

State of California—Health and Human Services Agency  
Department of Health Services



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July 3, 2002

MEDI-CAL ELIGIBILITY PROCEDURES MANUAL LETTER NO.: 267

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

ARTICLE 8G MEDI-CAL FAMILY BUDGET UNIT (MFBU) DETERMINATIONS FOR  
THE SECTION 1931(b) PROGRAM

Enclosed are corrections and clarifications to the Section 1931(b) MFBU procedures.  
These new additions or changes are marked with a black line in the right margin.  
Please note that the examples reflect the April 1, 2001, income limits.

**Filing Instructions:**

**Remove Pages:**

Article 8G

Pages 8G-3 through 8G-12

Pages 8G-24 through 8G-29

**Insert Pages:**

Article 8G

Pages 8G-3 through 8G-12

Pages 8G-24 through 8G-29

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

Sincerely,

Original signed by

Richard Brantingham  
Acting Chief  
Medi-Cal Eligibility Branch

Enclosures



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## MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

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- The stepparent may choose to apply as an essential person for Section 1931(b) if his/her spouse has a deprived child and the spouse wishes to apply regardless of whether or not the stepparent has non-deprived children. This is different from the MN program which only allows a stepparent with no children of his/her own in the home to be linked by a spouse who is incapacitated. His/her income must be counted if his/her spouse is requesting Medi-Cal. The stepparent may opt out of Section 1931(b) or the MN program if only his/her spouse's separate children are applying for benefits. See the special property rules requirement described under Sneede property and Example C in the Procedures section 5K. Page 6.
- The Section 1931(b) MFBU rules for a non-parent caretaker are similar to those of the MN program. If the caretaker relative is not the parent of the child, he or she is not required to be in the MFBU unless he or she wishes to be aided. If a caretaker also lives with a spouse, the spouse may not be aided nor is the spouse's income and property counted. This is similar to the rule for the MN program. The spouse may be aided under the MN program if he or she has other linkage such as aged, blind, or disabled. See the Medi-Cal Eligibility Procedures Manual Article 8D for more information.
- An exception to Section 1931(b) MFBU rules for caretaker relatives is if the non-parent relative is the caretaker of a child and the adult parent of that child is also living in the home. This is permitted under Section 1931(b) rules even though MN rules do not permit the caretaker relative to be aided when the parent is also living in the home. If an adult parent does not have care and control of his or her child (but his or her parental rights have not been terminated) and he/she is living with a caretaker relative of the adult parent's child such as grandparent who does have care and control, all persons are included in the MFBU if the caretaker wishes to be aided.
- The minor parent who is living in the home of his/her parents must either be a deprived child or may request aid only for himself/herself and his/her deprived child to be aided under Section 1931(b) rules. In either case, the senior parent's income and property are counted until the minor is an adult and they must apply for the minor parent. The Section 1931(b) MFBU is similar to that of the MN MFBU. If the minor mother is pregnant, there is one MFBU. The deprived pregnant minor is an eligible member in the MFBU with her unborn, parents and siblings. The senior parent with no care and control of a minor parent is an ineligible member of the Section 1931(b) MFBU and should be evaluated for the MN program in an MFBU of one.
- If the minor mother has no other siblings in the household, the senior parent must have care and control of both the minor mother and the minor mother's child if the senior parent wishes to be aided. If these conditions are not met, she is an ineligible member in the minor mother's MFBU for the Section 1931(b) program. If these conditions are met, there are two MFBU's for the Section 1931(b) program similar to the treatment of the minor mother and the senior mother under regular MN rules. The senior parent is in the first MFBU with the minor mother and the minor mother is an ineligible member with his/her child in the second MFBU. As in the MN program, the senior parent's income/property is never used to determine the eligibility for the minor parent's child. If the senior parent's income/property makes the minor parent ineligible in the first MFBU, only the infant is eligible in the second MFBU (the minor mother is ineligible in this MFBU). The senior parent(s) and the minor parent may be eligible for the MN or the Percent programs if they are not eligible for Section 1931(b).
- If there are siblings in the home, the senior parent, siblings, and the minor parent are in the first MFBU. The issue of care and control is not an issue due to CalWORKs mandatory inclusion rules. Sneede rules apply if the siblings or the minor has income. The minor mother is an ineligible member of the second MFBU with her infant.

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SECTION NO.: 50226

MANUAL LETTER NO.: 267

DATE: 7/3/02

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## MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

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- The Section 1931(b) MFBU for married minor children and their spouse living with the senior parent(s) is similar to the MFBU used for the MN program except that a minor under the MN/MI program is a person under 21. There may be three separate MFBU's depending on who wishes to be aided. See Example 18 in the SneeDe Procedures 8F.
- Persons who are eligible for Section 1931(b) may choose to be aided under certain other mandatory programs such as Pickle or a special limited benefits program such as the Qualified Medicare Beneficiary program, but they may not choose to be aided under the MN program which is an Optional federal category.
- A deprived child must live with either a parent or caretaker relative to be eligible for Section 1931(b).
- A child 18 years old (and not enrolled in school and expected to graduate by age 19), 19, or 20 years old who is living in the home with a senior parent and other siblings and is considered an "adult" under the Section 1931(b) program rules, is an ineligible member of the Section 1931(b) MFBU unless he/she is a parent of a deprived child who is living in the home and could apply for Section 1931(b) in a separate case regardless of whether his/her own and his/her child's income or property are under the Section 1931(b) limits. NOTE: A married or unmarried adult child between ages 18 to 21 who is not eligible for Section 1931(b) because he/she has no deprived children or she is pregnant and is not in her last trimester and has no other born children is not eligible for Section 1931(b) in a separate case and is an ineligible member of the senior parents' MFBU.

### C. SNEEDE REQUIREMENTS

The requirements of the SneeDe lawsuit apply to the Section 1931(b) determination. That is, there is a mandatory exception to using the modified July 16, 1996 AFDC methodology. This exception relates to the Medi-Cal SneeDe lawsuit which limits financial responsibility to a spouse for a spouse or a parent for a child. Such prohibitions did not exist in the AFDC program, but the Health Care Financing Administration indicated that SneeDe must apply to the Section 1931(b) program as it does for all other Medi-Cal programs. For more information on SneeDe, see the Procedures 8F.

This means that if a family is determined ineligible for Section 1931(b) rules because of excess property or failure to meet the income test, SneeDe provisions apply if there is a SneeDe class member. If only a parent is eligible for Section 1931(b) after SneeDe is applied, there must be at least one deprived child who is eligible for another Medi-Cal program with a zero SOC for the parent to be eligible for Section 1931(b).

Generally, the same SneeDe methodology used in the regular Medi-Cal program is followed under Section 1931(b) except for the following:

Income Deductions and the Personal Needs Allowance: Under regular SneeDe, deductions for the aged, blind, and disabled are applicable. These deductions are not permitted in the Section 1931(b) SneeDe determination. Under regular SneeDe, the SOC is based on the Maintenance Need Income Level (MNIL) (or prorated amount), and a parental needs amount of \$600 (which relates to the MNIL for one) is allowed for the parent before the parent allocates to others for whom that parent is responsible. As of March 1, 2000, Section 1931(b), income eligibility for applicants is based on 100 percent of the FPL. Recipients are allowed either the MBSAC income limit with the \$240+ 1/2 deductions (**Alternative A**) or the 100 percent limit with the \$90 work expense deduction (**Alternative B**). As of July 1, 1999, the parental needs allowance for Alternative A recipients is \$389 which is \$1

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## MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

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less than MBASC. As of April 1, 2000, the parental needs allowance for applicants and Alternative B recipients is \$696. These amounts change when the MBSAC and the FPL limit change. Each Alternative A Sneede member may receive the full \$240 + 1/2, if applicable. Each Alternative B Sneede recipient with earned income will receive the \$90 deduction up to the amount of their earned income. This is similar to the Sneede rules for deductions under the MN/MI program where each Sneede member receives a full set of applicable deductions, e.g., the \$20 any income disregard, (see Medi-Cal Eligibility Procedures Manual Article, 8F Page 13), except that the \$240 is applied first to disability and then to earned income and the 1/2 to the remainder of earned income and the \$240 + 1/2 or the \$90 deduction does not require that the person with that income be a spouse or a parent of a disabled child.

1. Allocations from spouses or parents who have failed to qualify for Section 1931(b) due to Sneede or because of no deprivation are described below:

- Spouses (such as a father of an unborn where there are no born children) who are not eligible for Section 1931(b) may deduct all of their income if they are being determined as eligible or ineligible members of the MFBU for the Medically Needy (MN) program and their income was used to make their spouse eligible for Section 1931(b). Unmarried parents are not responsible for each other and may not deduct any income if the other parent is Section 1931(b) eligible. NOTE: There should not be many instances where one spouse is ineligible because spouses are in the same Mini Budget Unit (MBU) and will pass or fail the income and property test together and the stepparent can choose to be an essential person. However, the spouse may not have linkage when the pregnant woman has no other deprived children, is in her last four months, because the father is not eligible until the deprived child is born. Unmarried parents may not deduct any allocation to the unmarried parent of their mutual child. They are in separate MBUs and only keep parental needs allowance; therefore, unmarried parents usually pass the Section 1931(b) income test unless they have separate children who are in the same budget unit.
- A parent who is not eligible for Section 1931(b) may deduct the amount of their parental allocation to each child if that child is Section 1931(b) eligible when the parent is being determined for the MN or MI programs as an eligible or ineligible member.
- No income or Sneede allocation from any eligible Section 1931(b) person is carried over to family members who did not pass Section 1931(b).
- If only a child(ren) and/or spouse is Section 1931(b) eligible using either the Alternative A or B allocations by a parent or spouse, the parent or spouse may deduct the larger of either Alternative A or B allocations when determining his/her MN determination.
- Children who do not pass Section 1931(b) after a Sneede determination, or do not meet the age limitations or deprivation requirements may not deduct any of their income which was used in the Section 1931(b) determination because they are not responsible relatives. The children must use their income again (if any), when they are determined for the MN or MI program. As noted above, no allocations from the parent in Section 1931(b) are carried over to them.

2. Percent Programs:

- When determining eligibility for the Percent programs for persons who did not pass Section 1931(b) or the MN/MI program with no share of cost after Sneede rules were

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## MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

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applied or who have no deprivation and are being evaluated for the Percent programs, follow the regular MFBU composition and income rules as described in the Medi-Cal Eligibility Procedures Manual Section 5K. Include the income from all responsible persons and compare the net nonexempt income to the income limit for the entire family size. Follow the usual exceptions which are:

- (a) If the stepparent is opting out of either Section 1931(b) or the MN program because only the spouse's separate children wish to be aided or,
- (b) If the unmarried father does not wish to be aided with his/her girlfriend and her separate child and the only non-deprived mutual child in the MFBU is his unborn.

These persons were not part of the original Section 1931(b) or MN MFBU and are not included in the family size, nor is their income counted.

3. Property exception: The property limits under Section 1931(b) and Sneede are the same as under the MN program with the exception of a single adult which has a limit of \$3000.

Note: If the husband and the husband's separate child choose not to be aided, his separate plus one-half of the community property are exempt under the Section 1931(b) program. This exemption for property occurs even though his wife is requesting benefits. This rule does not apply to income. Income from the stepparent is counted unless only the wife's separate children are applying. If the husband's separate child wants benefits, then the husband is considered a parent and the stepparent exemption does not apply. More information about Section 1931(b) property rules are described in ACWDLs 98-43, 99-02, 99-03, 99-20, 01-53, and 01-62 will be discussed in future Procedures.

### D. MFBU EXAMPLES (Assume all persons are property eligible)

#### Example 1: (Some Family Members Receive CalWORKs)

Father and two children age six and eight are receiving Medi-Cal through CalWORKs. Mother is not eligible for CalWORKs because she does not meet the other CalWORKs requirements such as work, citizenship or time limits. Oldest child is not eligible for CalWORKs because he is age 20.

<u>CalWORKs</u>	<u>1931(b)</u>	<u>MN/MI</u>
Father	Mother	20-Year-Old
Child #1	<20 Year Old>	
Child #2		

There is no income or property determination required for the mother because she is presumed eligible for Section 1931(b) because the other family members are receiving CalWORKs. The 20-year-old is only shown in her budget unit to be consistent with the other examples, but no actual computation is required. The 20 year old is in his own budget unit for the MN/MI because he is not eligible for Section 1931(b) because he is over the age limit. No income or property from other family members are used to determine his eligibility.

#### Example 2: (Family Members Who are Not Eligible for Section 1931(b) Due to Age)

A father and two children age six and eight were receiving CalWORKs. His spouse was not eligible for CalWORKs because she did not participate in the CalWORKs work requirements and was receiving Medi-Cal

## MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

under the Section 1931(b) program. The oldest child was not eligible for CalWORKs because he is age 20. The father and the two younger children have now been terminated from CalWORKs because of an increase in earnings from employment. Reevaluate the entire family for Section 1931(b). As of March 1, 2000 all are considered recipients, even if the 20 year old was not receiving CalWORKs or Section 1931(b) in the first month of eligibility.

<u>1931(b)</u>	<u>MN/MI</u>
Father	20-year-old
Child #1 (\$)	
Child #2	
Mom	
<20-year-old>	

Mother can be considered for 1931(b) because there are no work requirements for this program. The 20-year-old is included as an ineligible member of the Section 1931(b) MFBU, but also evaluated under regular Medi-Cal in his/her own MFBU. If the rest of the family is eligible for Section 1931(b), they may continue to receive zero SOC Medi-Cal under this program. Should they later be terminated for an increase in earnings, they would be eligible for Transitional Medi-Cal; however, the 20 year old would not.

### Example 3: (Applicant Family – Sneed & Poverty Level Programs Apply)

The family described above are applying as applicants after not receiving Medi-Cal or CalWORKs for six months. They are not eligible for 1931(b) using applicant (Alternative B) income limits (100 percent with \$90 deductions). Sneed rules apply because Child #1 has income. In this case everyone except the 20 year old and Child #1 are found to be eligible for 1931(b) after the Sneed determination.

<u>1931(b)</u>	<u>Sneed</u>	
Father	MBU#1	MBU#2
Child #2	Father	Child #1 (\$)
Mom	Mom	
Child #1 (\$)	Child #2	
<20-year-old>	<20-year-old>	

Child #1 would be evaluated with the 20-year-old under the MN program. Sneed would apply if they have an SOC.

MN/MI	<u>Sneed MN/MI</u>	
20-year-old	MBU #1	MBU#2
Child #1(\$)	20-year-old	Child #1(\$)
These children have a SOC	20-year-old has no SOC	Child #1 has a SOC

### Poverty Level Program

All family members are included in the poverty level determination for child #1. Compare the net nonexempt income of the responsible relatives to the poverty limit for five. If child #2 or the 20-year-old had income, their income would not be used, but the family size would remain the same.

## MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

<Father>  
 <Child #2>  
 <Mom>  
 Child #1(\$)  
 <20-year-old>

Assume Child #1 is eligible. The Section 1931(b) family members are considered recipients in the following month. The family should be redetermined as recipients to see if Child #1 is now be eligible for Section 1931(b) using Alternative A limits and deductions. The 20 year old is still ineligible.

### Example 4: (Stepparent with Separate and Non-Deprived Mutual Children)

Husband and wife with separate and two mutual children apply for Medi-Cal. This family was not terminated from CalWORKs or Section 1931(b) in the last four months; therefore, they are treated as applicants. The children have no income. The wife is the principal wage earner, is employed over 100 hours and the family's earned income is above the Unemployed Parent income limit (100 percent of the FPL); therefore, the mutual children are ineligible for Section 1931(b) because they are not deprived. Since the separate children are deprived due to an absent parent, only the mutual children have no linkage.

<u>1931(b)</u>	<u>Sneede</u>	<u>Sneede</u>	<u>Sneede</u>
Husband	MBU #1	MBU #2	MBU #2
Wife	Husband		
<Mutual Children>	Wife	Mom's Child	Dad's Child
Wife's Separate Child	<Mutual Children>		
Husband's Separate Child			

The family is evaluated for Section 1931(b) and is over the applicant income limit. Sneede rules apply. Assume MBU#1 passes. Evaluate the separate children for the MN or Percent programs if they have a SOC. Evaluate the mutual children for the MI program. If the children have a SOC in the MN/MI program after applying Sneede rules, they would be evaluated for the Percent program using the responsible relative's family's income in the MFBU. Compare the income limit to the poverty limit for a family size of six. If the parents have no mutual or separate child eligible for a program with zero SOC, they are not be eligible for the Section 1931(b) program and should be evaluated for the MN program.

Note: If the stepparent had no separate child in the household or that child did not request aid, the stepparent could be linked as an essential person for Section 1931(b), but not for the MN program. His income must be included if his spouse is requesting benefits even if he does not wish to be aided. See Example 7.

<u>MN Program</u>	<u>MI Program</u>
Separate Children	Mutual Children

### Example 5: (Only the Separate Children of a Parent in a Stepparent Household Apply)

If only the separate children of a parent wish to be aided (applicants), Section 1931(b) uses the same rules as the MN/MI program. Only the separate children and their ineligible parent are in the MFBU. Follow the procedures as described in Article 5K Example C, or Article 8F Example 10; however, use the applicant (Alternative B) income deductions, parental needs allowance, and income limits. The ineligible wife is allowed to allocate to her spouse, separate child, and any non-deprived mutual children which reduces her total income. The allocation to her spouse and any mutual children are deducted from the net non-exempt income (net



## MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

balance available to the MFBU from Mom). This balance plus any income from the separate children are compared to the 100 percent limit for a family size of those in the budget unit only. If the separate children are ineligible for Section 1931(b) and are eligible as MN's with a SOC, determine eligibility for the Percent program and compare the parent and her children's income to the limit for only the ineligible parent and her separate children.

### 1931(b)

<Mom> (Net income minus deductions and allocations to spouse and mutual children)  
 Mom's Separate Children

### **Example 6: (Sneede Case - Child with Income is only Eligible For Percent Program)**

A single mother and her nine month-old child with income apply for Medi-Cal. The mother has net nonexempt income of \$889 and the child has net nonexempt income of \$620. The county determines Section 1931(b) and then applies Sneede because the family is over the Section 1931(b) April 1, 2001 limit.

<u>Section 1931(b) MFBU</u>		<u>Sneede</u> <u>MBU No. 1</u>	<u>Sneede</u> <u>MBU No. 2</u>
Mother	\$ 889	Mother	\$696
Child	\$ 620	Total	\$696
Total	\$1,509	Limit	\$696
Limit (2)	\$ 938	Child	\$620 + \$193 from Mother
		Total	\$813
		Limit	\$469

The mother passes Section 1931(b) because she keeps her parental needs amount of \$696 and allocates the remainder to her child; however, the child is above the prorated Sneede 100% limit. The county then evaluates the child for the MN program. Since the child has a SOC, he or she is evaluated for the 200 Percent program. There are no health premiums to add back.

<u>MN</u>	<u>200 Percent Program</u>
Child	\$620
Total	\$620
Limit	\$600
	Mother's Income
	\$ 889
	Child's Income
	\$ 620
	Total
	\$1,509
	Limit (2)
	\$1,875

Child is eligible for the 200 Percent program. Mom is eligible for Section 1931(b) because she has a child who is eligible for Medi-Cal with no SOC. The child may be eligible as a recipient the following month if Mom has earned income using Alternative B.

### **Example 7: (Married Couple, Mutual and Separate Children, and a 20 Year Old)**

Married parents apply for Medi-Cal for themselves, their two mutual children and the mother's two separate children, one of which is a 20-year-old child. The mother's net nonexempt earned income is \$1000 and the father's net nonexempt unearned income is \$589. The mother's 20-year-old has net nonexempt earned income of \$500. The principal wage earner works 100 hours or more and the family pass the earned income U-parent test so there is deprivation for their mutual children.

### Section 1931(b) MFBU

Mother	\$ 1000
Father	\$ 589
Mutual Child no. 1	0
Mutual Child no. 2	0

## MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

Mother's 10-Year-Old	0
<Mother's 20-Year-Old>	<u>\$ 500</u>
Total	\$2,089
Limit for 6	\$1,905

Since the family is over the Section 1931(b) 100% 4/1/01 FPL limit and there are Sneede class members, Sneede rules apply. The Section 1931(b) Sneede parental needs amount at this time is \$696. The mother keeps \$696 and allocates  $\$304 \div 5 = \$60.80$ . The father keeps \$589 because he has less than the parental needs limit.

### MBU No. 1 Sneede

Mother	\$696	\$696.00
Father	\$589 + \$60.80 from Mother	\$649.80
Mutual Child no. 1	\$60.80 from Mother	\$ 60.80
Mutual Child no. 2	\$60.80 from Mother	\$ 60.80
Total		\$1467.40
Limit		\$1421.00

The mother, father, and mutual children are not eligible for Section 1931(b). The mother, father, and the mutual children should be evaluated for the MN program.

### MBU No. 2 Sneede

Mother's 10-year-old = \$0 + \$60.80(from Mother)	
Total	<u>\$60.80</u>
Limit	\$469.00

Mother's 10-year-old is eligible for 1931(b)

### MBU No. 3 Sneede

< 20-Year-Old> = \$500 + \$60.80 from Mother	
Total	<u>\$560.80</u>
Limit	\$469.00

This child is not eligible for 1931(b) because he/she is over the age limit.

The income of the 20-year-old is used again because children are not responsible relatives. If a mutual child in MBU No. 1 had his or her own income, it also would be used again.

### MN/MI

Father	\$ 589
Mother	\$ 1000- \$60.80 allocated to 10 year old
Mutual Child No. 1	\$ 0
Mutual Child No. 2	\$ 0
Mother's 20-Year-Old	<u>\$ 500</u>
Total	\$ 2028.20
Limit	\$ 1259.00

These family members are over the limit. Sneede rules would apply. Those children who did not pass would be evaluated for the Percent program. NOTE: If Sneede applies to a MN/MI budget unit and there are no parents in the MFBU because they were eligible for Section 1931(b), the child(ren) in the MBU receive a full standard of need rather than a prorated income/property limit similar to when a parent is PA or other PA. In month two, redetermine the family as recipients using Alternative A and the \$240+1/2 disregards.

### **Example 8: (Employed Unmarried Parents with Mutual and Separate Children)**

Unmarried parents apply for Medi-Cal for themselves and their two mutual children and the mother's two separate children, one of which is a 20-year-old child. The mother's net nonexempt income is \$600 and the father's net nonexempt income is \$896. Both are employed but the family's earned income is below the 100%

## MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

limit for the U-Parent test; therefore, there is deprivation for their mutual children. The mother's 20-year-old has unearned net nonexempt income of \$500.

### Section 1931(b) MFBU

Mother	\$ 600
Father	\$ 896
Mutual Child #1	0
Mutual Child #2	0
Mother's 10-Year-Old	0
<Mother's 20-Year-Old>	<u>\$ 500</u>
Total	\$1,996
Limit	\$1,905

Since the family is over the Section 1931(b) April 1, 2001 limit and there are Sneede class members, Sneede rules apply. The Section 1931(b) Sneede parental needs amount for applicants at this time is \$696. The mother keeps \$600 and allocates nothing because she has less than \$696. The father keeps \$696 and allocates \$200 ÷ 2 = \$100 (mutual children #1 and #2).

<u>MBU No. 1</u> <u>Sneede</u>	<u>MBU No. 2</u> <u>Sneede</u>	<u>MBU 3</u> <u>Sneede</u>	<u>MBU 4</u>
Mother \$600	Father \$696	Mutual Child #1 \$100 (father)	<20 Year Old>\$500
Mother's 10 Year Old 0	Limit \$696	Mutual Child #2 \$100 (mother)	Limit \$469
Total \$600		Total \$200	
Limit \$938		Limit \$711	

All are eligible except the 20 year old. Evaluate him for the MN program.

### MN MFBU

Mother's 20-Year-Old	<u>\$ 500</u>
Total	<u>\$ 500</u>
Limit	\$ 600

The 20-year-old is eligible for the MN program.

### **Example 9: (Married Recipients Terminated from CalWORKs)**

An incapacitated married father with \$600 gross earned income, his spouse with \$1000 gross unearned income, and their two children are terminated from CalWORKs due increased unearned income. One of the children has gross earned income of \$50. This family is considered recipients for the Section 1931(b) determination. Recipients must be determined for Section 1931(b) by either Alternative A or B depending on which is the most beneficial. The County uses Alternative B first, since the family has more unearned income.

### 1931(b) MFBU Using Alternative B (100 Percent)

Father	\$ 600 - \$90 = \$510 net earned income
Mother	\$1,000 net nonexempt unearned income
Child #1	\$ 50 - \$90 = \$0 net nonexempt earned income
Child #2	<u>\$ 0</u>
Total	\$1,510
Limit (4)	\$1,421

## MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

Sneede Rules apply because the family is over the April 1, 2001 Section 1931(b) limit and there are Sneede class members. Note: In this example, we will proceed to Sneede because the family has more unearned income; however, counties may wish to redetermine the family using Alternative A and do the Sneede determination only if the family fails both Alternatives. Mother keeps the parental allocation of \$696 and divides the remainder of \$304 by 3 = \$101.33.

### MBU #1 Sneede

Mother	\$696 (Parental Needs)
Father	\$510 +\$101 (Mother)
Child #2	\$101 (Mother)
Total	\$1408
Limit (3)	\$1108

### MBU#2

Child #1(\$)	<u>0+\$101</u>
Total	\$101
Limit	\$393

Child #1 is eligible in MBU #2. None of the family members in MBU #1 are eligible using Alternative B. Evaluate them using Alternative A.

### 1931(b) MFBU Using Alternative A (MBASC)

Father	\$ 600 gross earned income
Child #1	\$ 50 gross earned income
Minus \$240+1/2	\$205 net earned income
Mother	\$1,000 gross unearned income
Child #2	<u>\$ 0</u>
Total	\$1,205
Limit (4)	\$ 942

Sneede Rules Apply. Mother keeps the parental allocation of \$389 and divides the remainder of \$611 by 3 = \$203.66.

### MBU #1 Sneede

Mother	\$ 389.00 (Parental Needs)
Father	\$ 600.00 - \$240+ 1/2 +203.66 (Mother)
Child #2	<u>\$203.66</u> (Mother)
Total	\$ 976.32
Limit (3)	\$ 793

### MBU#2

Child #1(\$)	<u>\$50- \$240+ 1/2+ 203.66</u>
Total	\$203.66
Limit	\$265

None of the persons in MBU #1 pass using either Alternative A or B. They are not eligible for Four Month Continuing Medi-Cal or the Transitional Medi-Cal programs. Evaluate them for the MN program. The mother may deduct the larger of the two Alternative allocations to Child #1 who is eligible for Section 1931(b) in MBU #2 since Child #1 was eligible for Section 1931(b) using both Alternatives.

### MN MFBU

Mother	\$796.34 (\$1,000 - \$203.66 allocation to Child #1) Net unearned income
Father	\$510 Net nonexempt earned income
Child #2	<u>0</u> (No allocation is carried over from Mother)
Total	\$1306.34
Limit	934.

Mother and Father have a SOC of \$372. Child #2 (age 3) should be evaluated for the 133 Percent program using the total family size but not the income of Child #1.

SECTION NO.:	Pending 50226	MANUAL LETTER NO.:	267	DATE:	7/3/02	8G-12
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## MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

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### Example 25: (Married 19 Year Old Parents Living With Senior Parents and Sibling)

Married 19-year-old parents have care and control of their two year old child and live with the 19 year old mother's senior parents and the 19 year old mother's younger 10 year old sister. All are requesting Medi-Cal as applicants. There is unemployed parent deprivation for the two-year old child and incapacity deprivation for the younger sister. The 19-year-old parents are considered adults in the Section 1931(b) determination. The senior parents are not in the Section 1931(b) MFBU with the 19-year-old parents.

#### Section 1931(b) MFBU

19 Year Old Mother	\$500 net nonexempt unearned income
19 Year Old Father	\$1090-\$90=\$1000 net nonexempt earned income
2 Year Old Parent's Child	\$ 0
Total	<u>\$1500</u>
Limit	\$1220

The above family is not eligible for Section 1931(b) based on the April 1, 2001 limits. Evaluate the other family members separately to see if they are eligible for Section 1931(b).

#### Section 1931(b) MFBU

Senior Mother	\$ 650 net nonexempt income
Senior Father	\$ 600 Net nonexempt income
10 Year Old Child	<u>\$ 0</u>
Total	\$1250
Limit	\$1220

Since all family members failed to pass Section 1931(b), they may be evaluated for the MN program following the married minor mother MN MFBU rules since the 19 year old mother is still considered a child under that program. NOTE: If either the 19 year old family or the senior parent family passed Section 1931(b), they would not be in the MFBU of those who did not pass Section 1931(b) and were then evaluated for the MN or MI program. This is similar to the MFBU composition when some family members are eligible for CalWORKs.

#### MN MFBU #1

<Senior Dad>	\$ 650 net income
<Senior Mom>	\$ 600
19 Year-Old Mother	\$ 500 net income
<19Year Old Father>	\$1000 net income
<2 Year Old Child>	\$ 0
<10 Year-Old Sibling>	<u>\$ 0</u>
Total	\$2750
Limit	\$1417

There is no inappropriate deeming when determining eligibility for the 19 year old mother. The 19-Year Old Mother has a monthly share of cost of \$1333. For more information about the MN Sneed determination for married minor children living with a senior parent, see the Procedures Article 8F, Example 18.

#### MN MFBU #2

<19-Year-Old Mother>	\$ 500 net income
19 Year-Old Father	\$1000 net income
2 Year-Old Child	\$ 0
Total	<u>\$1500</u>
Limit	\$ 934

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Pending

SECTION NO.: 50226

MANUAL LETTER NO.: 267

DATE: 7/3/02

8G-24

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## MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

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Evaluate the 2 year-old child for the 133 Percent Program. The child is eligible. The father has a share of cost of \$566.

### MN MFBU #3

<19 Year-Old Mother>	\$ 500
Senior Father	\$ 650
Senior Mother	\$ 600
10 Year Old Child	\$ 0
Total	<u>\$1750</u>
Limit	\$1100

Since the 19 year old has income, Sneed rules apply.

### Sneed MN MBU #1

### Sneed MN MBU #2

Senior Father	\$ 650-\$600 = \$50 ÷ 3 = \$16.66 net income	<19 Year-Old Mother>	\$ 500+\$16.66 income
Senior Mother	\$ 600+ \$16.66 net Income		
10 Year Old	<u>\$ 0 + \$16.66 net Income</u>		
Total	\$1233.32 net income		
Limit	\$934		
SOC	\$299		

The senior father, mother, and 10-year-old child are eligible with a \$299 share of cost. Evaluate the 10-year-old child for the 100 Percent program.

### 100% Program

Senior Father	\$650
Senior Mother	\$600
19-Year-Old	N/A
10-Year-Old	<u>\$ 0</u>
Total	\$1250
Limit	\$1471

The 10-year-old child is eligible.

### **Example 26: (Unmarried Pregnant Woman, Her Separate Child, and Father of Unborn)**

An unmarried pregnant woman in her second trimester, her four year old separate child, and the unemployed father of the unborn request Medi-Cal. The father may not be aided in the Section 1931(b) MFBU until his child is born.

### Section 1931(b) MFBU

Pregnant Mother	\$1000 net earned income
Unborn	\$ 0
Mother's Separate Child	\$ 500 net unearned income
<Father of Unborn>	<u>\$ 600 net unearned income</u>
Total	\$2100
Limit	\$1471

The family is over the Section 1931(b) limit based on April 1, 2001 FPL limits. Sneed rules apply

## MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

Pregnant Mother \$1000 - \$968 = \$32 ÷ 1  
 Father of Unborn \$600  
 Mother's Separate Child \$500 + \$32 from Mother

<u>Section 1931(b) Sneed MBU #1</u>		Section 1931(b) Sneed MBU #2	Section 1931(b) Sneed MBU #3
Pregnant Mother	\$968	Mother's Separate Child	\$532
Unborn	\$ 0	Total	\$532
Total	\$968	Limit	\$484
Limit	\$968		
		<Father of Unborn>	\$600
		Total	\$600
		Limit	\$716

The pregnant mother and her unborn are eligible for Section 1931(b). The mother's separate child and the father of the unborn should be evaluated for the MN program.

### MN MFBU

Mother's Separate Child	\$ 500
Father of the Unborn	\$ 600
Total	\$1100
Limit	\$750

Sneed rules apply.

### MN Sneed MBU #1

Mother's Separate Child	\$500
Limit	\$375

### MN Sneed MBU #2

Father of the Unborn	\$600
Limit	\$600

Mother's separate child failed to pass. She should be evaluated for the 133 Percent program. The father of the unborn passed the MN program.

### 133 Percent Program

Pregnant Mother	\$1000 net earned income
Unborn	\$ 0
Mother's Separate Child	\$ 500 net unearned income
<Father of Unborn>	\$ N/A
Total	\$1500
Limit	\$1957

Mother's separate child is eligible for the 133 Percent program; therefore, the mother is also eligible for Section 1931(b). In month two, redetermine the family as Section 1931(b) recipients. The separate child may now be eligible for the Section 1931(b) program since her mother has earned income. The father of the unborn should be evaluated for the Section 1931(b) program if he is still unemployed after the birth of the unborn or he may opt out until the infant is age one if he no longer requests aid.

### **Example 27: (Grandchildren on CalWORKs, 18 Year Old Parents without Satisfactory Immigration Status (SIS), Senior Parent without SIS)**

Citizen grandchildren on CalWORKs. The 18 year old parents are not enrolled in school (adults) and do not have satisfactory immigration status nor does the 40 year old senior parent. The all live together and all are requesting aid. Since the grandchildren are financial eligible for CalWORKs, assume that the 18 year old parents are eligible for Section 1931(b) without a determination.

## MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

<u>CalWORKs</u>	<u>Section 1931(b) MFBU</u>	<u>MN MFBU</u>
Grandchildren	18 year old parents	Senior parent \$1000 net nonexempt income Limit \$ 600

The senior parent is not eligible for Section 1931(b) because she has no deprived "child" who is eligible for Section 1931(b) or another zero SOC program. The senior parent is eligible for the MN program until 18 year old deprived child reaches age 21. The parents and the senior parents are only eligible for restricted Medi-Cal benefits.

**Example 28: (Senior Mother, Unmarried Minor Daughter, Unmarried Father of Minor Daughter's Child, Unmarried Minor Parent's Mutual Deprived Child, Married Pregnant Adult Daughter and Spouse.)**

Senior Mom with younger children, a 17 year old daughter with a boyfriend and their child, and a married 18 year old pregnant daughter in her first trimester with her husband. All want aid. Assume that the 17 year old father of the child and the 18 year old father of the unborn are unemployed. Assume that the 18 year old mother is not enrolled in school and expected to graduate by age 19 and is therefore considered an adult; however, she is not eligible for Section 1931(b) because she has no other deprived children and is not in her last trimester of pregnancy. NOTE: Adult children who have deprived children are not included in the Section 1931(b) MFBU with the senior parent and may apply on their own. See Example 25.

Section 1931(b) MFBU #1

Senior grandmother  
Other children under 18  
Unmarried 17 year old minor mother  
<Pregnant married 18 year old>

Section 1931(b) MFBU #2

<Unmarried 17 year old minor mother>  
17 year minor mother's child  
Unmarried father of child

Assume that MFBU #1 and MFBU #2 pass the Section 1931(b) test. NOTE: Persons that pass Section 1931(b) are not included in the MN/MI MFBU; therefore, the senior grandmother, unmarried 17 year old minor mother and siblings are not included in the MN MFBU.

MN MFBU #3

Married pregnant 18-year-old  
Unborn  
<Husband>

MN MFBU #4

<Married pregnant 18 -year-old>  
Unborn  
Husband

If the senior grandmother, unmarried 17 year old minor mother, and younger children (MFBU#1 above) failed to pass Section 1931(b), but MFBU #2 is still eligible for Section 1931(b), the following example would apply: Follow example 18 in the Sneed Procedure 8F on page 54. NOTE: The 18 year old married mother is considered a child in the MN program. All parents, spouses, and siblings including the unborn are together in MFBU #1. Modified Sneed rules apply to MFBU #1

MN MFBU #1

<Senior grandmother>  
<Younger siblings>  
Married 18 year old  
Unborn  
<Spouse of the 18 year>  
<Unmarried 17 year old>

MN MFBU #2

Spouse of the 18 year old  
<Married 18 year old>  
unborn

MN MFBU #3

<Married 18 year old>  
unborn  
Unmarried 17 year old  
Senior grandmother  
Younger siblings



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## MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

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Note: Modified Sneed rules apply to MFBU #1. See Procedures Article 8F. Also, when the 18 year old reaches her last trimester, she and her unborn may be aided as adults in the Section 1931(b) program if eligible. Her husband is ineligible until the child is born and he must be aided alone in the MN program. See Example 10.

### Section 1931(b) MFBU #3

Married 18 year old  
Unborn  
<Husband>

When the unmarried 17 year old reaches age 18 and is not enrolled in school, she will be an adult and may be aided without any deeming from the senior Mom.

### Section 1931(b) MFBU #1

Senior grandmother  
Younger children

### Section 1931(b) MFBU #2

18 year old unmarried mom  
Child of 18 year old  
Unmarried father of child

If any of the persons under 21 lack deprivation or linkage, they are not eligible for Section 1931(b) or the MN program and must be aided in the Medically Indigent program or the appropriate Percent programs.



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## MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

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### E. CHARTS AND FORMS

- a) Section 1931(b) Sneede Prorated Income Standard and Property Levels –April 1, 2000
- b) Section 1931(b) Sneede Prorated Income Standard and Property Levels - March 1, 2000
- c) Section 1931(b) Sneede Prorated Income Standard and Property Levels – July 1, 1999
- d) Section 1931(b) Sneede Prorated Income Standard and Property Levels –July 1, 1998
- e) Section 1931(b) Sneede Prorated Income Standard and Property Levels – January 1, 1998 to June 30, 1998
- f) Section 1931 Applicant & Recipient Budget Form Net Non-Exempt Income [MC 176M-1931 Group-APPL/RECIP]
- g) Section 1931 Recipient Budget Form Net Non-Exempt Income [MC 176MA –1931 Group – RECIP]
- h) Section 1931 Program Worksheet: Applying the \$240 & 1/2 Deduction to Recipient Families with Three or More Persons with Earnings [MC 176M-A –1931 Group – 3+ Earner]
- i) Section 1931(b) Sneede Net Nonexempt Income Determination – Applicant or Recipient [MC175-3I.2A 1931 Group]
- j) Section 1931(b) Sneede Net Nonexempt Income Determination – Recipient MBASC [MC 175-3I.2R 1931 Group]
- k) Property Reserve Work Sheet MC 176P
- l) Section 1931(b) Sneede Property Work Sheet [MC 324 1931 Group]
- m) Vehicle Determination Work Sheet for 1931 Group [MC 176 P-V 1931 Group]
- n) Unemployed Parent Determination Work Sheet – [MC 337]
- o) Section 1931(b) Recipient Income Limits Effective July 1, 1999
- p) Section 1931(b) Sneede Prorated Income Standard and Property Levels - April 2002
- q) Example 21 Applicant and Recipient Budget Sheet and Sneede Mini Budget Determination

### F. EXAMPLES

- 1. Some Family Members Receive CalWORKs Page 6
- 2. Family Members Who are Not Eligible for Section 1931(b) Due to Age Page 6
- 3. Applicant Family – Sneede and Poverty Level Programs Apply Page 7
- 4. Stepparent with Separate and Non-Deprived Mutual Children Page 8
- 5. Only the Separate Children of a Parent in a Stepparent Household Apply Page 8
- 6. Sneede Case – Child with Income is Only Eligible for Percent Programs Page 9
- 7. Married Couple, Mutual & Separate Children and 20 Year Old Separate Child Page 9
- 8. Employed Unmarried parents with Mutual and Separate Children Page 10
- 9. Married Recipients Terminated from CalWORKs Page 11
- 10. Married Pregnant Woman with No Other Children Page 13
- 11. Recipient Stepparent Household with Separate and Mutual Children Page 13
- 12. Applicant Minor Parent, Siblings, Senior Parents Page 14
- 13. Minor "Adult" Child, Infant, and Boyfriend Living with Senior Parents Page 14
- 14. Senior Parent with Applying for a Pregnant Minor and Unborn Page 15
- 15. Senior Parent with Care and Control of a Deprived Minor and Infant Page 16
- 16. Recipient Senior Parent with Care and Control, Adult Parent & Adult's Child Page 16
- 17. Recipient Senior Parent with Care and Control, Adult Parent & Adult's Child Page 17
- 18. 20 Year Old Parent Living with her Child and Senior Parents Page 17
- 19. Essential Person Page 18
- 20. Spouse in Long Term Care Page 19
- 21. Married Applicants and Children with Earned and Unearned Income Page 20
- 22. Unmarried Parent Working 100 Hours or More Page 21
- 23. Minor Parent with CalWORKs Child Living with a Senior Parent Page 23
- 24. Unmarried Parents with a SSI Child Page 23
- 25. Married 19 Year Old Parents Living with Senior Parents and Sibling Page 24
- 26. Unmarried Pregnant Woman, Her Separate Child, Father of Unborn Page 25
- 27. Grandchildren on CalWORKs, 18 Year Old Parents & Senior Parent Without SIS. Page 26
- 28. Senior Mother, Unmarried Minor Daughter, Unmarried Father of Minor Daughter's Child, Unmarried Parent's Mutual Deprived Child, Married Pregnant Adult Daughter and her Spouse Page 27

