

DEPARTMENT OF HEALTH SERVICES

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MEDI-CAL ELIGIBILITY PROCEDURES MANUAL LETTER NO.: 247

TO: All Holders of the Medi-Cal Eligibility Procedures Manual

Article 8D – MFBU DETERMINATIONS – CARETAKER RELATIVES

Enclosed is an updated Article 8D of the Medi-Cal Eligibility Procedures Manual. These pages contains new information about the treatment of a caretaker relative who is eligible for Section 1931(b) and who has an eligible spouse and some clarifications about the budget unit rules for caretaker relatives.

Filing Instructions:

Remove Pages:

Article 8
Pages 8D-3 through 8D-9

Insert Pages:

Article 8
Pages 8D-3 through 8D-13

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

Sincerely,

Original signed by

Shar Schroepfer, Chief
Medi-Cal Eligibility Branch

Enclosures



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MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

- ◆ Deciding where the child attends school or child care.
- ◆ Dealing with the school on educational decisions and problems.
- ◆ Controlling participation in extracurricular and recreational activities.
- ◆ Arranging medical and dental care services.
- ◆ Claiming the child as a tax dependent.
- ◆ Purchasing and maintaining the child's clothing.

NON-PARENT CARETAKER RELATIVE PROGRAM RULES

- A caretaker relative is not required to be in the MFBU if they are not requesting benefits for themselves.
- A caretaker relative is linked to the related child because the parent is absent from the home or for Section 1931(b) purposes only, the parent lives in the home, but has no care and control.
- Only siblings and half-siblings are in the same MFBU.
- Only one caretaker relative may be linked to a child. If there is more than one child in the household and they are not siblings, each caretaker may be linked to a different child. The caretakers would be in separate budget units with their related child.
- If the caretaker relative is pregnant, aged, blind, or disabled etc., he/she need not be included with the related child; however, he/she must be linked to a deprived child to be eligible for the Section 1931(b) program.
- A caretaker relative with his/her own deprived child and a related child may choose to be linked to either his/her own child or the related child.
- If an MFBU which contains a caretaker relative and related children has excess property or a share of cost, follow existing Sneede/Gamma procedures in Article 8F. Caretaker relatives are not responsible for their related children and do not allocate to them. The related children receive a full income limit or maintenance need amount rather than a prorated amount.
- A caretaker relative who is eligible for Section 1931(b) with a related child is not in the MFBU with other household members who are not eligible for Section 1931(b) unless the caretaker's spouse, other parent, or children are being evaluated for the Percent programs.
- A caretaker relative who is not eligible for Section 1931(b) and is eligible for the Medically Needy (MN) program with a related child is also in the MFBU as an ineligible member with an MN spouse or other MN parent and would be an ineligible member of

MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

the MI budget if he/she has his/her own MI children.

- In households where there is an MFBU which contains a caretaker relative and related children and the spouse or children of the caretaker either do not wish Medi-Cal or receive public assistance (PA) or other PA and do not appear in any MFBU, no income or property allocation is made to either the spouse or the caretaker's own children by the caretaker or vice versa. If the spouses have joint checking accounts or savings, assume $\frac{1}{2}$ is community property unless it is separate.
- If the caretaker relative is in two MFBUs, consider the caretaker relative's full income in both and allow his/her medical expenses to be used to meet the share of cost in both MFBUs as specified in Section 50379.

Note: See the Procedures 8F and 5K for more information. See Procedures Manual 8G for Section 1931(b) MFBU and income rules.

MEDI-CAL FAMILY BUDGET UNIT SCENARIOS

**Family Members Living in the Home
Who are not PA or Other PA**

MFBU Composition

EXAMPLE 1

Grandmother requests Medi-Cal for herself and her grandchildren (siblings or half siblings). The grandfather and their children also live in the home. The grandfather has no linkage and does not wish Medi-Cal nor do their own children.

Household

1 MFBU for either Section 1931(b) or MN

Caretaker grandmother; related children;
caretaker's spouse; their own children.

a) Caretaker; related children

EXAMPLE 2

Grandmother requests Medi-Cal for herself, her grandchildren (siblings or half siblings), her spouse, and their own children, none of whom are the grandchildren's parent(s). The grandfather and their children live in the home. The grandfather has no linkage. The grandmother has no basis for linkage except as a non-parent caretaker relative to her grandchildren.

The caretaker and her related children are eligible for Section 1931(b). The caretaker's spouse has no linkage and their own children are not deprived. The mutual children should be evaluated for the Medically Indigent (MI) program and the Percent programs, if applicable. NOTE: The caretaker is not included in the MI MFBU as an ineligible member with the caretaker's spouse in this example.

MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

Section 1931(b) MFBU

Caretaker Grandmother
Related Children

Percent Programs

<Grandmother (Parent)>
<Grandfather (Parent)>
Own Children

MI MFBU

Caretaker's Spouse (Grandfather)
Own children

If the caretaker and the related children are not eligible for Section 1931(b) after applying SneeDe rules, or the related children are above the age limit for Section 1931(b), all household members should be evaluated for the MN/MI and Percent programs, if applicable.

Household

Caretaker grandmother; related children;
caretaker's spouse; their own children

2 MN/MI MFBUs

a) Caretaker; related children

(b) Caretaker and caretaker's spouse as ineligible members; their own eligible children.

EXAMPLE 3

Aunt requests Medi-Cal for herself, her sister's children (siblings or half siblings), and her spouse who is aged. They have no children of their own in the home. The aunt has no basis for linkage except as a non-parent caretaker relative to her nieces and nephews.

If the caretaker and the related children are eligible for Section 1931(b), the caretaker is not an ineligible member of his/her spouse's MFBU.

Section 1931(b) MFBU

Caretaker
Related Children

MN MFBU

Caretaker's Spouse

If the caretaker and the related children are not eligible for Section 1931(b), SneeDe rules apply. If the related children are eligible, but the caretaker is not, he/she should be evaluated for the MN program. The caretaker is linked to the deprived related children. The caretaker is in the MFBU with his/her spouse.

MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

Section 1931(b) MFBU

MN MFBU

Related children

Caretaker
Caretaker's spouse

If the caretaker passed Section 1931(b) but the related children do not, the children should be evaluated for the MN program. They are not in the MFBU with the caretaker's spouse. The related children must be eligible for a zero share of cost (SOC) Medi-Cal program for the caretaker to be linked to Section 1931(b). If the related children have a SOC, they should be evaluated for the Percent programs.

Section 1931(b)

2 MN MFBUs

Caretaker

a) Related Children
b) Caretaker's spouse

Percent Programs MFBU

Caretaker
Related Children

If the related children are not eligible for the Percent programs and they have income, each would be in his/her own MBU per Sneede rules. Use only each child's income and compare it to the FPL for the total family size of the original MFBU (the caretaker and the related children).

If neither the caretaker and the related children are eligible for the Section 1931(b), they should be evaluated for the MN program.

Household

2 MN MFBU(s)

Caretaker aunt; related children;
caretaker's spouse.

a) Caretaker; related children
b) Caretaker as ineligible member.
Caretaker's spouse (aged).

EXAMPLE 4

Grandmother requests Medi-Cal for herself, her grandchild, and her sister's children. She has no spouse or children of her own living in the home. A caretaker may choose either/any MFBU. Children who are not siblings or half siblings must be in their own MFBU. This example is the same for the Section 1931(b) and MN programs.

MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

Section 1931(b) MFBU

2 MN MFBU's

Caretaker

- a) Nephew
- b) Caretaker's children

If Snee rules apply and the caretaker fails Section 1931(b), but the nephew or his/her children with income pass Section 1931(b), the caretaker is alone in the MN MFBU. Any allocation that the caretaker made to his/her children is deducted from his/her income.

Section 1931(b) MFBU

MN MFBU

- a) Nephew
- b) Caretaker's children

Caretaker

Example 7

Brother Bill requests Medi-Cal for himself (age 22), his younger brother Bobby (age 13), and his cousin John (age 5). Bill is the caretaker of both children who live in the home. The brother has a net nonexempt income of \$2000 per month. The other children have no income. Assume the family is property eligible. Since we do not combine children who are not siblings or half siblings, the brother may choose to be linked to either child.

Household

2 Section 1931(b) MFBUs

Caretaker, younger brother, cousin

- a) Caretaker, younger brother
- (b) Cousin

or

- a) Caretaker, cousin
- b) Younger brother

Assume that the caretaker and the younger brother are in MFBU#1. The cousin is in his own separate MFBU. Evaluate the caretaker and the younger brother for Section 1931(b).

Section 1931(b) MFBU #1

Section 1931(b) MFBU #2

Caretaker	\$2000	Net nonexempt income
Brother Bobby	\$ 0	
Total	<u>\$2000</u>	
Limit (100%)	\$ 968	

Cousin	\$ 0
Total	<u>\$ 0</u>
Limit (100%)	\$716

MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

MFBU #1 is not eligible. Apply Sneede/Gamma since this is a caretaker relative case. No income is deemed from the caretaker to the child as he is not responsible for him.

MBU #1		MBU# 2	
Caretaker	\$2000 Net nonexempt income	Brother Bobby	\$ 0
Total	<u>\$2000</u> Net nonexempt income	Total	<u>\$ 0</u>
Limit (100%)	\$ 716	Limit (100%)	\$716

The caretaker is not eligible for Section 1931(b). He should be evaluated for the MN program

MN MFBU

Caretaker Bill	\$2000
Total	<u>\$2000</u>
Limit	\$ 600
SOC	\$1400

In month two, evaluate the Caretaker and brother Bobby using Section 1931(b) recipient income rules.

Family Members Living in the Home Who are PA or Other PA

MFBU Composition

Example 8

MFBU(s)

Uncle, his brother's daughters (siblings or half siblings), his wife and their mutual children request Medi-Cal. His wife is incapacitated. Nieces are SSI recipients. The uncle may be linked to either the SSI nieces or to his wife and their own children.

Household

1 Section 1931(b) MFBU

Caretaker uncle, related children on PA; caretaker's spouse; their own children

Caretaker; spouse; their own children.
or

2 Section 1931(b) MFBU's

a) Caretaker

b) Spouse; Own children

If the caretaker uncle chooses to link to the SSI nieces and is not eligible for the Section 1931(b) but his wife and children are eligible, he should be evaluated for the MN program.

MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

Section 1931(b) MFBU

MN MFBU

Spouse
Own Children

Caretaker

If the spouse and her children are not eligible for Section 1931(b), nor is the caretaker all should be evaluated for the MN program.

2 MN MFBU's

- a) Caretaker
- b) Caretaker as ineligible member, spouse, own children

Example 9

Uncle, his brother's daughters (siblings or half siblings), his pregnant wife and their own mutual children request Medi-Cal. Nieces are SSI recipients. Uncle has no linkage except to nieces. Assume he is eligible for Section 1931(b). The mutual children have no linkage; therefore, they and their mother should be evaluated for the MI program and the Percent programs, if applicable.

Household

Section 1931(b) MFBU

Caretaker uncle, related children on PA;
caretaker's spouse; their own children.

Caretaker

MI Program MFBU

Wife, unborn, other mutual children.

If the caretaker is not financially eligible for the Section 1931(b) program, he should be evaluated for the MN program using his nieces as linkage. He would be an ineligible member of the MFBU with the wife, unborn, and other mutual children in the MI or Percent program MFBU.

MN MFBU

MI Program MFBU

Caretaker Uncle

Caretaker as an ineligible member, spouse,
unborn, other mutual children

Example 10

Grandmother requests Medi-Cal for herself and her grandchildren (siblings or half siblings). The grandfather receives SSI because he is aged and lives in the home. This example is

MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

the same for the Section 1931(b) and MN programs.

Household

1 MFBU

Caretaker grandmother; related children;
caretaker's spouse on PA

Caretaker; related children.

Example 11

Grandmother requests Medi-Cal for herself, her two grandchildren and her own children. The grandfather is employed and there is no other basis of deprivation; therefore, the grandparent's children are Medically Indigent or Percent program eligible. The grandmother's only linkage would be as the non-parent caretaker relative of her grandchildren. The grandson is 19 and is not eligible for Section 1931(b). He is not in the MFBU with the children of the caretaker since they are not siblings or half-siblings. The granddaughter receives SSI and provides linkage for the grandmother.

Household

Caretaker grandmother; related children
Caretaker's spouse; their own children

Section 1931(b) MFBU

MN MFBU

MI MFBU

Caretaker

Grandson

Caretaker's Own Children
<Grandfather>

If the caretaker is ineligible for Section 1931(b), she would be in the MN MFBU with her grandson. She would also be in the MI MFBU as an ineligible member with her own children and her husband.

2 MN/MI MFBUs

- a) Caretaker; related child
- b) Caretaker as ineligible member; her spouse and own children.

Example 12

Grandmother requests Medi-Cal for herself but not for her spouse. Her grandchild lives in the house and receives AFDC foster-care based Medi-Cal. Grandmother has no other linkage except her grandchild. This example is the same for the Section 1931(b) and MN programs.

MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

Household

Caretaker grandmother; related child
on PA, caretaker's spouse.

MFBU

Caretaker

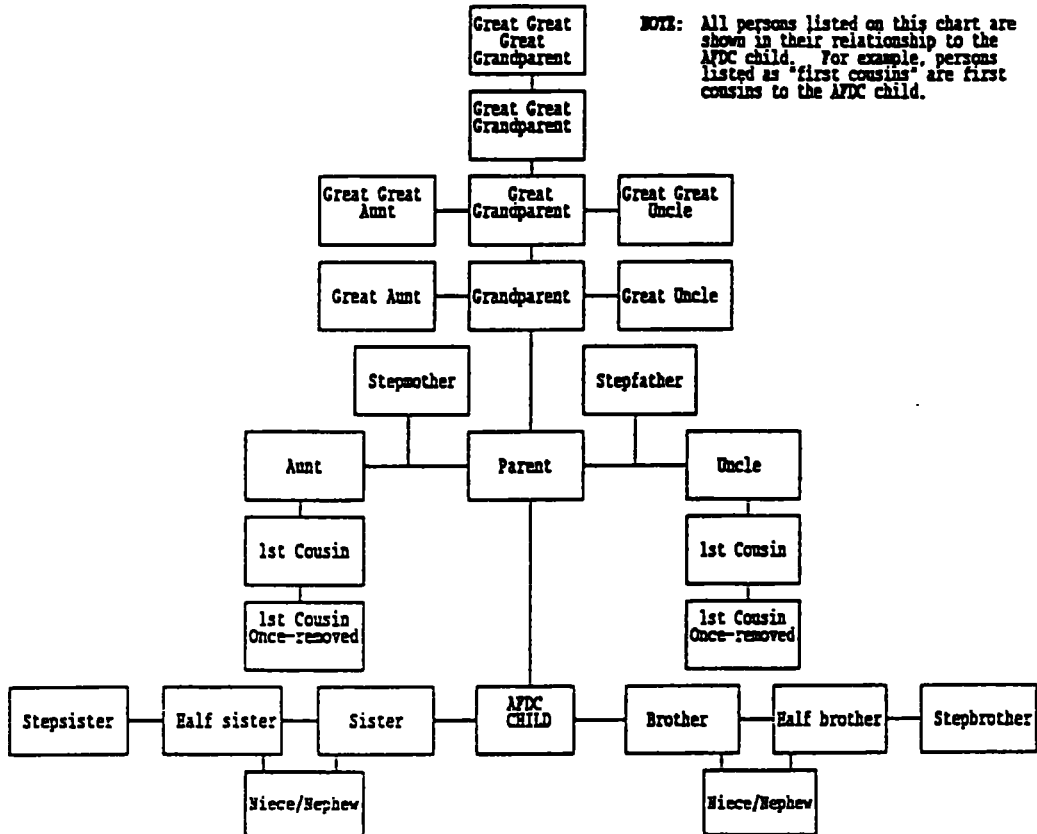
MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

Regulations CHART FOR DETERMINING RELATEDNESS OF CARETAKER RELATIVES

APPENDIX A

HANDBOOK BEGINS HERE

CHART FOR DETERMINING RELATEDNESS OF CARETAKER RELATIVES



- 1) The caretaker relative also includes the spouse or former spouse of the relatives listed above.
- 2) The caretaker relative also includes the adoptive parents and their relatives as listed above.

HANDBOOK ENDS HERE

