DEPARTMENT OF HEALTH SERVICES
714/744 P STREET
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(916) 657-2941

November 7, 2001

TO:　All County Welfare Directors
　　　All County Administrative Officers
　　　All County Medi-Cal Specialist/Liaisons
　　　All County Health Executives
　　　All County Mental Health Directors

Letter No.: 01-62

SECTION 1931(b) VEHICLE EVALUATION

Reference:　EMCS Department of Health No. 2001-51, Department of Social
　　　　　　Services All County Letter 01-24

Effective June 1, 2001, counties are instructed that in addition to the current
Section 1931(b) methodology for evaluating motor vehicles, any vehicle that has
an equity value of $1,500 or less shall be exempt regardless of the usage and is
not to be included in the property reserve when determining eligibility for the
Section 1931(b) program. The purpose of this letter is to instruct counties in the
implementation of this change. In addition, this letter provides counties with the
revised Vehicle Determination Work Sheet for 1931 Group (MC 176 P-V (8/01)
1931 Group).

Counties are instructed that the change to this Section 1931(b) methodology
is applicable to all new applicants and all current beneficiaries effective
June 1, 2001. If the county becomes aware of any applicant that was denied or
any beneficiary that was discontinued from the Section 1931(b) program due to
the delay in applying this new methodology, the denial or discontinuance shall be
rescinded and eligibility established or restored if otherwise eligible.

Form Revisions

The MC 176 P-V has been revised as follows:

Step One - Exemption Criteria No. 4 changed to include "incapacitated."
Step Two - D changed to include "If $1,500 or less, then exempt, **STOP**."

If you have any questions regarding this issue, you may contact Ms. Kim McCord of my staff at (916) 657-3723, E-mail KMcCord@dhs.ca.gov.

Sincerely,

ORIGINAL SIGNED BY

Shar Schroepfer, Chief
Medi-Cal Eligibility Branch

Enclosure

VEHICLE DETERMINATION WORK SHEET
FOR 1931 GROUP

Case name	Case number

DIRECTIONS	VEHICLE NUMBER ONE	VEHICLE NUMBER TWO	VEHICLE NUMBER THREE
List all vehicles owned by anyone in the MFBU. **NOTE:** Complete additional work sheets if more than three vehicles.	Make _____ Model _____ Year _____	Make _____ Model _____ Year _____	Make _____ Model _____ Year _____

STEP ONE—*Only Unlicensed Vehicles on Indian Reservation Which Do Not Require Licensing and All Licensed Vehicles. For All Other Vehicles, Go to Step Two.*

A vehicle used by or for the benefit of any person living in the home for any reason listed below is exempt.

1. On the job or for income producing purposes even if only on a seasonal basis or temporarily unemployed.
2. Long distance travel essential to individual's employment, e.g., traveling sales, migrant farm worker moving from job to job.
3. Home (only one vehicle per household).
4. Transportation of incapacitated or disabled individual living in the home.
5. Transportation of primary fuel/water for the home.

	VEHICLE NUMBER ONE	VEHICLE NUMBER TWO	VEHICLE NUMBER THREE
Is vehicle exempt? If yes, list reason and **STOP**. If **NO**, go to Step Two.	☐ Yes ☐ No Reason: _____	☐ Yes ☐ No Reason: _____	☐ Yes ☐ No Reason: _____

STEP TWO—*Only Vehicles Not Exempt in Step One*			
A. Enter estimate of Fair Market Value (FMV).	FMV $_____	FMV $_____	FMV $_____
B. Licensed Only—*If Unlicensed, Go to Step Two (C).* Enter excess FMV (estimate of FMV minus $4,650). If *zero*, then exempt, **STOP**. If not zero, go to Step Two (C).	− 4,650 Excess FMV $_____	− 4,650 Excess FMV $_____	− 4,650 Excess FMV $_____
C. All Remaining Vehicles—Enter encumbrance (amount owed).	Amount owed $_____	Amount owed $_____	Amount owed $_____
D. Determine equity value (EV) of vehicle (FMV of vehicle from Step Two (A) minus encumbrance in Step Two (C)). If $1,500 or less, then exempt. **STOP**.	Exempt: ☐ Yes ☐ No EV $_____	Exempt: ☐ Yes ☐ No EV $_____	Exempt: ☐ Yes ☐ No EV $_____

STEP THREE—Countable Vehicle Value			
A. Compare Step Two (B) and amounts listed for nonexempt vehicles in Step Two (D). Enter the *lesser value.*	*Check One* ☐ Excess FMV $_____ *or* ☐ EV $_____	*Check One* ☐ Excess FMV $_____ *or* ☐ EV $_____	*Check One* ☐ Excess FMV $_____ *or* ☐ EV $_____
B. Enter $1,500 in the column under the one vehicle with the highest *equity value*. If excess FMV is the lesser amount, enter zero. Enter zero in all columns where $1,500 is not entered.	− $_____	− $_____	− $_____
C. Subtract Step Three (B) from Step Three (A) and enter result. If *zero*, then car is exempt. If not zero, then enter amount on Property Reserve Work Sheet (MC 176 P (Back) 1931).	− $_____	− $_____	− $_____