="checkbox"/> Not Eligible: if no Sneed-eligible class member, evaluate or other Medi-Cal programs; if Sneed-eligible class member, evaluate for Sec. 1931 under Sneed.																					
Eligibility Worker Signature _____		Worker Number _____	Computation Date _____		County Use _____																			

**SEC. 1931 PROGRAM WORKSHEET: APPLYING THE \$240 & ½ DEDUCTION TO RECIPIENT FAMILIES WITH 3  
OR MORE PERSONS WITH EARNINGS**

NAME:					
1	<b>Family's Non-exempt earned income</b>	\$ _____	\$ _____	\$ _____	\$ _____
2	<b>Non-exempt earned income of two highest earners</b>	\$ _____			
3	Unused \$240 deduction (from box 7a Recipient Budget Sheet [MC176M 1931 RECIP]; if result is 0 or less, enter 0)	- \$ _____			
4	<b>Remaining Non-exempt earned income of two highest earners</b> (if deduction exceeds earned income, enter "0.")	= \$ _____			
5	<b>Non-exempt earned income of 3rd highest earner</b>	\$ _____			
6	\$120 deduction	- \$120			
7	<b>His/her remaining Non-exempt earned income</b> (if deduction exceeds earned income, enter "0.")	= \$ _____			
8	<b>Non-exempt earned income of 4th highest earner</b>	\$ _____			
9	\$120 deduction	- \$120			
10	<b>His/her remaining Non-exempt earned income</b> (if deduction exceeds earned income, enter "0.")	= \$ _____			
11	<b>Other remainder Non-exempt earned income</b> (If 5 or more persons with earnings, enter Total of their remainder earned income after subtracting \$120 from earnings of each.) (If deduction exceeds earned income, enter "0.")	= \$ _____			
12	<b>Non-exempt earned income Subtotal</b> (total of all remainder earned income: add lines 4, 7, 10 & 11 this worksheet); enter amount on Section 1931 Program Budget Sheet (line 10)	= \$ _____			