

DEPARTMENT OF HEALTH SERVICES

714/744 P STREET
SACRAMENTO, CA 95814

September 7, 1983

To: All County Welfare Directors

Letter No. 83-58

BELTRAN V. MYERS

Reference: All County Welfare Directors (ACWD) Letters 83-43, 83-51, and 83-55

As you were advised in ACWD Letter 83-55, all avenues of appeal in the Beltran v. Myers lawsuit have been exhausted and implementation of all provisions of the decision of the District Court has begun. To this end, ACWD letter 83-51 directed counties to begin the evaluation of retroactive eligibility of potential class members previously identified and to begin a review of closed cases to identify and notify other potential class members. This letter is to provide additional instructions regarding: timeframes by which counties must complete the notification requirements; how to determine Beltran class membership; the criteria to be followed in determining retroactive eligibility; and the process by which class members may submit claims for reimbursement.

I. Completion of Identification and Notification Requirements

Based on discussions with various counties, the Department of Health Services (DHS) submitted a declaration to the District Court stating that those counties with the capability to do so, will identify all closed Aged, Blind or Disabled Medically Needy (ABD-MN) cases by computer and send the court-ordered notice to each, (even though the case may have been denied or terminated for a reason other than a transfer of resources) instead of conducting a case-by-case search. Counties using this method will conduct a case-by-case search of any closed cases not on the county's computerized central index. Counties without this computer capability will conduct a manual review of all closed cases. On July 28, 1983, the court approved this method of identification.

In accordance with Title 22 of the California Administrative Code (CAC), Section 50101, counties are directed to complete the identification and notification requirements of the Beltran order within the timeframes shown in Attachment I to this letter. The Medical Eligibility Branch of DHS will closely monitor county compliance with this directive. If a county determines that it will be unable to meet the timeframe shown in Attachment I, it should immediately notify the DHS of the fact and describe in detail why it is unable to comply. However, the DHS does not have the authority to grant any exceptions.

II. Response to the Court-Ordered Notice

Those persons sent a court-ordered notice as a result of either a computer or manual search of closed cases have 90 days from the date

the notice was issued to contact the county and request consideration as a class member. Persons responding within the 90-day period shall immediately (within 10 days) be sent an informational letter (Attachment II) and the Beltran application (see ACWD Letter 83-51). Those persons who respond after the 90-day period will be issued a Notice of Rejection (Attachment III). A copy of this notice must be filed in the case record (if the potential class member was identified via a manual search) or in a central Beltran file (if identified via computer). No further county action is required on cases in which no response is received. However, cases in which a response is not received or is not received timely may not be destroyed without the permission of the DHS and must be kept readily accessible.

III. Submission of the Beltran Application

Persons to whom a Beltran application is mailed have 90 days from the date of mailing in which to return the application. If returned within the 90-day period, the county must schedule an interview and provide notice of the interview to the Beltran applicant.

If the county mailed the Beltran application in accordance with instructions in ACWD Letter 83-51 or if the case was identified via computer, class membership should be reviewed prior to the scheduling of an interview, if possible. The case record of the individual should be reviewed to determine whether the following conditions exist:

- A. The person applied for Medi-Cal prior to July 1, 1981 as an ABD-MN person (disability need not have been verified).
- B. Medi-Cal was denied or terminated prior to July 1, 1981 due solely to a transfer of resources.

If both of the above conditions apply, the person is a potential class member and shall be scheduled for an interview. If at least one of those conditions does not apply, the county shall issue a Notice of Rejection. If the application was mailed in accordance with ACWD Letter 83-51 and no case record exists for that individual, the applicant must produce a Notice of Action regarding the pre-July 1, 1981 denial or termination. Failure to provide this information will result in rejection of the application due to lack of class membership.

If the Beltran application is not returned within the 90-day period, the county must issue a Notice of Rejection. Although no further action is required on these cases, they must not be destroyed and must be kept readily accessible.

IV. Determining Retroactive Eligibility

A. Periods of Retroactive Coverage

Retroactive coverage is available to Beltran class members only for those months included in the "period of ineligibility" originally determined in the county's pre-July 1, 1981 action to deny or terminate Medi-Cal due to a transfer of resources without adequate consideration. The county shall explain to the Beltran applicant that retroactive coverage is available only for those months during the originally assigned "period of ineligibility" and for which he or she can verify that medical expenses were incurred.

B. Eligibility Criteria

Basic eligibility criteria used in the Medi-Cal program for ABD-MNs from 1966 through 1982 are described in Attachment IV to this letter. These criteria must be used in evaluating retroactive eligibility under Beltran. Share of cost will be determined on a monthly basis in all cases.

C. Determination of Disability

All determinations of disability formerly required to be made by a Department review team must be made by the Disability Evaluations Branch (DEB) of the State Department of Social Services. The presumptive eligibility criteria and proof of disability standards for the year in which the first month of retroactive coverage requested occurs shall be applied.

Counties must clearly indicate on the DEB referral package that this is a Beltran applicant; clearly indicate the months for which Medi-Cal coverage has been requested; note whether the applicant is currently receiving SSI or Title II benefits; and be sure to obtain releases for each treatment source utilized since the pre-July 1, 1981 action to deny or terminate.

D. County Processing

Counties must determine Beltran retroactive eligibility within the time limits currently specified in Title 22 CAC Section 50177.

V. Notice of Action Requirements

Each Beltran applicant must be issued a Notice of Action (Attachment V) regarding the county's determination of eligibility/ineligibility. In addition, when retroactive eligibility is approved, a Beltran v. Myers - Claim for Reimbursement (Attachment VI) for each month for which eligibility is approved must be included with the Notice of Action.

RETROACTIVE MEDICAL CARDS MUST NOT BE ISSUED FOR THESE CASES. IN ADDITION, THESE CASES MUST NOT BE ENTERED ON MEDS, CID OR TEMP LOGS.

VI. Claims for Reimbursement

The Record of Health Care Costs (MC 177) will not be used in Beltran retroactive coverage cases. Instead, the Beltran claim will be used. The county must complete the top portion of the form (i.e., everything above the double lines). Please indicate the month of retroactive coverage, the share of cost amount, the beneficiary's name and address, the representative's name and address (if appropriate), and the identification number, name, birthdate, etc., of the beneficiary and all family members whose medical costs may be claimed. A sample form is attached (Attachment VII).

The Beltran class member will then complete the lower portion of the claim form, attach necessary verification, and return the form to the county. The county will review the form and its attachments for completeness. Acceptable verification shall be one of the following:

- A. Copies of receipts (or bills stamped "PAID") from the hospital, skilled nursing facility, physician, dentist, etc. The receipt must show the beneficiary's name, the treatment or service, and the dates of treatment or service; or,
- B. Cancelled checks confirming payment to the provider(s) for medical care received and a statement from the claimant itemizing the medical care received and the date(s) of service; or,
- C. A signed statement from the physician, hospital or other provider of service. This statement must indicate the dates of service, the medical care received and the amount paid or still owed by the beneficiary. The statement must also include the provider's name, address, and phone number.

When the county has ensured that the claim form has been completed and that the beneficiary believes that all available verification has been provided, the county shall transmit the claim and the verification to the address below on a weekly basis:

Beltran Claims Coordinator
Benefits Review Unit (BRU)
Department of Health Services
1027 10th Street, 2nd Floor
Sacramento, CA 95814

The DHS will notify the claimant and the county of the disposition of each claim submitted.

VII. County Documentation of Actions Taken

A. Persons Identified Via a Manual Search

Counties must retain a listing of all persons (see ACWD Letter 83-51) identified via a manual search and to whom a court-ordered notice is sent. One copy of this listing must be provided to the DHS by the 15th of each month until the county meets its notification requirements. A copy of this listing should be used to document further actions on each case (e.g., the date a response to the court-ordered notice is received).

B. Persons Identified Via a Computer Search

Counties must retain a listing of all persons (by name, case number and address) identified via a computer search of closed cases and to whom a court-ordered notice is sent. This listing must be retained by the county until further notice. A copy of this listing should be used to document further actions on each case (e.g., the date a response to the court-ordered notice is received). The county must provide a listing (Attachment VII) to the DHS of each person responding to the court-ordered notice. This listing must be provided to the DHS by the 15th of each month until the county meets its notification requirements.

Any questions regarding the transmittal or status of claims should be directed to Mary Evans at (916) 324-2494. Any other questions regarding the instructions contained in this letter should be directed to Marie Harder at (916) 324-4963.

Sincerely,

ORIGINAL SIGNED BY

Caroline Cabias, Chief
Eligibility Branch

Attachments

cc: Medi-Cal Liaisons
Medi-Cal Program Consultants

COUNTIES	To Complete by	To Complete by	To Complete by	ATTACHMENT I
	Nov. 6, 1983	Feb. 4, 1984	May 4, 1984	
ALAMEDA	X			
ALPINE	X			
AMADOR	X			
BUTTE	X			
CALAVERAS	X			
COLUSA	X			
CONTRA COSTA	X			
DEL NORTE	X			
EL DORADO	X			
FRESNO	X			
GLENN	X			
HUMBOLDT	X			
IMPERIAL	X			
INYO	X			
KERN		X		
KINGS	X			
LAKE	X			
LASSSEN	X			
LOS ANGELES		X		
MADERA	X			
MARIN	X			
MARIPOSA	X			
MENDOCINO	X			
MERCED	X			
MODOC	X			
MONO	X			
MONTEREY	X			
NAPA	X			
NEVADA	X			
ORANGE			X	
PLACER	X			
PLUMAS	X			
RIVERSIDE		X		
SACRAMENTO	X			
SAN BENITO	X			
SAN BERNARDINO	X			
SAN DIEGO	X			
SAN FRANCISCO	X			
SAN JOAQUIN	X			
SAN LUIS OBISPO	X			
SAN MATEO		X		
SANTA BARBARA	X			
SANTA CLARA	X			
SANTA CRUZ	X			
SHASTA	X			
SIERRA	X			
SISKIYOU	X			
SOLANO		X		
SONOMA	X			
STANISLAUS	X			
SUTTER	X			
TENAMA	X			
TRINITY	X			
TULARE	X			
TUOLUMNE	X			
VENTURA	X			
YOLO	X			
YUBA		X		
GRAND TOTAL				

MEDI-CAL
BELTRAN v. MYERS
COMPLETING THE APPLICATION

State No: _____

District: _____

Date: _____

As you requested, enclosed is an application for retroactive Medi-Cal coverage under the court's decision in Beltran v. Myers. Please complete the application to the best of your ability and return to us as soon as possible but no later than 90 days from the date of this letter. A self-addressed envelope is enclosed for your convenience. **YOU MUST RETURN THIS APPLICATION WITHIN 90 DAYS OF THE DATE SHOWN ABOVE IF YOU WISH TO APPLY.** If you are receiving Medi-Cal now, your present eligibility will not be affected by whether or not you return this application.

To determine your eligibility for retroactive Medi-Cal coverage, you or your representative will be required to attend an interview with an eligibility worker. After we receive your application, we will schedule an interview for you and send you notification of the date and time you are to come in. Since the court granted retroactive Medi-Cal coverage only to those persons who would have been eligible had the State not applied its transfer of resources rule, you may be required to provide verification of such things as the amount of income and resources you had and the type and cost of any medical services received and for which you request reimbursement. As such, we recommend that you request retroactive coverage only for those months in which you incurred medical expenses and for which you can verify the type of service received, its cost, and how much, if any, you paid.

In addition, when your Medi-Cal benefits were denied or terminated prior to July 1, 1981 due to a transfer of resources, you were assigned a "period of ineligibility" during which time you were not eligible. Retroactive eligibility is only available for those months within that "period of ineligibility" and for which you incurred medical expenses.

(County Stamp) ATTACHMENT III

**MEDI-CAL
BELTRAN v. MYERS
NOTICE OF REJECTION**

State No.: _____

District: _____

Date: _____

Your application for retroactive Medi-Cal coverage or claim for reimbursement under the court's decision in *Beltran v. Myers* has been rejected because:

- You did not identify yourself as a potential class member within 90 days from the date we sent you the court-ordered notice.
- You did not return the *Beltran* application to us within 90 days from the date we sent it to you.
- You are not a class member because:
 - There is no verification that you ever applied for Medi-Cal on or before June 30, 1981.
 - Even though you originally applied for Medi-Cal on or before June 30, 1981 you were not denied or terminated from Medi-Cal due to a transfer of resources.
- When you applied for Medi-Cal prior to July 1, 1981 and were denied or terminated due to a transfer of resources, you were assigned a "period of ineligibility" from _____ through _____. Your application for retroactive coverage under *Beltran* for the months of _____ is rejected because these months were not within the "period of ineligibility" and you could have applied for Medi-Cal at that time.
- You did not submit your claim for reimbursement within six months (180 days) from the date we notified you that you were eligible for retroactive coverage under *Beltran*.
- Other:

This action does not affect any application you may have submitted for current and continuing Medi-Cal. If you have any questions about this action or if there are additional facts relating to your circumstances which you have not reported to us, please write or telephone. We will answer your questions or make an appointment to see you in person.

(Eligibility Worker)

(Phone Number)

BELTRAN v. MYERS
RETRO ELIGIBILITY REQUIREMENTS
1966

Verification Standards (50305)

Accept applicant's statement of facts on the application regarding residence, income and resources unless the application is incomplete or contains discrepancies/ conflicts. The county shall offer assistance in completing and request verification and/or offer assistance in clarifying the facts. If verification cannot be obtained, a signed statement of the facts from the applicant under penalty of perjury shall be accepted.

Disabled (50463)

A disabled person, at least 18 years of age. A physical examination and Department team review must precede certification except individuals with the following disabilities may be certified immediately:

- Quadriplegia
- Physical or permanent functional loss of two extremities.
- Stature under four feet.
- Mongolism
- Terminal or inoperable cancer when medically verified by hospital records or attending physician.
- The result of any physical condition(s) which produces a permanently bedridden or chair bound person.

Property (50605)

- A. The value of combined personal and real property in excess of \$1,500 for an adult or \$3,000 for adult spouses or a family, is considered a resource available to meet medical needs.
- B. The value of real property (50605) is the larger of the following:
 - Four times the assessed value, if quickly saleable (within 90 days), less encumbrances of record.

- The collateral value if not quickly saleable.
- The value at not less than 6 percent of equity in the market value of property which is producing income.

Income (50035)

Any benefit in cash or in kind estimated to be received over a 12 month period from the date of application. Definitions of income and applicable deductions as permitted in the categorical aid to which the individual or family is linked. One-half of the ineligible spouse's income may be deemed available. (See examples under Share of Cost).

Net Earned Income (50037)

The gross income less required deductions, except the first \$85 plus one-half excess of \$85 from earning under Titles I and II of the Economic Opportunity Act are excluded by law.

Maintenance Need (50033)

	<u>Monthly</u>	<u>Quarterly</u>
1 person	\$167	\$501
2 people	\$277	\$831
3 people	\$297	\$891
4 people	\$317	\$951

Long Term Care - \$15 per month plus the support and care of the spouse, minor dependents and any other persons remaining in the home, in accordance with the table above, excluding the person in inpatient care.

Share of Cost Determination (50607)

Subtract maintenance need from the average income and excess property reserves.

Examples:

The share of cost for adults is for the individual. Combined income and resources are used unless one of a couple is a public assistance recipient. No differentiation is made between separate and community income and property when neither is a public assistance recipient.

1. a. Adult couple, age 65. Neither is a public assistance recipient. Monthly income is man's social security, \$100, wife's \$80, man's teachers' retirement, \$120. Total \$300. Whether one or both is an applicant is immaterial.

	<u>Man</u>	<u>Wife</u>
Income (1/2 of \$300)	\$150.00	\$150.00
Maintenance Need (1/2 of \$277)	<u>\$138.50</u>	<u>\$138.50</u>
Monthly Share of Cost	\$ 11.50	\$138.50
Quarterly Share of Cost	\$ 34.50 (\$35)	\$ 34.50 (\$35)

- b. When neither is a public assistance recipient the share of cost may be computed:

Income	\$300
Maintenance Need for 2	\$277

Total Share of Cost \$23
 Each adult's share (1/2 of \$23) = \$11.50 or \$12.00
 Each adult's quarterly share = \$34.50 or \$35.00

- c. The man of the adult couple becomes a long-term patient. Sufficient income is allocated by the inpatient to the outpatient to meet the maintenance need.

	<u>Wife</u>	<u>Man</u>
Income (1/2 of \$300)	\$150.00	\$150.00
Maintenance Need	\$167.00 (single adult)	\$ 15.00
<hr/>		
Preliminary Share of Cost	- \$ 17.00	\$135.00
Allocation by man	+ \$ 17.00	- \$ 17.00
<hr/>		
Monthly Share of Cost	-0-	\$118.00

- d. Man is living in board and care arrangement at \$200. Maintenance need is computed on the single adult standard. Income totaling \$380 is combined.

	<u>Wife</u>	<u>Man</u>
Income	\$190.00	\$190.00
Maintenance Need	\$167.00	\$167.00
Share of Cost	<u>\$ 23.00</u>	<u>\$ 23.00</u>

2. The computation of the share of cost differs when one of the couple is a public assistance recipient. This provision was made so the public assistance grant would not be changed or interrupted. The State Department of Social Welfare regulation provisions of the particular aid program were applicable to the allocation of income.

- a. A couple both age 65, the man received OAS. The wife was earning \$400 net, as determined by OAS regulations. She applied for Medi-Cal.

Wife's net earnings		\$400.00
Retained by wife		
Maintenance Need	\$200.00	
Medical Expenses	15.00	
Debts	25.00	
Repairs to Home	10.00	\$250.00
		<hr/>
Allocation to man		\$150.00
Man's needs - OAS		\$160.00
		<hr/>
OAS Grant		\$ 10.00
		<hr/>
Wife's available income		\$250.00
Wife's maintenance need (1/2 of \$277.00)		\$138.50
		<hr/>
Wife's monthly share of cost		\$111.50 or \$112.00
Wife's quarterly share of cost		\$334.50 or \$335.00

- b. Man entered long-term care. OAS grant was discontinued.

	<u>Wife</u>	<u>Husband</u>
Income	\$200.00	\$200.00
Maintenance Need (single adult)	\$167.00	\$185.00
		<hr/>
Monthly Share of Cost	\$ 33.00	\$185.00
Wife's quarterly share of cost	\$ 99.00	

Monthly share of cost was computed only for the individual in long-term care or with a prognosis of long-term care.

- c. Same as "a" except wife's net earning was \$260 per month which resulted in a \$10 allocation to her husband. (\$260-\$250)

When he entered long-term care, his maintenance need was \$15. With the allocation of \$10 he continued as an OAS recipient with a grant of \$5 and remained eligible for Group I benefits.

3. Personal and real property values were combined as a resource unless one of the adults was a public assistance recipient and there was separate property. Excess resources were considered immediately

available and were added to income. The division of property determined the amount to be considered available for each adult for the ensuing 12 months. At the end of that period the total property was again combined and divided by 2.

- a. Adult couple both over 65, savings account of \$4,000, total net income \$240. Neither was a public assistance recipient.

	<u>Man</u>	<u>Wife</u>
Savings Account	\$2,000.00	\$2,000.00
Exemption-Property	\$1,500.00	\$1,500.00
	<hr/>	<hr/>
Excess resource share of cost	\$ 500.00	\$ 500.00
	<hr/>	<hr/>
Total net income	\$ 120.00	\$ 120.00
Maintenance need (1/2 of \$277)	\$ 138.50	\$ 138.50
	<hr/>	<hr/>
Monthly income share of cost	\$ - 18.50 (\$19)	\$ - 18.50 (\$19)
Quarterly income share of cost (3 x \$18.50)	\$ - 55.50 (\$56)	\$ - 55.50 (\$56)
	<hr/>	<hr/>
Excess resource share of cost	\$ 500.00	\$ 500.00
Quarterly income share of cost	\$ 55.00	\$ 55.50
	<hr/>	<hr/>
Each adult's quarterly share of cost	\$ 444 .50 (445)	\$ 444.50 (\$445)

- b. Same circumstances as "a" except total net income was \$351.

	<u>Man</u>	<u>Wife</u>
Savings Account	\$2,000.00	\$2,000.00
Exemptions-Property	\$1,500.00	\$1,500.00
<hr/>		
Excess resource share of cost	\$ 500.00	\$ 500.00
<hr/>		
Total net income (1/2 of \$351)	\$ 175.50	\$ 175.50
Maintenance Need (1/2 of \$277)	\$ 138.50	\$ 138.50
<hr/>		
Monthly income share of cost	\$ 37.00	\$ 37.00
Excess resource share of cost	\$ 500.00	\$ 500.00
Quarterly income share of cost (3 x \$37)	\$ 111.00	\$ 111.00
<hr/>		
Each adult's quarterly share of cost	\$ 611.00	\$ 611.00

- c. Adult couple both over age 65. Man was a recipient of OAS. \$200 of the \$2,000 savings was his separate personal property, \$1,800 the separate property of his wife. With allocation of income the wife had \$150 income.

If this couple had \$4,000 savings as in "a" and "b" with \$3,000 her separate property and \$1,000 his and she applied for Medi-Cal, the OAS grant would have been discontinued on her application and certification as a medically needy person, since medical assistance is considered a public assistance program.

The wife's share of cost would have been:

Personal property resource	\$1,800.00
Exemption-real or personal property	\$1,500.00
<hr/>	
Wife's personal property share of cost	\$ 300.00
Wife's income	\$ 150.00
Wife's maintenance need	\$ 138.50
<hr/>	
Wife's income share of cost:	\$ 11.50
Wife's total share of cost:	
Excess property resource	\$ 300.00
Income	\$ 11.50
<hr/>	
Total monthly share of cost	\$ 311.50 or
Total quarterly share of cost	\$ 334.50 or \$355.00 (\$300 + (3 x \$11.50))

4. Following are examples of extremely high property resources.

a. A medically needy adult, OAS linked.

Income - \$250 per month

Personal Property - \$800. With \$1,500 exemption, there is an additional \$700 credit.

Real Property

\$7,000 assessed value of \$28,000 market.

\$6,300 encumbrance

Total net income on the property is less than 6 percent

The following action is taken to determine the excess property reserve:

\$7,000 assessed value		\$28,000 market value
Less (Encumbrance)	\$6,300.00	
(Exemption (\$1,500 - \$800) =	700.00	\$ 7,000
Equity in property to be considered		<hr/> \$21,000

5/7 (first \$5,000 of \$7,000 assessed value)

$$\text{of } \$21,000 = \$15,000 \times 6\% = \$900 \div 4 \text{ (quarterly)} = \$225 \quad (1)$$

This may also be computed by assessed value x equity x .005.

$$\frac{\$5,000}{\$7,000} \times \$21,000 \times .005 = \$75 \times 3 = \$225$$

2/7 (assessed value above \$5,000) of \$21,000 = \$6,000 (2)

This may also be computed by equity minus base utilization figure.
 $\$21,000 - \$15,000 = \$6,000$

Quarterly share of cost:

Income (\$250 - \$167 maintenance need = \$83 x 3 months))	\$ 249	(1)
Excess property reserve - \$5,000 assessed value	\$ 225	(2)
Excess property reserve - \$2,000 assessed value	\$6,000	
Total Quarterly Share of Cost	\$6,474	

- b. An adult couple both over 65, neither a public assistance recipient, had \$110 net income and \$8,000 in a savings account.

	<u>Man</u>	<u>Wife</u>
1. Property Resource		
(\$8,000 - \$3,000)	\$2,500.00	\$2,500.00
(Income (\$110 - 2))	\$ 55.00	\$ 55.00
	\$2,555.00	\$2,555.00
Total Resources	\$2,555.00	\$2,555.00
Maintenance need (1/2 of \$277)	\$ 138.50	\$ 138.50
	\$2,416.50	\$2,416.50
Monthly share of cost	\$2,416.50	\$2,416.50 or \$2,417
Quarterly share of cost		
(\$165 (3 x \$55) + \$2,500 - \$415.50 (\$277 x 3 - 2))	\$2,249.50	\$2,249.50 or \$2,250

2. The man enters long-term care	<u>Man</u>	<u>Wife</u>
Total resources (\$2,500 + \$55)	\$2,555.00	\$2,555.00
Maintenance need	\$ 167,00	\$ 15.00
	<hr/>	<hr/>
Monthly share of cost	\$2,386.00	\$2,540.00
Quarterly share of cost - wife		
(\$2,500 + \$165 (3 x \$55) - \$501 (3x167)) = \$2,164		

BELTRAN v. MYERS
RETRO ELIGIBILITY REQUIREMENTS
1967

Verification Standards (50305)

Accept applicant's statement of facts on the application regarding residence, income and resources unless the application is incomplete or contains discrepancies/ conflicts. The county shall offer assistance in completing the application and request verification and/or offer assistance in clarifying the facts. If verification cannot be obtained, a signed statement of the facts from the applicant under penalty of perjury shall be accepted.

Disabled (50463)

A disabled person, at least 18 years of age. A physical examination and Department team review must precede certification except individuals with the following disabilities may be certified immediately:

- Quadriplegia
- Physical or permanent functional loss of two extremities.
- Stature under four feet.
- Mongolism
- Terminal or inoperable cancer when medically verified by hospital records or attending physician.
- The result of any physical condition(s) which produces a permanently bedridden or chair bound person.

Property (50605)

- A. The value of combined personal and real property in excess of \$1,500 for an adult or \$3,000 for adult spouses or a family, is considered a resource available to meet medical needs.
- B. Value of Real Property (50605) is the larger of the following:
 - Four times the assessed value, if quickly saleable (within 90 days), less encumbrances of record.
 - The collateral value if not quickly saleable.
 - The value at not less than 6 percent of equity in the market value of property which is producing income.

Income (50035)

Any benefit in cash or in kind estimated to be received over a 12-month period from the date of application. Definitions of income and applicable deductions as permitted in the categorical aid to which the individual or family is linked. One-half of the ineligible spouse's income may be deemed available. (See examples under Share of Cost).

Net Earned Income (50037)

The gross income less required deductions, except the first \$85 plus one-half excess of \$85 from earning under Titles I and II of the Economic Opportunity Act are excluded by law.

Maintenance Need - Effective July 1, 1967: (50033)

	<u>Monthly</u>	<u>Quarterly</u>
1 person	\$169	\$507
2 people	\$281	\$843
3 people	\$303	\$909
4 people	\$325	\$975

Long Term Care - \$15 per month plus the support and care of the spouse, minor dependents and any other persons remaining in the home, in accordance with the table above, excluding the person in inpatient care.

Share of Cost Determination (50607)

Subtract maintenance need from the average income and excess property reserves. (See examples under "1966 - Share of Cost").

BELTRAN v. MYERS
RETRO ELIGIBILITY REQUIREMENTS
1968

Verification Standards (50305)

Accept applicant's statement of facts on the application regarding residence, income and resources unless the application is incomplete or contains discrepancies/conflicts. The county shall offer assistance in completing the application and request verification and/or offer assistance in clarifying the facts. If verification cannot be obtained, a signed statement of the facts from the applicant under penalty of perjury shall be accepted.

Disabled (50463)

A disabled person, at least 18 years of age, a physical examination and Department team review must precede certificate except individuals with the following disabilities (effective July 1, 1968) may be certified immediately:

- Cerebral Palsy with speech impairment and inability to control extraneous movements of two or more extremities.
- Quadriplegia
- Deaf Mutism in a person over 21 other than a homemaker.
- Physical or permanent functional loss of two extremities.
- IQ of Less Than 50
- Stature Under Four Feet
- Advanced Diabetes which has resulted in loss of limb or greatly impaired vision.
- Psychosis beginning prior to age 21 and requiring multiple hospitalizations including one within the past 18 months prior to application.
- Terminal or inoperable cancer when medically verified by hospital records or attending physician.
- Parkinson's Disease with marked impairment of walking or speech.
- The result of any physical condition(s) which produces a permanently bedridden or chair bound person.
- Advanced Multiple Sclerosis with marked gait impairment.

- Addison's Disease with impaired gait.
- Hemophilia producing "fixed" or "frozen" joints.
- Permanent Colostomy requiring need for help with irrigation.
- Scleroderma involving internal organs and muscles.

Property (50605)

- A. The value of combined personal and real property in excess of \$1,500 for an adult or \$3,000 for adult spouses or a family, is considered a resource available to meet medical needs.
- B. Value of Real Property (50605) is the larger of the following:
 - Four times the assessed value, if quickly saleable (within 90 days), less encumbrances or record.
 - The collateral value if not quickly saleable.
 - The value at not less than 6 percent of equity in the market value of property which is producing income.

Income (50035)

Any benefit in cash or in kind estimated to be received over a 12 month period from the date of application. Definitions of income and applicable deductions as permitted in the categorical aid to which the individual/family is linked. One half of the ineligible spouse's income may be deemed. (See examples under "1966 - Share of Cost").

Net Earned Income (50037)

The gross income less required deductions, except the first \$85 plus one-half in excess of \$85 from earning under Titles I and II of the Economic Opportunity Act are excluded by law.

Maintenance Need - Effective July 1, 1968: (50033)

	<u>Monthly</u>	<u>Quarterly</u>
1 person	\$162	\$486
2 people	\$281	\$843
3 people	\$303	\$909
4 people	\$325	\$975

Long Term Care - \$15 per month plus the support and care of the spouse, minor dependents and any other persons remaining in the home, in accordance with the table above, excluding the person in inpatient care.

Share of Cost Determination (50607)

Subtract maintenance need from the average income and excess property reserves. (See examples under "1966 - Share of Cost").

BELTRAN v. MYERS
RETRO ELIGIBILITY REQUIREMENTS
1969

Verification Standards (50305)

Accept applicant's statement of facts on the application regarding residence, income and resources unless the application declaration is incomplete or contains discrepancies/conflicts. The county shall offer assistance in completing the application and request verification and/or offer assistance in clarifying the facts. If verification cannot be obtained, a signed statement of the facts from the applicant under penalty of perjury shall be accepted.

Disabled (50463)

A disabled person at less 18 years of age. A physical examination and Department team review must precede certificate except individuals with the following disabilities may be certified immediately:

- Cerebral Palsy with speech impairment and inability to control extraneous movements of two or more extremities.
- Quadriplegia
- Deaf Mutism in a person over 21 other than a homemaker.
- Physical or permanent functional loss of two extremities.
- IQ of less than 50
- Stature under four feet
- Advanced Diabetes which has resulted in loss of limb or greatly impaired vision.
- Psychosis beginning prior to age 21 and requiring multiple hospitalizations including one within the past 18 months prior to application.
- Terminal or inoperable cancer when medically verified by hospital records or attending physician.
- Parkinson's Disease with marked impairment of walking and speech.
- The result of any physical condition(s) which produces a permanently bedridden or chair bound person.
- Advanced Multiple Sclerosis with marked gait impairment.
- Addison's Disease with impaired gait.

- Hemophilia producing "fixed" or "frozen" joints.
- Permanent Colostomy requiring need for help with irrigation.
- Scleroderma involving internal organs and muscles.

Property (50605)

- A. The value of combined personal and real property in excess of \$1,500 for an adult or \$3,000 for adult spouses or a family, is considered a resource available to meet maintenance needs.
- B. Value of Real Property (50605) is the larger of the following:
 - Four times the assessed value, if quickly saleable (within 90 days), less encumbrances or record.
 - The collateral value if not quickly saleable.
 - The value at not less than 6 percent of equity in the market value of property which is producing income.

Income (50603, 50604)

Any benefit in cash or in kind estimated to be received over a 12 month period from the date of application. Definitions of income and applicable deductions as permitted in the categorical aid to which the individual/family is linked. Effective February 16, 1969, when the ineligible spouse is employed and total income is less than \$400, the ineligible spouse shall be allocated up to \$200 from net earned income; all remaining income is allocated to the eligible spouse in an amount not exceeding the allocation to the ineligible spouse. In all other cases, the combined income of the spouses is divided by 2.

When earned income of a recipient is received on a monthly basis or on a basis other than as recurring lump sum payments, the amount of such income which is nonexempt effective July 1, 1969 is computed as follows:

(This applies to such earnings in excess of \$20 a month in OAS and ATD, \$85 a month in AB and \$1,500 a year in APSB.)

- a. Determine gross income from earnings.
- b. Deduct from such gross income all nonpersonal work expenses such as the cost of tools, materials, special uniforms, or other clothing necessary for the job, business expenses or transportation to call on customers.

- c. Deduct the exempt income, i.e., in OAS and ATD the first \$20 of the amount determined in Item b plus one-half of the next \$60; in AB the first \$85 of the amount determined in Item b plus one-half of any amount in excess of \$85; in APSB the first \$1,500 per year plus one-half of any amount in excess of \$1,500.
- d. Deduct personal work expenses such as income withholding taxes, social security taxes, cost of lunches or other meals purchased away from home, transportation to and from the job, laundry and cleaning service necessary for the retention of employment, union dues, etc.
- e. Any remainder is considered nonexempt net income.

Earnings of Ineligible Spouse (50603)

Net income received by an ineligible spouse from his own earnings is computed as follows:

- a. Determine gross income from such earnings.
- b. Deduct from such gross income a flat 25 percent for income taxes, disability insurance, social security taxes, expenses in securing and retaining employment, transportation, meals, etc.

or

Deduct the actual expenses, in lieu of the flat 25 percent, if the spouse presents evidence that necessary deductions and expenses exceed the 25 percent.

- c. any remainder is considered net income of the spouse.

Examples:

Man is age 65. He received \$90 OASDI. His wife is employed, earning a gross salary of \$400. A determination of his net salary either by deduction of 25 percent of the gross or actual expenses is:

<u>25 Percent</u>		<u>Actual</u>
\$400	Income Tax	\$20.00
$25\% = 100$	Social Security	8.00
Net Income \$300	Transportation	40.00
	Union Dues	6.00
	<u>Meals</u>	<u>15.00</u>
		\$89.00

Since 25% of the gross, \$100, is larger than the actual employment expenses, \$89, net income is \$300.

Determination of share of cost:

<u>Man</u>		<u>Ineligible Spouse</u>	
OASDI	\$ 90	Allocation from net earnings	\$200
Allocation of remaining net income (\$300-\$200)	<u>\$100</u>		_____
Total Income	\$190		\$200
Maintenance need	<u>104</u> (1/2 of \$208)		
Share of Cost	\$ 86		

Maintenance Need - effective January 1, 1969 (50033)

	<u>Monthly</u>	<u>Quarterly</u>
1 person	\$162	\$486
2 people	\$208	\$624
3 people	\$241	\$723
4 people	\$316	\$948

Long Term Care - \$15 per month plus the support and care of the spouse, minor dependents and any other persons remaining in the home, in accordance with the table above, excluding the person in inpatient care.

Share of Cost Determination (50607)

Subtract maintenance need from the average income and excess property reserves.

Examples:

A. Adults

The share of cost for an adult applicant (beneficiary) who has no spouse is determined by subtracting the maintenance need for one person from available resources. When the applicant has a spouse, the resources of both spouses, whether of a separate or community nature, are considered. Generally, the share of cost, when the applicant and spouse share a home, is determined by subtracting one-half the maintenance need for two persons from one-half the resources of the

applicant and spouse. Exceptions to this general formula are situations involving an adult applicant whose spouse receives a public assistance cash grant or whose ineligible spouse is employed and net income of the adult and spouse is not over \$400.

- 1. a. Adult couple, age 65. Monthly income is man's social security, \$100, wife's \$80, man's teachers' retirement, \$120. Total \$300. Whether one or both is an applicant is immaterial. If one were age 60, the eligible spouse's share of cost is the same.

	<u>Man</u>	<u>Wife</u>
Income (1/2 of \$300)	\$150.00	\$150.00
Maintenance Need (1/2 of \$208)	<u>\$104.00</u>	<u>\$104.00</u>
Monthly Share of Cost	46.00	46.00

- b. Another way to compute the share of cost is:

Income	\$300
Maintenance Need for 2	\$208
Total Share of Cost	\$ 92
Each adult's share (1/2 of \$92) -	\$46.00

- c. The man of the adult couple becomes a long-term care patient. Sufficient income is allocated by the inpatient to the outpatient to meet the maintenance need.

	<u>Man</u>	<u>Wife</u>
Income (1/2 of \$300)	\$150.00	\$150.00
Maintenance Need (single adult)	\$ 15.00	\$162.00

Preliminary Share of Cost	\$135.00	-\$ 12.00
Allocation by man	-\$ 12.00	+\$ 12.00
Monthly Share of Cost	\$123.00	\$ -0-

- d. Man is living in board and care arrangement at \$200. Maintenance need is computed on the single adult standard. Income totaling \$380 is combined.

	<u>Man</u>	<u>Wife</u>
Income	\$190.00	\$190.00
Maintenance Need	<u>\$162.00</u>	<u>\$162.00</u>
Monthly Share of Cost	\$ 28.00	\$ 28.00

2. Adult with Spouse Who is a P.A. Recipient

The computation of the share of cost differs when one of the couple is a public assistance recipient. This provision was made so the public assistance grant would not be changed or interrupted. The State Department of Social Welfare regulation provisions of the particular aid program are applicable to the allocation of income.

- a. A couple, both age 65, the man receives OAS. The wife is earning \$375 net, as determined by OAS regulations. She applies for Medi-Cal.

Wife's net earnings		\$375.00
Retained by wife		
Maintenance Need	\$200.00	
Medical Expenses	\$ 15.00	
Debts	\$ 25.00	
Repairs to Home	<u>\$ 10.00</u>	<u>\$250.00</u>
Allocation to man		\$125.00
Man's needs - OAS		<u>\$160.00</u>
OAS Grant		\$ 35.00

Wife's available income		\$250.00
Wife's maintenance need (1/2 of \$208.00)		<u>\$104.00</u>
Wife's monthly share of cost		<u>\$146.00</u>

- b. Man enters long-term care. OAS grant is discontinued. Wife is eligible.

An exemption of \$50 is applicable, \$375 - \$50 or \$325 income.

	<u>Man</u>	<u>Wife</u>
Income	\$162.50	\$162.50
Maintenance Need (single adult)	\$ 15.00	
Monthly Share of Cost	\$147.50	.50
	or	or
	\$147.00	\$ 1.00

- c. Same as "a" except wife's net earnings are \$260 per month which results in a \$10 allocation to her husband. (\$260-\$250)

When he enters long-term care, his maintenance need is \$15. With the allocation of \$10 he continues as an OAS recipient with a grant of \$5.

3. Adult with Employed Ineligible Spouse

- a. Adult couple. He is 65, she is 55. She is employed. Her net monthly earnings are \$350.

His share of cost is computed as follows:

Income	\$350	
Retained by wife	\$200	
Remainder up to \$200 to man		\$150
Maintenance need (1/2 of \$208)		<u>\$104</u>
Share of cost		\$ 46
Long-Term Care		
Income		\$150
Maintenance Need		<u>\$ 15</u>
Share of cost		\$135

3. Treatment of Property

Personnal and real property values are combined as a resource unless one of the adults is a public assistance recipient and there is separate property. Excess resources are considered immediately available and are added to income. The division of property determines the amount to be considered available for each adult for the ensuing 12 months. At the end of that period the total property is again combined and divided by 2.

- c. Adult couple both over 65, savings account of \$4,000, total OASDI \$200. Neither is a public assistance recipient.

	<u>Man</u>	<u>Wife</u>
Savings Account	\$2,000.00	\$2,000.00
Exemption-Property	<u>\$1,500.00</u>	<u>\$1,500.00</u>
Excess resource	\$ 500.00	\$ 500.00
Total net income	<u>\$ 100.00</u>	<u>\$ 100.00</u>
Combined excess reserve and income	\$ 600.00	\$ 600.00
Maintenance need (1/2 of (\$208))	\$ 104.00	\$ 104.00
Each adult's initial monthly share of cost	\$ 496.00	\$ 496.00

- b. A medically need adult, OAS linked
Income - \$250 per month (1)
Personal Property - \$800. With \$1,500 exemption, there is an additional \$700 credit.

Real Property
\$7,000 assessed value or \$28,000 market
\$6,300 encumbrance
Total net income on the property is less than 6 percent.

The following action is taken to determine the excess property reserve:

\$7,000 assessed		\$28,000 market value
Less (Encumbrance)	\$6,300.00	
(Exception (\$1,500-\$800))	\$ 700.00	\$ 7,000
Equity in property to be considered		<u>\$21,000</u>

5/7 (first \$5,000 of \$7,000 assessed value)
of \$21,000 = \$15,000 x 6% = \$900 ÷ 12 = \$75 (2)

This may also be computed by $\frac{\$5000}{\text{assessed value}} \times \text{equity} \times .005$.

\$5,000
\$7,000 x \$21,000 x .005 = \$75

2/7 (assessed value above \$5,000) of \$21,000 = \$6,000 (3)
This may also be computed by equity minus base

utilization figure.

$$\underline{\$21,000 - \$15,000 = \$6,000}$$

Monthly share of cost is computed as follows:

Income		\$ 250	(1)
Excess property reserve - \$5,000 assessed			(2)
	value	\$ 75	
Excess proeprty reserve - \$2,000 assessed			(3)
	value	<u>\$6,000</u>	
Total resources		\$6,325	
Maintenance need		<u>\$ 162</u>	
Initial Share of Cost		\$6,163	

BELTRAN V. MYERS
RETRO ELIGIBILITY REQUIREMENTS
1970

Verification Standards (50305)

Accept the applicant's statement of facts on the application regarding residence, income and resources unless the application is incomplete or contains discrepancies/conflicts. The county shall offer assistance in completing the application and request verification and/or offer assistance in clarifying the facts. If verification cannot be obtained, a signed statement from the applicant under penalty of perjury setting forth the facts shall be accepted.

Disabled (50463)

When eligibility depends on a disability, a medical examination and Department team review must precede certification except that individuals with disabilities required for determination of apparent eligibility as set forth in Department of Social Services regulations may be certified pending the required medical examination and Department team review.

Property (50605)

- A. A person or family may retain as a reserve any combination of personal and/or real property where the net market value does not exceed the following amounts:

<u>Persons</u>	<u>Amount</u>
1	\$1,200
2	\$1,300
3	\$1,400
4	\$1,500

- B. Additional real property may be retained provided the assessed value of the additional property does not exceed \$5,000. A monthly income value is placed on such property equal to whichever of the following is greater:
1. One-twelfth or 6 percent of the market value of the property (four times the assessed value).
 2. The net income received from the property. Principal payments on encumbrances are not deducted in determining net income.

Income (50603, 50604)

Income definitions, deductions and exemptions which would be applicable to the individual or family in establishing eligibility for a public assistance grant under the categorical aid program to which linked. Premiums paid directly by the beneficiary or applicant or persons directly responsible for his/her support for prepaid health insurance and health plan contracts are also deducted.

- A. For a medically needy person with no spouse or other legal dependents, all net income is considered.
- B. For a medically needy person with no legal dependents other than a spouse, income available for determining liability of the medically needy person is determined as follows:
 - 1. When the spouse is a public assistance recipient, the amount of the combined net income allocated to the spouse and the cash grant payment are excluded. The remainder of the combined net income is available to the medically needy person.
 - 2. When the medically needy person is a long-term care patient and combined net income is less than twice the maintenance need allowed for one person, the combined net income is divided by two. From the long-term care patient's one-half of the income:
 - a. \$15 is retained.
 - b. An amount is allocated to the spouse to provide income not to exceed the spouse's maintenance need.
 - c. Any remaining income is available to the long-term care patient.
 - 3. When the combined net income is less than \$400 per month and an employed spouse who is ineligible for Medi-Cal benefits has net earnings exceeding one-half of the combined net income, the employed spouse may retain up to \$200 for net earnings. The remainder of the combined net income is available to the medically needy person.
 - 4. In all other situations one-half of the combined net income is available to each spouse.
- C. For a medically needy family, income available to meet liability of medically needy family members is determined as follows:
 - 1. When the family includes a public assistance recipient, income allocated to the recipient and the cash grant payment are excluded.

2. The income of all family members, other than public assistance recipients, is combined when income is equally available for the support of all family members by voluntary action or legal responsibility.

Maintenance Needs (50607)

Effective January 1970 through July 1970:

<u>Persons</u>	<u>Monthly</u>	<u>Quarterly</u>
1	\$162	\$ 486
2	\$200	\$ 600
3	\$233	\$ 699
4	\$300	\$ 900

Long-Term Care - \$15 per month plus the support and care of the spouse, minor dependents, and any other dependent relative for whose support (s)he has contributed regularly in accordance with the table above, excluding the person in inpatient care.

Effective August 1970:

<u>Persons</u>	<u>Monthly</u>	<u>Quarterly</u>
1 (Shared)	\$100	\$300
1 (Alone)	\$158	\$474
2	\$200	\$600
3	\$233	\$699
4	\$300	\$900

Long-Term Care - \$15 per month plus the support and care of the spouse, minor dependents, and any other dependent relative for whose support (s)he has contributed regularly in accordance with the table above, excluding the person in inpatient care.

Share of Cost Determinations (50607)

Subtract the appropriate maintenance need from the net income. There shall be no certification for benefits under the Medi-Cal program if:

- A. The cost of medical care during the three month liability period does not equal or exceed the liability for that period, or

- B. The value of personal or real property exceeds the maximum amounts shown in PROPERTY.

BELTRAN V. MYERS
RETRO ELIGIBILITY REQUIREMENTS
1971

Verification Standards (50305)

Accept the applicant's statement of facts on the application regarding residence, income and resources unless the application is incomplete or contains discrepancies/conflict. The county shall offer assistance in completing the application and request verification and/or offer assistance in clarifying the facts. If verification cannot be obtained, a signed statement from the applicant under penalty of perjury setting forth the facts shall be accepted.

Disabled (50463)

When eligibility depends on a disability, a medical examination and Department team review must precede certification except that individuals with disabilities required for determination of apparent eligibility as set forth in Department of Social Services regulations may be certified pending the required medical examination and Department team review.

Property (50605)

- A. A person or family may retain as a reserve any combination of personal and/or real property where the net market value does not exceed the following amounts:

<u>Persons</u>	<u>Amount</u>
1	\$1,200
2	\$1,300
3	\$1,400
4	\$1,500

- B. Additional real property may be retained provided the assessed value of the additional property does not exceed \$5,000. A monthly income value is placed on such property equal to whichever of the following is greater:
1. One-twelfth or 6 percent of the market value of the property (four times the assessed value).
 2. The net income received from the property. Principal payments on encumbrances are not deducted in determining net income.

Income (50603, 50604)

Income definitions, deductions and exemptions which would be applicable to the individual or family in establishing eligibility for a public assistance grant under the categorical aid program to which linked. Premiums paid directly by the beneficiary or applicant or persons directly responsible for his/her support for prepaid health insurance and health plan contracts are also deducted.

- A. For a medically needy person with no spouse or other legal dependents, all net income is considered.
- B. For a medically needy person with no legal dependents other than a spouse, income available for determining liability of the medically needy person is determined as follows:
 - 1. When the spouse is a public assistance recipient, the amount of the combined net income allocated to the spouse and the cash grant payment are excluded. The remainder of the combined net income is available to the medically needy person.
 - 2. When the medically needy person is a long-term care patient and combined net income is less than twice the maintenance need allowed for one person, the combined net income is divided by two. From the long-term care patient's one-half of the income:
 - a. \$15 is retained.
 - b. An amount is allocated to the spouse to provide income not to exceed the spouse's maintenance need.
 - c. Any remaining income is available to the long-term care patient.
 - 3. When the combined net income is less than \$400 per month and an employed spouse who is ineligible for Medi-Cal benefits has net earnings exceeding one-half of the combined net income, the employed spouse may retain up to \$200 for net earnings. The remainder of the combined net income is available to the medically needy person.
 - 4. In all other situations one-half of the combined net income is available to each spouse.
- C. For a medically needy family income available to meet liability of medically needy family members is determined as follows:
 - 1. When the family includes a public assistance recipient, income allocated to the recipient and the cash grant payment are excluded.

2. The income of all family members, other than public assistance recipients, is combined when income is equally available for the support of all family members by voluntary action or legal responsibility.

Maintenance Needs (50607)

Effective August 1971:

<u>Persons</u>	<u>Monthly</u>	<u>Quarterly</u>
1 (Shared)	\$100	\$300
1 (Alone)	\$158	\$474
2	\$200	\$600
3	\$233	\$699
4	\$300	\$900

Long-Term Care - \$15 per month plus the support and care of the spouse, minor dependents, and any other dependent relative for whose support he has contributed regularly in accordance with the table above, excluding the person in inpatient care.

Share of Cost Determinations (50607)

Subtract the appropriate maintenance need from the net income. There shall be no certification for benefits under the Medi-Cal program if:

- A. The cost of medical care during the three month liability period does not equal or exceed the liability for that period, or
- B. The value of personal or real property exceeds the maximum amounts shown in PROPERTY.

BELTRAN V. MYERS
RETRO ELIGIBILITY REQUIREMENTS
1972

Verification Standards (50305)

Accept the applicant's statement of facts on the application regarding residence, income and resources unless the application is incomplete or contains discrepancies/conflict. The county shall offer assistance in completing the application and request verification and offer assistance in clarifying the facts. If verification cannot be obtained, a signed statement from the applicant, under penalty of perjury, setting forth the facts shall be accepted.

Disabled (50463)

When eligibility depends on a disability, a medical examination and Department team review must precede certification except that individuals with disabilities required for determination of apparent eligibility as set forth in Department of Social Services regulations may be certified pending the required medical examination and Department team review.

Property (50607)

- A. A person or family may retain as a reserve any combination of personal and/or real property where the net market value does not exceed the following amounts:

<u>Persons</u>	<u>Amount</u>
1	\$1,200
2	\$1,300
3	\$1,400
4	\$1,500

- B. Additional real property may be retained provided the assessed value of the additional property does not exceed \$5,000. A monthly income value is placed on such property equal to whichever of the following is greater:
1. One-twelfth of 6 percent of the market value of the property (four times the assessed value).
 2. The net income received from the property. Principal payments on encumbrances are not deducted in determining net income.

Income (50603, 50604)

Income definitions, deductions and exemptions which would be applicable to the individual or family in establishing eligibility for a public assistance grant under the categorical aid program to which linked. Premiums paid directly by the beneficiary or applicant or persons directly responsible for his/her support for prepaid health insurance and health plan contracts are also deducted.

- A. For a medically needy person with no spouse or other legal dependents, all net income is considered.
- B. For a medically needy person with no legal dependents other than a spouse, income available for determining liability of the medically needy person is determined as follows:
 - 1. When the spouse is a public assistance recipient, the amount of the combined net income allocated to the spouse and the cash grant payment are excluded. The remainder of the combined net income is available to the medically needy person.
 - 2. When the medically needy person is a long-term care patient and combined net income is less than twice the maintenance need allowed for one person, the combined net income is divided by two. From the long-term care patient's one-half of the income:
 - a. \$15 is retained.
 - b. An amount is allocated to the spouse to provide income not to exceed the spouse's maintenance need.
 - c. Any remaining income is available to the long-term care patient.
 - 3. When the combined net income is less than \$400 per month and an employed spouse who is ineligible for Medi-Cal benefits has net earnings exceeding one-half of the combined net income, the employed spouse may retain up to \$200 for net earnings. The remainder of the combined net income is available to the medically needy person.
 - 4. In all other situations one-half of the combined net income is available to each spouse.
- C. For a medically needy family income available to meet liability of medically needy family members is determined as follows:
 - 1. When the family includes a public assistance recipient, income allocated to the recipient and the cash grant payment are excluded.

2. The income of all family members, other than public assistance recipients, is combined when income is equally available for the support of all family members by voluntary action or legal responsibility.

Example

An ATD linked married woman who is a long-term care patient applies for Medi-Cal. She and her husband have three minor children. The only income is the husband's gross earnings of \$750 per month.

Ineligible husband's gross earnings		\$750.00
Less 25%		<u>187.50</u>
		\$562.50
 Less maintenance need 3 children		 <u>233.00</u>
		 \$329.50
 Less \$7.50 S.S. pass-on		 <u>7.50</u>
		 \$322.00
 1/2 balance of income — applicant's share		 161.00
Less maintenance need		<u>15.00</u>
Monthly liability		\$146.00

Same applicant not in long-term care:

1/2 combined net income (\$161 x 3)	=	\$483.00
3 month maintenance need (1/2 of \$600)	=	<u>300.00</u>

The above method is used only when the adult-aid linked parent is the only persons applying for Medi-Cal. If other medically needy family members wish to be certified for Medi-Cal, a family liability must be computed based on income.

Maintenance Needs (50607)

Effective:

<u>Persons</u>	<u>Monthly</u>	<u>Quarterly</u>
1 (Shared)	\$100	\$300
1 (Alone)	\$158	\$474
2	\$200	\$600
3	\$233	\$699
4	\$300	\$900

Long-Term Care - \$15 per month plus the support and care of the spouse, minor dependents, and any other dependent relative for whose support he has contributed regularly in accordance with the table above, excluding the person in inpatient care.

Share of Cost Determinations (50607)

Subtract the appropriate maintenance need from the net income. There shall be no certification for benefits under the Medi-Cal program if:

- A. The cost of medical care during the three month liability period does not equal or exceed the liability for that period, or
- B. The value of personal or real property exceeds the maximum amounts shown in PROPERTY.

BELTRAN V. MYERS
RETRO ELIGIBILITY REQUIREMENTS
1973

Verification Standards (50305)

Accept the applicant's statement of facts on the application regarding residence, income and resources unless the application is incomplete or contains discrepancies/conflict. The county shall offer assistance in completing the application and request verification and offer assistance in clarifying the facts. If verification cannot be obtained, a signed statement from the applicant, under penalty of perjury, setting forth the facts shall be accepted.

Disabled (50463)

When eligibility depends on a disability, a medical examination and Department team review must precede certification except that individuals with disabilities required for determination of apparent eligibility as set forth in Department of Social Services regulations may be certified pending the required medical examination and Department team review.

Property (50605, 50607)

- A. A person or family may retain as a reserve any combination of personal and/or real property where the net market value does not exceed the following amounts effective February 1, 1973:

<u>Persons</u>	<u>Amount</u>
1	\$1,200
2	\$1,300
3	\$1,400
4	\$1,500

- B. Additional real property may be retained provided the assessed value of the additional property does not exceed \$5,000. A monthly income value is placed on such property equal to whichever of the following is greater:
1. One-twelfth of 6 percent of the market value of the property (four times the assessed value).
 2. The net income received from the property. Principal payments on encumbrances are not deducted in determining net income.

Income (50603, 50604)

Income definitions, deductions and exemptions which would be applicable to the individual or family in establishing eligibility for a public assistance grant under the categorical aid program to which linked. Premiums paid directly by the beneficiary or applicant or persons directly responsible for his/her support for prepaid health insurance and health plan contracts are also deducted.

- A. For a medically needy person with no spouse or other legal dependents, all net income is considered.
- B. For a medically needy person with no legal dependents other than a spouse, income available for determining liability of the medically needy person is determined as follows:
 1. When the spouse is a public assistance recipient, the amount of the combined net income allocated to the spouse and the cash grant payment are excluded. The remainder of the combined net income is available to the medically needy person.
 2. When the medically needy person is a long-term care patient and combined net income is less than twice the maintenance need allowed for one person, the combined net income is divided by two. From the long-term care patient's one-half of the income:
 - a. \$15 is retained.
 - b. An amount is allocated to the spouse to provide income not to exceed the spouse's maintenance need.
 - c. Any remaining income is available to the long-term care patient.
 3. When the combined net income is less than \$400 per month and an employed spouse who is ineligible for Medi-Cal benefits has net earnings exceeding one-half of the combined net income, the employed spouse may retain up to \$200 for net earnings. The remainder of the combined net income is available to the medically needy person.
 4. In all other situations one-half of the combined net income is available to each spouse.
- C. For a medically needy family income available to meet liability of medically needy family members is determined as follows:
 1. When the family includes a public assistance recipient, income allocated to the recipient and the cash grant payment are excluded.

2. The income of all family members, other than public assistance recipients, is combined when income is equally available for the support of all family members by voluntary action or legal responsibility.

Maintenance Needs (50607)

Effective February 1, 1973

<u>Persons</u>	<u>Monthly</u>	<u>Quarterly</u>
1 (Shared)	\$129	\$ 387
1 (Alone)	\$179	\$ 537
2	\$258	\$ 774
3	\$317	\$ 951
4	\$375	\$1,125

Effective July 1, 1973

<u>Persons</u>	<u>Monthly</u>	<u>Quarterly</u>
1 (Shared)	\$134	\$ 402
1 (Alone)	\$184	\$ 552
2	\$267	\$ 801
3	\$325	\$ 975
4	\$392	\$1,176

Long-Term Care - \$15 per month plus the support and care of the spouse, minor dependents, and any other dependent relative for whose support he has contributed regularly in accordance with the table above, excluding the person in inpatient care.

An allowance for upkeep of the home shall be included for a maximum of six months beginning with the first of the month in which long-term care status is established, when a medical determination has been made that the applicant or beneficiary can be expected to return home before the expiration of the six-month period. An allowance for upkeep shall be made when the following circumstances exist:

- A. When the applicant or beneficiary has been living alone in the home, a maximum of \$63 per month.

- B. When the home is shared with persons for whom the applicant or beneficiary has no legal responsibility for support, a maximum of \$45 per month.

Share of Cost Determinations (50607)

Subtract the appropriate maintenance need from the net income. There shall be no certification for benefits under the Medi-Cal program if:

- A. The cost of medical care during the three month liability period does not equal or exceed the liability for that period, or
- B. The value of personal or real property exceeds the maximum amounts shown in PROPERTY.

BELTRAN V. MYERS
RETRO ELIGIBILITY REQUIREMENTS
1974

Verification Standards (50305, 50306)

Accept the applicant's statement of facts on the application regarding residence, income and resources unless the application is incomplete or contains discrepancies/conflicts. The county shall offer assistance in completing the application and request verification and/or offer assistance in clarifying the facts. If verification cannot be obtained, a signed statement from the applicant under penalty of perjury, setting forth the facts shall be accepted.

Disability (50463)

Effective January 1, 1974, any person, regardless of age, is considered disabled if (s)he is unable to engage in any substantial gainful employment by reason of any determinable physical or mental impairment which:

- A. Can be expected to result in death, or
- B. Has lasted for a continuous period of not less than one year, or
- C. Can be expected to last for a continuous period of not less than one year.

In the case of a child from birth to age 18, (s)he is considered disabled if (s)he suffers from any medically determinable physical or mental impairment of comparable severity.

Determination of disability will be made by the Disability Evaluations Branch. A person must be disabled to such a degree that (s)he is not only unable to do his/her previous work but cannot, considering his/her age, education, and work experience, engage in any other kind of substantial gainful work which is available.

Property (50605)

A person or family may retain as a reserve any combination of personal and/or real property where the net market value does not exceed the following amounts:

<u>Persons</u>	<u>Amount</u>
1	\$1,500
2	\$2,000
3	\$2,200
4	\$2,200

Property to Be Considered

- A. For a medically needy aged, blind, or disabled person 18 years of age or older with no spouse, all of his/her own property.
- B. For a medically needy aged, blind, or disabled person with a spouse and/or children, his/her separate property and his/her share of community property.
- C. For a medically needy blind or disabled person under 18 years of age and unmarried, and who is residing with his/her parent(s) his/her separate property and his/her share of his/her parent(s) property which has been allocated to him/her as follows:

- 1. Determine the total property reserves of the natural or adoptive parent(s) residing in the home. A parent is to be considered as residing at home if away from home for reasons such as employment or hospitalization. If the parent who is absent has relinquished custody or responsibility for the blind or disabled child, do not consider his/her property as available.

Do not consider the stepparent's share of community property nor his/her separate property.

Do not consider the separate property of other children in the home.

- 2. Allow the property exclusions.
- 3. Subtract from the total property reserves \$1,500.00 for one parent and \$2,000.00 for two parents when the property reserves of both parents are being considered.
- 4. The total reserves in excess of \$1,500.00 or \$2,000.00 are deemed to be available to the blind or disabled child in the home. When there are two or more eligible blind or disabled children in the home, equally divide the excess between them.

The medically needy blind or disabled child's share allocated to him/her from his/her parent(s) is added to his/her separate property to determine the total property available to him/her.

- D. For the medically needy blind or disabled person under 18 years of age and unmarried and who does not reside with his/her parents, only his/her separate property is to be considered (Title 16).
- E. Real Property Other than the Home

Real property other than the home, owned by the applicant/beneficiary or by the applicant/beneficiary and his/her spouse or by a family group, may be retained providing the assessed value of the real property does not exceed

\$5,000.00 (\$20,000.00 market value). If the market value exceeds \$20,000.00 the excess amount of the market value over \$20,000.00 minus the prorated encumbrances, is considered a resource and included in the property reserves in determining eligibility.

The market value of real property other than the home, excluding the excess market value over \$20,000.00, is assigned an income value. Such income value shall be the greater amount of:

1. One twelfth of six percent of the market value (four times the assessed value), or
2. The net income actually received from the property determined as follows:

Deduct from the gross rental the following expenses:

- a. Taxes and assessments
- b. Interest on encumbrance payments (do not deduct the principal portion of the payments).
- c. Insurance
- d. Utilities if paid by the medically needy person or family.
- e. Upkeep and major repairs

After discussions with the applicant or beneficiary, the actual amount expended for upkeep and repairs or 15 percent of the gross monthly rental plus \$4.17 a month will be deducted.

When the market value of real property other than the home is more than \$20,000 (assessed value exceed \$5,000) the amount in excess of \$20,000 is not excluded; it is considered an available resource and its net value is included in the property reserves in determining eligibility. If the property is not encumbered, the total excess market value is also the net value to be included in the property reserves. When the property is encumbered, such encumbrances must be prorated and that proportionate share applicable to the excess amount is subtracted from the excess market value to determine the net market value. Only the applicant's share of the excess real property is included in the property reserves.

F. Deeds of Trust

Any mortgage or note secured by a deed of trust and such deed of trust does not exceed a market value of \$20,000 is exempt as a resource providing:

1. The deed of trust was obtained by the applicant or beneficiary or by the applicant or beneficiary and his/her spouse through the sale of real property which was producing income immediately prior to the sale; and
2. The income, including both the principal and interest portions of the payment, from the deed of trust is used to meet the needs of the applicant or beneficiary.

The market value of a deed of trust is considered to be the quick sale value. If the deed of trust meets the provisions in 1 and 2 above but its market value (quick sale value) exceeds \$20,000 the excess amount over \$20,000 is considered a resource and included in the property reserves in determining eligibility.

G. Property in which the Applicant or Beneficiary Holds a Life Estate

Each life estate agreement held by the applicant or beneficiary on property which is not providing him with a home must be carefully reviewed. Unless the terms of the agreement specifically include the right to revocation by the applicant or beneficiary, such property is not considered a resource nor is an income value assigned to it. If such life estate agreement provides for the beneficiary to receive any income derived from such property, only the actual net income is considered unearned income to the applicant or beneficiary and the property itself is excluded as a resource.

H. Property Held in Trust

Property held in trust for the applicant or beneficiary is exempt from consideration as a resource provided:

1. The applicant/beneficiary in control of the fund petitions the court for an appropriate order. If the applicant or beneficiary refuses to initiate such a petition, the entire trust fund will be considered an available resource and included in the property reserves. The applicant/beneficiary will be required to take the initial action to obtain control of the fund within 30 days of the date (s)he is advised of his/her responsibility to do so. The trust fund is exempt as a resource pending the court's decision.

If the person in control of the trust fund is other than the applicant or beneficiary and this other person refuses to petition the court upon request by the applicant/beneficiary, the property held in trust remains exempt as a resource and further action is not required.

I. Burial Reserves

The following burial reserves may be retained by the applicant/beneficiary when the total amount paid for all such items does not exceed \$1,000:

1. Money or securities placed in an irrevocable trust for funeral, cremation, or interment expenses with any of the trustees mentioned in Section 7736 of the Business and Professions Code.

An irrevocable trust, within the meaning of this section is a written agreement between the applicant or beneficiary and the trustee(s) which expressly provides that the trust agreement is irrevocable and that the trustee obligates himself/herself to apply the money held in trust for the funeral, cremation, or interment of the applicant or beneficiary.

Trustees mentioned in Section 7736 of the Business and Professions Code are limited to:

- a. A banking institution or trust company legally authorized and empowered by the State of California to act as trustee in the handling of trust funds.

or

- b. Not less than three persons, one of whom may be an employee of the funeral director who is entering into a Preneed Funeral Arrangement as provided in Business and Professions Code Sections 7735 and 7742.

2. Life or burial insurance purchased specifically for funeral, cremation, or interment expenses which is placed in an irrevocable trust or which has no loan or cash value available to the insured during his/her lifetime. Included are:
 - a. An insurance policy on the life of the applicant/beneficiary payable to a beneficiary who has irrevocably agreed to apply the proceeds from the insurance for funeral, cremation, or interment of the insured.
 - b. An insured policy which is payable on death to the estate of the insured and thus, in effect, becomes a resource earmarked for burial.
3. Securities issued by a licensed cemetery authority which by their terms are convertible only into payment for funeral, cremation, or interment expenses.

In addition to the foregoing, the value of an interment plot, vault or crypt, retained for use by the owner, is excluded as a resource and is not to be included in the \$1,000 limited specified for burial reserves.

Income (50603, 50604)

Income definitions, deductions and exemptions which would be applicable to the individual or family in establishing eligibility for a public assistance grant under the categorical aid program to which linked. Premiums paid directly by the beneficiary or applicant or persons directly responsible for his/her support for prepaid health insurance and health plan contracts are also deducted.

- A. For a medically needy person with no spouse or other legal dependents, all net income is considered.
- B. For a medically needy person with no legal dependents other than a spouse, income available for determining liability of the medically needy person is determined as follows:
 - 1. When the spouse is a public assistance recipient, the amount of the combined net income allocated to the spouse and the cash grant payment are excluded. The remainder of the combined net income is available to the medically needy person.
 - 2. When the medically needy person is a long-term care patient and combined net income is less than twice the maintenance need allowed for one person, the combined net income is divided by two. From the long-term care patient's one-half of the income:
 - a. \$15 is retained.
 - b. An amount is allocated to the spouse to provide income not to exceed the spouse's maintenance need.
 - c. Any remaining income is available to the long-term care patient.
 - 3. When the combined net income is less than \$400 per month and an employed spouse who is ineligible for Medi-Cal benefits has net earnings exceeding one-half of the combined net income, the employed spouse may retain up to \$200 for net earnings. The remainder of the combined net income is available to the medically needy person.
 - 4. In all other situations one-half of the combined net income is available to each spouse.
- C. For a medically needy family income available to meet liability of medically needy family members is determined as follows:
 - 1. When the family includes a public assistance recipient, income allocated to the recipient and the cash grant payment are excluded.
 - 2. The income of all family members, other than public assistance recipients, is combined when income is equally available for the support of all family members by voluntary action or legal responsibility.

Maintenance Needs (50608)

Effective July 1, 1974

<u>Persons</u>	<u>Monthly</u>	<u>Quarterly</u>
1 (Shared)	\$142	\$ 426
1 (Alone)	\$197	\$ 591
2	\$283	\$ 849
3	\$350	\$1,050
4	\$417	\$1,251

Long-Term Care - \$25 per month effective January 1, 1974 plus the support and care of the spouse, minor dependents, and any other dependent relative for whose support he has contributed regularly in accordance with the table above, excluding the person in inpatient care.

An allowance for upkeep of the home shall be included for a maximum of six months beginning with the first of the month in which long-term care status is established, when a medical determination has been made that the applicant or beneficiary can be expected to return home before the expiration of the six month period. An allowance for upkeep shall be made when the following circumstances exist.

- A. When the applicant or beneficiary has been living alone in the home, a maximum of \$63 per month.
- B. When the home is shared with persons for whom the applicant or beneficiary has no legal responsibility for support, a maximum of \$45 per month.

Share of Cost Determinations (50607)

Subtract the appropriate maintenance need from the net income. There shall be no certification for benefits under the Medi-Cal program if:

- A. The cost of medical care during the three month liability period does not equal or exceed the liability for that period, or
- B. The value of personal or real property exceeds the maximum amounts shown in PROPERTY.

Effective July 1, 1974, some members of a medically needy family may elect to apply as aged, blind, or disabled medically needy persons.

Examples

- A. Family consists of 2 parents and 3 children. The father, who is disabled, receives VA payment of \$112.49, Social Security of \$160.30, and private insurance payments of \$80. Each of the 3 children receive Social Security of \$68.40. The mother receives \$68.40 Social Security and earns \$518 per month. Her work related expenses are \$30.04 for Social Security, \$82.70 for federal income tax, \$16.20 for state income tax, \$5.20 for disability insurance, \$52.00 for transportation (own car and no bus available to work), \$8 for necessary personal incidentals. Net earnings are \$323.86. The family has health insurance with premiums of \$29.60 per month. The father wishes to apply as a disabled person.

Income

Father's Income	\$352.79
Mother's Income	<u>392.26</u>
Total Income	745.05
Less Medical Premium	<u>- 29.60</u>
Net Income	\$715.45

Income Distribution

Maintenance Need of Persons Covered as Medically Needy Family (4)	\$417.00
Less Children's Income (3)	<u>205.20</u>
Deficit in Maintenance Need	\$211.80
Net Income of Parents	\$715.45
Less Deficit Maintenance Need	<u>-211.80</u>
Allocation to Disabled Father	\$503.65

Father's Liability Determination

Income	\$ 503.65
Less "Any Income" Exemption	<u>20.00</u>
Monthly Income	483.65
Three Months Income	1,451.00
Less Maintenance Need	<u>- 426.00</u>
Three Months Liability	\$1,025.00

- B. The family consists of the mother and three children; deprivation exists due to absence of the father. One child is disabled. Income consists of the mother's gross earnings of \$520 and net earnings of \$273.86 (same as example 1 with addition of \$50 per month for part time child care). Child support is received in \$29.60 per month. The mother elects to apply for the disabled child separately leaving the mother and the other two children as the medically needy family.

Income Distribution

Maintenance Need of Persons Covered	
In Family Unit (3)	\$350.00
Less Income of Two Children	<u>-140.00</u>
Deficit	\$210.00
Net Income of Mother (\$273.86 - \$29.60)	\$244.26
Less Maintenance Need Deficit	<u>-210.00</u>
Allocation to Disabled Child	\$ 34.26

Disabled Child's Liability Determination

Child's Own Income	\$ 70.00
Allocation From Parent	<u>34.26</u>
Monthly Income	104.26
Less "Any Income" Exemption	<u>20.00</u>
Monthly Net Income	84.26
Three Months Income	253.00
Maintenance Need	<u>426.00</u>
Liability	\$ 0

- C. The situation is identical to Example A except that one of the children, as well as the father is disabled.

Income Distribution

Maintenance Need of Persons Covered	
as MN Family (3)	\$350.00
Less Children's Income (2)	<u>-136.80</u>
Deficit in Maintenance Need	\$213.20
Net Income of Parents	\$715.45
Less Deficit Maintenance Need	<u>-213.20</u>
Allocation to Disabled Members	\$502.25

Father's Liability Determination

Income (1/2 of \$502.25)	\$ 251.13
Less "Any Income" Exemption	<u>20.00</u>
Net Income	231.13
Three Months Income	693.00
Less Maintenance Need	<u>426.00</u>
Liability	\$267.00

Disabled Child's Liability Determination

Same as father with the addition of child's own income to that allocated from the parents.

BELTRAN V. MYERS
RETRO ELIGIBILITY REQUIREMENTS
1975

Verification Standards (50305, 50306)

Accept the applicant's statement of facts on the application regarding residence, income and resources unless the application is incomplete or contains discrepancies/conflict. The county shall offer assistance in completing the application and request verification and/or offer assistance in clarifying the facts. If verification cannot be obtained, a signed statement from the applicant under penalty of perjury, setting forth the facts shall be accepted.

Disability (50463)

Any person regardless of age, is considered disabled if (s)he is unable to engage in any substantial gainful employment by reason of any determinable physical or mental impairment which:

- A. Can be expected to result in death, or
- B. Has lasted for a continuous period of not less than one year, or
- C. Can be expected to last for a continuous period of not less than one year.

In the case of a child from birth to age 18, (s)he is considered disabled if (s)he suffers from any medically determinable physical or mental impairment of comparable severity.

Determination of disability will be made by the Disability Evaluations Branch of the Department of Social Services. A person must be disabled to such a degree that (s)he is not only unable to do his/her previous work but cannot, considering his/her age, education, and work experience, engage in any other kind of substantial gainful work which is available.

Property (50605)

A person or family may retain as a reserve any combination of personal and/or real property where the net market value does not exceed the following amounts:

<u>Persons</u>	<u>Amount</u>
1	\$1,500
2	\$2,000
3	\$2,200
4	\$2,200

Property to Be Considered

- A. For a medically needy aged, blind, or disabled person 18 years of age or older with no spouse, all of his/her own property.
- B. For a medically needy aged, blind, or disabled person with a spouse and/or children, his/her separate property and his/her share of community property.
- C. For a medically needy blind or disabled person under 18 years of age and unmarried, and who is residing with his/her parent(s) his/her separate property and his/her share of his/her parent(s) property which has been allocated to him/her as follows:

- 1. Determine the total property reserves of the natural or adoptive parent(s) residing in the home. A parent is to be considered as a residing at home if away from home for reason such as employment or hospitalization. If the parent who is absent has relinquished custody or responsibility for the blind or disabled child, do not consider his/her property as available.

Do not consider the stepparent's share of community property nor his/her separate property.

Do not consider the separate property of other children in the home.

- 2. Allow the property exclusions.
- 3. Subtract from the total property reserves \$1,500.00 for one parent and \$2,000.00 for two parents when the property reserves of both parents are being considered.
- 4. The total reserves in excess of \$1,500.00 or \$2,000.00 are deemed to be available to the blind or disabled child in the home. When there are two or more eligible blind or disabled children in the home, equally divide the excess between them.

The medically needy blind or disabled child's share allocated to him/her from his/her parent(s) is added to his/her separate property to determine the total property available to him/her.

- D. For the medically needy blind or disabled person under 18 years of age and unmarried and who does not reside with his/her parents, only his/her separate property is to be considered (Title 16).
- E. Real Property Other than the Home

Real property other than the home, owned by the applicant/beneficiary or by the applicant/beneficiary and his/her spouse or by a family group, may be retained providing the assessed value of the real property does not

exceed \$5,000.00 (\$20,000.00 market value). If the market value exceeds \$20,000.00 the excess amount of the market value over \$20,000.00 minus the prorated encumbrances, is considered a resource and included in the property reserves in determining eligibility.

The market value of real property other than the home, excluding the excess market value over \$20,000.00, is assigned an income value. Such income value shall be the greater amount of:

1. One twelfth of six percent of the market value (four times the assessed value), or
2. The net income actually received from the property determined as follows:

Deduct from the gross rental the following expenses:

- a. Taxes and assessments
- b. Interest on encumbrance payments (do not deduct the principal portion of the payments).
- c. Insurance
- d. Utilities if paid by the medically needy person or family.
- e. Upkeep and major repairs

After discussions with the applicant or beneficiary, the actual amount expended for upkeep and repairs or 15 percent of the gross monthly rental plus \$4.17 a month will be deducted.

When the market value of real property other than the home is more than \$20,000 (assessed value exceed \$5,000) the amount in excess of \$20,000 is not excluded; it is considered an available resource and its net value is included in the property reserves in determining eligibility. If the property is not encumbered, the total excess market value is also the net value to be included in the property reserves. When the property is encumbered, such encumbrances must be prorated and that proportionate share applicable to the excess amount is subtracted from the excess market value to determine the net market value. Only the applicant's share of the excess real property is included in the property reserves.

F. Deeds of Trust

Any mortgage or note secured by a deed of trust and such deed of trust does not exceed a market value of \$20,000 is exempt as a resource providing:

1. The deed of trust was obtained by the applicant or beneficiary or by the applicant or beneficiary and his/her spouse through the sale of real property which was producing income immediately prior to the sale, and
2. The income, including both the principal and interest portions of the payment, from the deed of trust is used to meet the needs of the applicant or beneficiary.

The market value of a deed of trust is considered to be the quick sale value. If the deed of trust meets the provisions in 1 and 2 above but its market value (quick sale value) exceeds \$20,000 the excess amount over \$20,000 is considered a resource and included in the property reserves in determining eligibility.

G. Property in which the Applicant or Beneficiary Holds a Life Estate

Each life estate agreement held by the applicant or beneficiary on property which is not providing him with a home must be carefully reviewed. Unless the terms of the agreement specifically include the right to revocation by the applicant or beneficiary, such property is not considered a resource nor is an income value assigned to it. If such life estate agreement provides for the beneficiary to receive any income derived from such property, only the actual net income is considered unearned income to the applicant or beneficiary and the property itself is excluded as a resource.

H. Property Held in Trust

Property held in trust for the applicant or beneficiary is exempt from consideration as a resource provided:

1. The applicant/beneficiary in control of the fund petitions the court for an appropriate order. If the applicant or beneficiary refuses to initiate such a petition, the entire trust fund will be considered an available resource and included in the property reserves. The applicant/beneficiary will be required to take the initial action to obtain control of the fund within 30 days of the date (s)he is advised of his/her responsibility to do so. The trust fund is exempt as a resource pending the court's decision.

If the person in control of the trust fund is other than the applicant or beneficiary and this other person refuses to petition the court upon request by the applicant/beneficiary, the property held in trust remains exempt as a resource and further action is not required.

I. Burial Reserves

The following burial reserves may be retained by the applicant/beneficiary when the total amount paid for all such items does not exceed \$1,000:

1. Money or securities placed in an irrevocable trust for funeral, cremation, or interment expenses with any of the trustees mentioned in Section 7736 of the Business and Professions Code.

An irrevocable trust, within the meaning of this section is a written agreement between the applicant or beneficiary and the trustee(s) which expressly provides that the trust agreement is irrevocable and that the trustee obligates himself/herself to apply the money held in trust for the funeral, cremation, or interment of the applicant or beneficiary.

Trustees mentioned in Section 7736 of the Business and Professions Code are limited to:

- a. A banking institution or trust company legally authorized and empowered by the State of California to act as trustee in the handling of trust funds.

or

- b. Not less than three persons, one of whom may be an employee of the funeral director who is entering into a Preneed Funeral Arrangement as provided in Business and Professions Code Sections 7735 and 7742.

2. Life or burial insurance purchased specifically for funeral, cremation, or interment expenses which is placed in an irrevocable trust or which has no loan or cash value available to the insured during his/her lifetime. Included are:
 - a. An insurance policy on the life of the applicant/beneficiary payable to a beneficiary who has irrevocably agreed to apply the proceeds from the insurance for funeral, cremation or interment of the insured.
 - b. An insured policy which is payable on death to the estate of the insured and thus, in effect, becomes a resource earmarked for burial.
3. Securities issued by a licensed cemetery authority which by their terms are convertible only into payment for funeral, cremation, or interment expenses.

In addition to the foregoing, the value of an interment plot, vault or crypt, retained for use by the owner, is excluded as a resource and is not to be included in the \$1,000 limited specified for burial reserves.

Income (50603, 50604)

Definitions, deductions and exemptions which would be applicable to the individual or family in establishing eligibility for a public assistance grant

under the categorical aid program to which linked except as specified below. Premiums paid directly by the beneficiary or applicant or persons directly responsible for his support for prepaid health insurance and health plan contracts shall also be deducted.

- A. When an aged, blind, or disabled medically needy person has a spouse who is ineligible as medically needy, income exemptions and deductions allowed for earned income of the ineligible spouse shall be limited to those applied to earned income of a medically needy persons who is aged.

Example

Mrs. Carroway lives at home and is disabled. She has social security income of \$150 per month and nonrecurring earned income of \$50. Her husband, who is not aged, blind, or disabled, is employed and has gross earnings of \$400 per month. They have no children.

Computation of Net Income:

Unearned Income	\$150.00
Less Exemption	<u>20.00</u>
Gross Earned Income	\$450.00
Less Exemption (Per SSI/SSP Regulations)	<u>- 65.00</u>
Remainder	\$385.00
Less 1/2 of Remainder (Per SSI/SSP Regulations)	<u>192.50</u>
Net Earned Income	\$192.50
Total Net Income	\$322.50
Amount Available to Mrs. Carroway	\$161.50

Maintenance Needs (50608)

Effective July 1, 1975

<u>Persons</u>	<u>Monthly</u>	<u>Quarterly</u>
1 (Shared)	\$159	\$ 477
1 (Alone)	\$221	\$ 663
2	\$317	\$ 951
3	\$392	\$1,176
4	\$467	\$1,401

Long-Term Care - \$25 per month plus the support and care of the spouse, minor dependents, and any other dependent relative for whose support he has contributed regularly in accordance with the table above, excluding the person in inpatient care.

An allowance for upkeep of the home shall be included for a maximum of six months beginning with the first of the month in which long-term care status is established, when a medical determination has been made that the applicant or beneficiary can be expected to return home before the expiration of the six month period. An allowance for upkeep shall be made when the following circumstances exist.

- A. When the applicant or beneficiary has been living alone in the home, a maximum of \$63 per month.
- B. When the home is shared with persons for whom the applicant or beneficiary has no legal responsibility for support, a maximum of \$45 per month.

Share of Cost Determinations (50607)

Subtract the appropriate maintenance need from the net income. There shall be no certification for benefits under the Medi-Cal program if:

- A. The cost of medical care during the three month liability period does not equal or exceed the liability for that period, or
- B. The value of personal or real property exceeds the maximum amounts shown in PROPERTY.

BELTRAN V. MYERS
RETRO ELIGIBILITY REQUIREMENTS
1976

Verification Standards (50167, 50171, 50172)

Accept the applicant's statement of facts on the application regarding residence, income and resources unless the application is incomplete or contains discrepancies/conflicts. The county shall offer assistance in completing the application and request verification and/or offer assistance in clarifying the facts. If verification cannot be obtained, a signed statement from the applicant under penalty of perjury, setting forth the facts shall be accepted.

Disabled (50305, 50463)

Effective July 1, 1976, blindness and disability shall be verified by any of the following methods:

- A. By determining that the person was eligible as an MN person on the basis of blindness or disability in December 1973, and that there has been continuing eligibility since that time.
- B. By obtaining verification that a prior determination of blindness or disability is still valid. This shall be obtained by viewing any of the following items:
 - 1. A Social Security Administration Title II award letter that includes no review date.
 - 2. A Railroad Retirement Board notification of a permanent disability award.
 - 3. A signed statement from the Social Security Administration that states that the person is eligible for Title II benefits on the basis of a permanent disability.
 - 4. Documentation of a prior determination of permanent disability under the EVH or MN program, if the determination was done after December 1973.
- C. By viewing a Social Security Administration Title II check that states that the payment is on the basis of disability. In this case, disability shall be further verified within 60 days by one of the methods specified in B or E.
- D. By obtaining a letter from a physician verifying any one of the following conditions, provided the procedures specified in E are followed after eligibility is determined.

1. Terminal cancer.
2. Paraplegia or quadriplegia.
3. Absence of both eyes.
4. IQ of less than 50.
5. Absence of more than one limb.

E. By following procedures established by the Department's Disability Evaluation Branch. All necessary information shall be submitted to the Department not later than 10 days after the date of application, except in the event of a delay due to circumstances beyond the control of the county.

Property (50420)

Effective July 1, 1976, a person or family may retain as a reserve any combination of personal and/or real property where the market value does not exceed the following amounts:

<u>Persons</u>	<u>Amount</u>
1	\$1,500
2	\$2,250
3	\$2,300
4	\$2,400

Effective July 1, 1976:

A. The items of property to be considered in determining eligibility are (50423):

1. Property Used as a Home

a. Real or personal property used as a home shall be exempt if any of the following situations exist:

- (1) The applicant or beneficiary lives in the home.
- (2) The family of the applicant or beneficiary lives in the home and Medi-Cal eligibility is determined in either of the following ways:
 - (a) With the applicant or beneficiary and the family in a single MFBU.

- (b) With the income of the family considered in determining the applicant's or beneficiary's eligibility.
 - (3) The applicant or beneficiary is an LTC patient who is expected, according to a verified medical determination, to return home within six months of the date LTC status began.
 - (4) The applicant or beneficiary is an LTC patient and the patient's spouse or children continue to live in the home.
 - b. Two dwellings may be exempt as the home if a health condition precludes the beneficiary from living in either one throughout the year.
 - c. Real property formerly used as a home shall be considered other real property, effective the first of the month following the date the property is no longer used as a home. Such property shall be subject to all conditions placed upon other real property.
 - d. Personal property formerly used as a home shall be evaluated as an item of personal property beginning the first of the month following the date the property is no longer used as a home.
2. Other Real Property
- a. Other real property shall be exempt if both of the following conditions are met:
 - (1) The property has a net market value of \$20,000 or less.
 - (2) The owner meets the utilization requirements.
 - b. Other real property with a net market value of more than \$20,000 shall be considered as follows:
 - (1) The first \$20,000 of net market value shall be exempt if the owner meets the utilization requirements.
 - (2) The net market value in excess of \$20,000 shall be included in the property reserve.
3. Deeds of Trust or Mortgages From the Sale of Real Property
- a. A deed of trust or mortgage from the sale of real property shall be considered other real property and subject to all the conditions placed upon other real property when both of the following conditions are met:

- (1) The property was producing income at any time within six months prior to its sale.
 - (2) The net market value of the deed of trust or mortgage is \$20,000 or less.
- b. A deed of trust or mortgage from the sale of real property shall be included in the property reserve if either of the following conditions are met:
- (1) The property was not income producing property at any time within six months prior to its sale.
 - (2) The net market value of the deed of trust or mortgage is more than \$20,000.
- c. The market value of the deed of trust or mortgages is the quick sale value. The quick sale value is the highest of three estimates obtained by the applicant or beneficiary from any:
- (1) Bank.
 - (2) Savings and loan association.
 - (3) Credit union.
 - (4) Licensed loan or mortgage broker.
- d. Proceeds from a deed of trust or mortgage shall be considered as follows:
- (1) The principal portion of the payments shall be treated as property.
 - (2) The interest portion of the payment shall be unearned income and shall be included in determining the share of cost.

4. Life Estate

- a. A life estate interest in real property shall be considered real property.
- b. A life estate interest in personal property shall be considered personal property.

- c. The value of a life estate shall be:
 - (1) For a revocable life estate, the entire value of the property on which the life estate is held if title reverts to the applicant or beneficiary.
 - (2) For an irrevocable life estate, the value determined in accordance with the California State Gift Inheritance Tax Formula.
- 5. American Indian's Interest in Land Held in Trust by United States Government shall be exempt.
- 6. Cash on hand shall be included in the property reserve, unless it is income received in that month.
- 7. Checking and Savings Accounts.
 - a. The entire amount in checking and savings accounts to which the applicant or beneficiary has unrestricted access shall be included in the property reserve, subject to the following conditions:
 - (1) Income received during a month and deposited in a checking or savings account shall not be considered as property during that month.
 - (2) Accounts held with persons who are not family members shall be considered available in their entirety if the applicant or beneficiary has unrestricted access to the funds, unless the conditions of 3 are met.
 - (3) If the applicant or beneficiary presents evidence which clearly establishes that all or a portion of the funds specified in 2 are the property of a person who is not a family member, those funds shall not be considered the property of the applicant or beneficiary.
 - b. If an applicant or beneficiary has restricted access to a checking or savings account, such as accounts which require two signatures, or savings accounts held in trust by other than the applicant or beneficiary, only those funds actually available shall be included in the property reserve.
- 8. Income tax refunds shall be included in the property reserve.
- 9. Nonrecurring lump sum social insurance payments, such as nonrecurring lump sum payments of any of the following, shall be included in the property reserve:

- a. Retirement, survivors and disability payments from the Social Security Administration (RSDHI).
 - b. Annuities, which are sums paid yearly or at other specific intervals in return for payment of a fixed sum by the annuitant.
 - c. Pensions.
 - d. Retirement payments.
 - e. Disability payments from an employer or from insurance.
 - f. Veteran's payments which include:
 - (1) Pensions based on need.
 - (2) Compensation payments.
 - (3) Aid and maintenance payments.
 - (4) Educational assistance.
 - g. Workers's Compensation, except for any amount determined to be unavailable.
 - h. Railroad Retirement and any other payments made by the Railroad Retirement Board.
 - i. Unemployment Insurance Benefits.
10. Stocks, bonds and mutual funds shall be included in the property reserve. The value of these items shall be the closing price on the date the property is evaluated.
 11. United States Savings Bonds shall be included in the property reserve. The value of these bonds shall be the amount for which they can be sold.
 12. Promissory notes which can be sold or discounted shall be included in the property reserve. The value of the note shall be the quick sale value.
 13. Motor Vehicles.
 - a. One motor or other vehicle that is used for transportation shall be exempt, subject to the following conditions:
 - (1) The applicant or beneficiary shall be allowed to choose which vehicle used for transportation shall be exempt.

- (2) A vehicle owned by an applicant or beneficiary who no longer drives shall be exempt when other individuals use the vehicle to meet the transportation needs of the applicant or beneficiary.
 - b. The net market value of all nonexempt motor vehicles shall be included in the property reserve.
 - c. The net market value of a motor vehicle shall be determined by the following process:
 - (1) Determine the class of the motor vehicle.
 - (2) Determine the vehicle license fee, which does not include registration or weight fees, using the class and the State Department of Motor Vehicles license fee chart.
 - (3) Multiply the vehicle license fee by 50. This is the market value of the motor vehicle.
 - (4) Subtract any encumbrances of record from the market value. This is the net market value.
 - d. In those cases where the applicant or beneficiary does not agree with the net market value as determined above:
 - (1) Three appraisals by auto dealers, insurance adjustors or personal property appraisers shall be submitted to the county department.
 - (2) The average of these appraisals shall be the market value.
 - (3) The net market value shall be the market value minus any encumbrances of record.
14. Boats, Campers, Trailers.
- a. Boats campers and trailers shall be included in the property reserve unless exempt as either of the following:
 - (1) A home.
 - (2) A vehicle used for transportation.
 - b. The net market value of these items shall be determined as follows:

- (1) The applicant or beneficiary shall submit three appraisals by dealers, insurance adjustors or personal property appraisers to the county department. The average of these appraisals shall be the market value.
- (2) Subtract any encumbrances of record from the market value. This is the net market value.

15. All items used to furnish and equip a home shall be exempt.

16. Personal Effects.

- a. All items of clothing shall be exempt.
- b. The following jewelry shall be exempt:
 - (1) Wedding and engagement rings.
 - (2) Heirlooms.
 - (3) Any other item of jewelry with a net market value of \$100 or less.
- c. Jewelry not exempted above shall be included in the property reserve.
- d. The net market value of jewelry shall be the net market value listed by the applicant or beneficiary on the application, unless the county department determines further verification is required. If verification is required.
 - (1) The applicant or beneficiary shall submit there appraisals by jewelers, insurance adjustors or personal property appraisers. The average of these appraisals shall be the market value.
 - (2) Subtract any encumbrances of record from the market value. This is the net market value.

17. Recreational Items.

- a. All recreational items shall be exempt except for:
 - (1) Recreational motor vehicles, such as motorhomes and snowmobiles, which shall be considered.
 - (2) Boats, campers and trailers, which shall be considered in accordance with (a) (14).

18. All musical instruments shall be exempt.
19. Livestock and Poultry.
 - a. Livestock and poultry retained primarily for personal use shall be exempt.
 - b. Livestock and poultry retained primarily for profit shall be included in the property reserve.
 - c. The net market value of livestock and poultry shall be the net market value listed by the applicant or beneficiary on the application, unless the county department determines further verification is required. If verification is required:
 - (1) The applicant or beneficiary shall submit three appraisals from persons or businesses dealing in livestock and poultry. The average of these appraisals shall be the market value.
 - (2) Subtract any encumbrances of record from the market value. This is the net market value.
20. Life Insurance.
 - a. Life insurance policies on the life of any individual in the family shall be exempt if either of the following conditions are met:
 - (1) The life insurance has no cash surrender value.
 - (2) The life insurance has a cash surrender value and the combined face value of the policies on the insured individual is \$1,500 or less. If the combined face value of all the policies exceeds \$1,500, only those policies with a combined face value of \$1,500 or less shall be exempt.
 - b. The net cash surrender value of life insurance policies not exempted above shall be included in the property reserve.
21. Burial Plots, Vaults and Crypts.
 - a. Any burial plot, vault or crypt retained for use by any member of the family shall be exempt.
 - b. Any burial plot not exempted above is other real property and shall be subject to all conditions placed on other real property.

- c. Any burial vault or crypt not exempted above is personal property and shall be included in the property reserve.
- d. The net market value of a burial plot, vault or crypt shall be the net market value listed by the applicant or beneficiary on the application, unless the county department determines further verification is required. If verification is required:
 - (1) The applicant or beneficiary shall submit a statement of value from the organization from which the plot, vault or crypt was purchased. This statement of value shall be the market value.
 - (2) Subtract encumbrances of record from the market value. This is the net market value.

22. Burial Trust.

- a. Money or securities placed in trust for funeral, cremation or interment expenses for an individual shall be exempt provided no more than \$1,000 was paid for the trust and the trust is:
 - (1) Held with either of the following:
 - (a) A banking institution or trust company legally authorized and empowered by the State of California to act as trustee in the handling of trust funds.
 - (b) Not fewer than three persons, one of whom may be an employee of the funeral director who is entering into a Preneed Funeral Arrangement as provided in Sections 7735 through 7742, Business and Professions Code.
 - (2) Securities or debentures issued by a licensed cemetery authority which, by the terms of the securities or debentures, are convertible only into payment for funeral, cremation or interment expenses.
- b. The net market value of burial trusts not exempted above shall be included in the property reserve.

23. Loans.

- a. Loans shall be exempt as property in the current month if they are:
 - (1) Exempt as income.
 - (2) Income in the current month.

(3) To be considered income in a future month.

24. Business Property.

- a. The first \$200 of the net market value of all equipment, inventory and material owned by the applicant or beneficiary for purposes of employment shall be exempt. The remainder of the net market value shall be included in the property reserve.
- b. The net market value of business equipment, inventory and materials shall be the amount listed by the applicant or beneficiary on the application, unless the county determines further verification is required. If verification is required:
 - (1) The applicant or beneficiary shall submit three appraisals from appropriate dealers, insurance adjustors or personal property appraisers. The average of these appraisals shall be the market value.
 - (2) Subtract encumbrances of record from the market value. This is the net market value.

25. Shares of stock in a regional or village corporation held by natives of Alaska for a 20-year period during which such stock cannot be conveyed, transferred or surrendered, shall be exempt.

26. Property Held in Trust.

- a. Real or personal property held in trust for the applicant or beneficiary shall be exempt if the applicant or beneficiary cannot obtain access to the principal of the trust.
- b. To determine whether the trust is available, the applicant or beneficiary shall take whichever of the following actions is appropriate within 30 days of being advised by the county of the responsibility to do so:
 - (1) Request the trustee to release the funds.
 - (2) Request that the trustee petition the court for the release of the funds.
 - (3) Petition the court directly if the trustee refuses to take action specified in (1) and (2).
- c. The trust shall be exempt pending completion of the action specified in 2.

d. The trust shall be included in the property reserve or considered as other real property, under either of the following conditions:

- (1) The applicant or beneficiary refuses to initiate the action specified in 2.
- (2) The court determines that the trust is available to the applicant or beneficiary.

C. The market value of real property (50412) shall be:

1. Four times the assessed value of the property if the property is located in California.
2. Based on the assessment method used in the area while the property is located, if the property is located outside of California.

Utilization Requirements (50609.3)

A. Other real property, shall be utilized in order to be exempt. The property is utilized if either of the following requirements are met:

1. The property is producing an income of at least six percent of the net market value of the property.
2. The property has been sold, or the sale is in escrow and there is bona fide attempt to close the sale.

B. The applicant or beneficiary shall be allowed six months to meet utilization requirements. The six-month period shall be known as the utilization period, and shall begin on the first of the month following issuance of a notice of action informing the applicant or beneficiary that the property is not yielding sufficient income as required in (a) (1). The utilization period shall be stayed during periods of ineligibility and the remainder of the utilization period, if any, applied if eligibility is subsequently reestablished.

C. The utilization period may be extended for a maximum of three months for good cause.

D. If the applicant or beneficiary utilizes the property by sale, the property shall be sold for at least market value, unless the property was sold under either of the following situations:

1. The property was listed with a licensed real estate broker for at least three months and the final sale price was similar to comparable sales in the area.

2. There is a like situation which also resulted in an inability to sell the property for the market value and the county determines that the final sale price was reasonable.
- E. In all cases where property was sold for less than market value, the county shall require the applicant or beneficiary to submit evidence that there was a bona fide attempt to sell at market value.
- F. A life estate interest in real property shall be utilized in accordance with this section.
- G. The applicant or beneficiary may arrange for a reassessment of the property during the utilization period. The assessment shall affect utilization as follows:
 - (1) The reassessment value shall be used in determining utilization requirements.
 - (2) The reassessment shall not affect the beginning date or the length of the utilization period.
- H. The entire market value of property not utilized in accordance with this section shall be included in the property reserve on the first of the month following the last month of the utilization period.

Spenddown of Property (50609.1)

Effective July 1, 1976, eligibility may be established by spenddown of excess property when the property reserves exceed the property limit.

- A. If the property reserve has been in excess of the property limit from the first day of the month of application through the date of application, and the property reserve is brought within the property limit by the last day of the month of application, the MFBU shall be eligible under the following conditions:
 1. All eligibility requirements except for the property limit shall be met.
 2. The property reserve is brought within the property limit in any manner except by transfer without adequate consideration.
- B. If the property reserve exceeds but was not more than double the property limit in the months for which retroactive Medi-Cal coverage is requested, the MFBU shall be eligible under the following conditions:
 1. All eligibility requirements except for the property limit shall be met.

2. The excess property reserve, as determined in (c) (2), shall be spent for medical bills incurred during the months for which retroactive Medi-Cal coverage is requested.
- C. The excess property reserve, as specified in (b), shall be determined as follows:
1. Compute the excess property reserve at the lowest point in the month for each month in which retroactive coverage is requested.
 2. The highest amount determined in (1) shall be the amount of the excess property reserve for the entire retroactive period.

Income (50519)

Effective July 1, 1976, the following income exemptions and deductions shall be applied:

- A. Certain items of earned and unearned income shall be exempt from consideration in determining a beneficiary's share of cost:
1. Refunds or rebates of taxes on real property shall be exempt.
 2. Public Assistance and General Relief Grants.
 3. Payments received for social services provided in accordance with Title XX of the Social Security Act shall be exempt, whether provided in kind or as a direct payment to the individual for purchase of designated services.
 4. Assistance Based on Need.
 - a. Assistance based on need which is furnished by the State or any political jurisdiction thereof, shall be excluded.
 - b. Assistance based on need includes payments from the following and similar sources:
 - (1) Short-Doyle.
 - (2) Regional Centers for the Developmentally Disabled.
 - (3) Probation departments.
 5. Rent supplemental payments under the Federal Housing Act of 1965, made by a federal agency to a landlord or sponsor on behalf of a beneficiary, shall be exempt.

6. Foster Care Payments.
7. Loans, Grants, Scholarships and Fellowships.
 - a. The following loans, grants, scholarships and fellowships are exempt:
 - (1) Loans to undergraduate or graduate students made under Title III of the Federal Economic Opportunity Act.
 - (2) Loans or grants to undergraduate students that are limited to school expenses and are made or insured under a program administered by either of the following:
 - (a) The State Scholarship and Loan Commission.
 - (b) Colleges accredited by the Western Association of Schools and Colleges.
 - (3) Loans or grants to an undergraduate student for education purposes made or insured by the Federal Commissioner of Education.
 - (4) Other loans, grants, scholarships or fellowships, or portions thereof, to undergraduate or graduate students if the following conditions are met:
 - (a) The loan, grant, scholarships or fellowship document specifically limits the use of the funds for purposes other than current living costs.
 - (b) The loan, grant, scholarship or fellowship would not be available if used for any purpose other than the one specified.
8. Relocation assistance benefits shall be exempt if paid by a public agency to a person who has been relocated as a result of a program of area redevelopment, urban renewal, freeway construction or any other public development involving demolition or condemnation of existing housing.
9. Federal Payments to Indians.
 - a. Payments made to Indians under Public Law 90-507 shall be considered personal property rather than income.
 - b. Per capita payments made to Indians under Section 6 of Public Law 87-775 and Public Law 92-254 shall be exempt.

10. Comprehensive Employment and Training Act (CETA) Incentive Payments.

- a. The first \$30 per week of an incentive allowance made to a trainee under Title 1 of the Comprehensive Employment and Training Act shall be exempt if members of the trainee's family are receiving a cash grant and the trainee's income or needs are considered in determining the grant amount.
- b. This exemption shall not apply to wages or other training allowances under the Act.

11. Irregular or Infrequent Income.

- a. Unearned income not exceeding \$60 per calendar quarter and meeting either of the following conditions is exempt.
 - (1) It is received not more than once per quarter.
 - (2) It cannot be reasonably anticipated.
- b. Earned income not exceeding \$30 per calendar quarter and meeting either of the following conditions is exempt.
 - (1) It is received not more than once per quarter.
 - (2) It cannot be reasonably anticipated.

12. Compensation received by beneficiaries who are 60 years of age or older, for volunteer services performed under the Retired Senior Volunteer Program, the Foster Grandparents Program or the Older Americans Community Service Program of the National Older Americans Act, shall be exempt.

13. Earnings of children under 14 years of age shall be exempt.

B. Certain amounts of income shall be deducted from nonexempt income to determine the net income to be used in determining the share of cost:

1. Educational Expenses.

- a. Documented additional expenses shall be deducted from any income received for educational purposes.
- b. Income for educational purposes includes, but is not limited to:
 - (1) Loans or grants to undergraduate students made or insured under any program administered by the State Scholarship and Loan Commission or a college accredited by the Western Association of Schools and Colleges

- (2) Veterans Educational Assistance Program payments (GI Bill).
 - (3) Social Security and Veteran's Administration payments to a child attending school which are based on a deceased or disabled parent's entitlement.
2. One-third of any payment made by an absent parent for the support of a disabled or blind child shall be deducted from the total payment.
3. Any Income Deduction - Unearned Income.
 - a. Twenty dollars shall be deducted from any nonexempt unearned income of an aged, blind or disabled person.
 - b. If there is more than one aged, blind, or disabled person in the MFBU, the \$20 shall be deducted from the combined nonexempt unearned income of those persons.
 - c. That portion of the allowable \$20 deduction which is in excess of nonexempt unearned income shall be subtracted from nonexempt earned income.
4. Student Deduction.
 - a. A maximum of \$1,620 per year shall be deducted from the nonexempt earned income of a blind or disabled person who is all of the following:
 - (1) Under age 22.
 - (2) Not now married.
 - (3) Not a parent.
 - (4) Enrolled in school for at least eight hours a week during one month of either the following:
 - (a) Current calendar quarter.
 - (b) Next calendar quarter.
5. Sixty-five Plus One-Half.
 - a. The first \$65 plus one-half of the remainder shall be deducted from nonexempt earned income of an aged, blind or disabled person.
 - b. If more than one aged, blind or disabled persons in the MFBU has earned income, this deduction shall be subtracted from the combined nonexempt earned income of those persons.

6. In addition to the deduction in (5), the actual cost of work related expenses shall be deducted from the nonexempt earned income of a blind person.
7. Income Necessary to Achieve Self Support.
 - a. Nonexempt earned or unearned income of a blind or disabled persons shall be deducted, if such income is needed to implement a plan of self-support which meets all of the following criteria:
 - (1) Is in writing.
 - (2) Was initiated and approved while the person was receiving SSI/SSP.
 - (3) Has not been subsequently abandoned.
8. Health Insurance Premiums.
 - a. Health insurance premiums shall be deducted if paid by and purchased for any person in the family.
 - b. Health insurance payments paid less often than monthly shall be averaged on a monthly basis.
 - c. The premium for Part B Medicare shall be deducted for those months in which the beneficiary actually makes the payment.
9. Court Ordered Child Support.
 - a. Court ordered child support or child support paid pursuant to an agreement with a district attorney shall be deducted when it is actually paid.
 - b. The amount deducted shall be the lesser of:
 - (1) The amount actually paid.
 - (2) The amount specified in the court order or agreement with a district attorney.
10. Special Deduction for Aged, Blind or Disabled MN.
 - a. A special deduction shall be subtracted from the combined nonexempt earned and unearned income of the entire MFBU, if the MFBU includes at least one aged, blind or disabled MN person.

This deduction shall be determined in accordance with the following process:

- (1) Determine the appropriate maintenance need for the MFBU without the aged, blind or disabled members considered. If there is only one member of the MFBU other than the aged, blind or disabled members, the maintenance need for that person shall be the same as the maintenance need for one person when all family members are PA or Other PA recipients.
- (2) Determine the appropriate SSI/SSP payment level, based on living situation, for each aged, blind and disabled individual or couple in the MFBU, and total these amounts.
- (3) Determine the appropriate maintenance need for the entire MFBU including the aged, blind or disabled members.
- (4) Subtract the amount determined in 3 from the total of the amount determined in 1 and 2. The remainder is the special deduction.

Maintenance Needs (50603)

Effective July 1, 1976:

<u>Persons</u>	<u>Monthly</u>	<u>Quarterly</u>
1 (Shared)	\$175	\$ 525
1 (Alone)	\$240	\$ 720
2	\$350	\$1,050
3	\$425	\$1,275
4	\$508	\$1,524

Long-Term Care - \$25 per month plus the support and care of the spouse, minor dependents, and any other dependent relative for whose support he has contributed regularly in accordance with the table above, excluding the person in inpatient care.

An allowance for upkeep of the home shall be included for a maximum of six months beginning with the first of the month in which long-term care status is established, when a medical determination has been made that the applicant or beneficiary can be expected to return home before the expiration of the six month period. An allowance for upkeep shall be made when the following circumstances exist.

- A. When the applicant or beneficiary has been living alone in the home, a maximum of \$63 per month.

- B. When the home is shared with persons for whom the applicant or beneficiary has no legal responsibility for support, a maximum of \$45 per month.

Share of Cost Determinations (50653)

The share of cost is determined as follows:

- A. Determine net nonexempt income available to the members of the MFBU.
- B. Round the total net nonexempt income determined in (A) to the nearest dollar, with amounts ending in 50 cents or more rounded to the next higher dollar.
- C. Determine the appropriate maintenance need for the MFBU.
- D. Subtract the maintenance need from the rounded net nonexempt income. The remainder, if any, is the share of cost.

SSI/SSP PAYMENT LEVELS

EFFECTIVE JULY 1, 1976

Living Arrangements

Category	Independent living arrangement	Residing in household of another and receiving room and board in kind	Independent living arrangement without cooking facilities	Nonmedical board and care	Disabled Minor residing in home of relative
Aged	\$276	\$220.07	\$308	\$323	N/A
Disabled	276	220.07	308	323	\$228
Blind	313	257.07	N/A	323	N/A
Aged and Aged Spouse	522	438.07	586	646	N/A
Disabled and Disabled Spouse	522	438.07	586	646	N/A
Blind and Blind Spouse	626	542.07	N/A	646	N/A
Aged and Disabled Spouse	522	438.07	586	646	N/A
Aged and Blind Spouse	589	505.07	N/A	646	N/A
Blind and Disabled Spouse	589	505.07	N/A	646	N/A

BELTRAN v. MYERS
RETRO ELIGIBILITY REQUIREMENTS
1977

Verification Standards (50305, 50306)

Accept the applicant's statement of facts on the application regarding residence, income and resources unless the application is incomplete or contains discrepancies/conflicts. The county shall offer assistance in completing the application and requesting verification and/or offering assistance in clarifying the facts. If verification cannot be obtained, a signed statement from the applicant under penalty of perjury setting forth the facts shall be accepted.

Disabled (50167, 50223)

Blindness and disability shall be verified by any of the following:

- A. By determining that the person was eligible as an MN person on the basis of blindness or disability in December 1973, and that there has been continuing eligibility since that time.
- B. By obtaining verification that a prior determination of blindness or disability is still valid. This shall be obtained by viewing any of the following:
 1. A Social Security Administration (SSA) Title II award letter that includes no review date.
 2. A Railroad Retirement Board notification of a permanent disability award.
 3. A signed statement from the SSA that states that the person is eligible for Title II benefits on the basis of a permanent disability.
 4. Documentation of a prior determination of permanent disability under the EVH or MN program, if the determination was done after December 1973.
- C. By viewing a SSA Title II check that states that the payment is on the basis of disability. In this case, disability shall be further verified within 60 days by one of the methods specified in B or E.
- D. By obtaining a letter from a physician verifying any one of the following conditions, provided the procedures specified in E are followed after eligibility is determined.

1. Terminal cancer
 2. Paraplegia or Quadriplegia
 3. Absence of both eyes.
 4. IQ of less than 50.
 5. Absence of more than one limb.
- E. By following procedures established by the Disability Evaluation Branch (DEB). All necessary information shall be submitted to the DEB not later than 10 days after the date of application.

Property (50420)

- A. A person or family may retain as a reserve any combination of personal or real property where the total net market value does not exceed the following amounts:

<u>Persons</u>	<u>Amount</u>
1	\$1,500
2	2,250
3	2,300
4	2,400

- B. The items of property to be considered in determining eligibility are:
1. Property used as a home is exempt.
 2. Other Real Property shall be exempt if both of the following conditions are met:
 - a. The property has a net market value of \$25,000 or less (effective February 1, 1977).
 - b. The owner meets the utilization requirements.
 3. Deeds of trust or mortgages from the sale of real property shall be considered other real property and subject to all the conditions placed upon other real property.
 4. Life estate interest in real property shall be considered real property and life estate interest in personal property shall be considered personal property.

5. An American Indian's interest in land held in trust by the United States government shall be exempt.
6. Cash on hand shall be included in the property reserve, unless it is income received in that month.
7. The entire amount in checking and savings accounts to which the applicant or beneficiary has unrestricted access shall be included in the property reserve.
8. Income tax refunds shall be included in the property reserve.
9. Nonrecurring lump sum social insurance payments shall be included in the property reserve.
10. Stocks, bonds and mutual funds shall be included in the property reserve. The value of these items shall be the closing price on the date the property is evaluated.
11. U.S. Savings Bonds shall be included in the property reserve. The value of these bonds shall be the amount for which they can be sold.
12. Promissory notes which can be sold or discounted shall be included in the property reserve. The value of the note shall be the quick sale value.
13. One motor or other vehicle that is used for transportation shall be exempt.
14. Boats, campers and trailers shall be included in the property reserve unless exempt as either of the following:
 - a. A home.
 - b. A vehicle used for transportation.
15. All items used to furnish and equip a home shall be exempt.
16. The following personal effects shall be exempt:
 - a. Wedding and engagement rings
 - b. Heirloom
 - c. Any other items of jewelery with a net market value of \$100 or less.
 - d. All items of clothing.

17. All recreational items shall be exempt, except for:
 - a. Recreational motor vehicles which shall be considered in accordance with (13).
 - b. Boats, campers and trailers which shall be considered in accordance with (14).
18. All musical instruments shall be exempt.
19. Livestock and poultry retained primarily for personal use shall be exempt. Livestock and poultry retained primarily for profit shall be included in the property reserve.
20. Life insurance policies of the life of any individual in the family shall be exempt if:
 - a. The life insurance has no cash surrender value.
 - b. The life insurance has a cash surrender value and the combined face value of the policies on the insured individual is \$1,500 or less. If the combined face value of all the policies exceeds \$1,500, only those policies with a combined face value of \$1,500 or less shall be exempt.
21. Burial Plots, Vaults and Crypts
 - a. Any burial plot, vault or crypt retained for use by any member of the family shall be exempt.
 - b. Any burial plot not exempted above is other real property and shall be subject to all conditions placed on other real property.
 - c. Any burial vault or crypt not exempted in (a) or (b) is personal property and shall be included in the property reserve.
22. Money or securities placed in trust for funeral, cremation or interment expenses for an individual shall be exempt provided no more than \$1,000 was paid for the trust.
23. Loans shall be exempt as property in the current month if they are:
 - a. Exempt as income.
 - b. Income in the current month.
 - c. To be considered income in a future month.

24. Business Property

- a. The first \$200 of the net market value of all equipment, inventory and material owned by the applicant or beneficiary for purposes of employment shall be exempt. The remainder of the net market value shall be included in the property reserve.
- b. The net market value of business equipment, inventory and materials shall be the amount listed by the applicant or beneficiary on the application unless the county determines further verification is required.

25. Share of stock in a regional or village corporation held by natives of Alaska for a 20-year period during which such stock cannot be conveyed, transferred or surrendered, shall be exempt.

26. Real or personal property held in trust for the applicant or beneficiary shall be exempt if the applicant or beneficiary cannot obtain access to the principal of the trust.

C. The market value of real property (50412) shall be (1) or (2), unless the applicant or beneficiary chooses to meet the conditions of (3), and (3) is lower:

1. Four times the assessed value of the property, if the property is located in California.
2. The value established by applying the assessment method used in the area where the property is located, if the property is located outside of California.
3. The value established as the result of an appraisal by a member of the American Institute of Real Estate Appraisers, if the appraisal is obtained by the applicant or beneficiary and provided to the county.

Utilization Requirements (50416)

Other real property shall be utilized in order to be exempt. The property is utilized if the following requirements are met:

- a. The property is producing an income of at least six percent of the net market value of the property.
- b. The property has been sold or the sale is in escrow and there is a bona fide attempt to close the sale.

The entire market value of property not utilized in accordance with this section shall be included in the property reserve on the first of the month of the utilization period.

Spenddown of Property (50421)

Eligibility may be established by spenddown of excess property when the property reserves exceed the property limit.

- a. If the property reserve has been in excess of the property limit from the first day of the month of application through the date of application, and the property reserve is brought within the property limit by the last day of the month of application.
- b. If the property reserve exceeded but was not more than double the property limit in the months for which retroactive Medi-Cal coverage is requested.

Income (50501)

A. Certain items of earned and unearned income shall be exempt from consideration in determining a beneficiary's share of cost:

1. Refunds or rebates of taxes on real property.
2. Public assistance and general relief grants.
3. Payments received for social services provided in accordance with Title XX of the Social Security Act.
4. Assistance based of need which is furnished by the State or any political jurisdiction thereof.
5. Rent supplement payments under the Federal Housing Act of 1965.
6. Foster care payments.
7. Loans, grants, scholarships and fellowships.

a. The following loans, grants, scholarships and fellowships are exempt:

- Loans to undergraduate or graduate students made under Title III of the Federal Economic Opportunity Act.

- Loans or grants to undergraduate students that are limited to school expenses and are made or insured under a program administered by either the State Scholarship and Loan Commission or colleges accredited by the Western Association of Schools and Colleges.

- Loans or grants to an undergraduate student for education purposes made or insured by the Federal Commissioner of Education.

- Other loans, grants, scholarships or fellowships, or portions thereof, to undergraduate or graduate students if the loan, grant, scholarship or fellowship document specifically limits the use of the funds for purposes other than current living expenses or the funds would not be available if used for any purpose other than the one specified.

8. Relocation assistance benefits shall be exempt if paid by a public agency to a person who has been relocated as a result of a program of area redevelopment, urban renewal, freeway construction or any other public development involving demolition or condemnation of existing housing.
 9. Federal payments to Indians.
 10. The first \$30 per week of an incentive allowance made to a trainee under Title I of the Comprehensive Employment and Training Act.
 11. Irregular or Infrequent income
 - a. Unearned income not exceeding \$60 per calendar quarter.
 - b. Earned income not exceeding \$30 per calendar quarter.
 12. Compensation received by beneficiaries who are 60 years of age or older, for volunteer services performed under the Retired Senior Volunteer Program, the Foster Grandparents Program or the Older Americans Community Services Program of the National Older Americans Act.
 13. Earnings of children under 14 years of age.
- B. Certain amounts of income shall be deducted from nonexempt income to determine the net income to be used in determining the share of cost (50519, 50545):
1. Educational Expenses.
 2. One-third of any payment made by an absent parent for the support of a disabled or blind child shall be deducted from the total payment.
 3. Any Income Deduction -- Unearned Income
 - a. Twenty dollars shall be deducted from any nonexempt unearned income of an aged, blind or disabled person.
 - b. If there is more than one aged, blind or disabled person in the MFBU, the \$20 shall be deducted from the combined nonexempt unearned income of those persons.

- c. That portion of the allowable \$20 deduction which is in excess of nonexempt unearned income shall be subtracted from nonexempt earned income.

4. Student Deduction

- a. A maximum of \$1,620 per year shall be deducted from the nonexempt earned income of a blind or disabled person.

5. Sixty-five Plus One-half

- a. The first \$65 plus one-half of the remainder shall be deducted from nonexempt earned income of an aged, blind or disabled person.
- b. If more than one aged, blind or disabled person in the MFBU has earned income, this deduction shall be subtracted from the combined nonexempt earned income of those persons.

6. In addition to the deduction in (5), the actual cost of work related expenses shall be deducted from the nonexempt earned income of the blind.

7. Nonexempt earned or unearned income of a blind or disabled person shall be deducted, if such income is needed to implement a plan of self-support.

8. Health insurance premiums.

9. Court-ordered child support when it is actually being paid.

10. A special deduction shall be subtracted from the combined nonexempt earned and unearned income of the entire MFBU, if the MFBU includes at least one aged, blind or disabled MN person.

C. Treatment of Income--Aged, Blind or Disabled MN Person in LTC. (50563)

1. The income of an aged, blind or disabled MN person in LTC who has a spouse or children shall be treated in the following manner, beginning the first of the month following the month the spouses, or the parent and children, began living apart:

- a. If the MN person in LTC has a spouse or a spouse and children:

- (1) The MN person in LTC shall be in a separate MFBU.
- (2) The spouse and any children shall be in a separate MFBU, if applying for Medi-Cal.
- (3) The net nonexempt income of the MN person in LTC which is in excess of \$25 shall be allocated to the spouse and any children as follows:

- A. Determine the maintenance need for the spouse and children.
- B. Subtract the net nonexempt income of the spouse and children from the amount determined in 1. This is the amount that shall be allocated to the spouse and children from the net nonexempt income of the MN person in LTC which is in excess of \$25.

b. If the MN person in LTC has only children:

- 1. The MN person in LTC shall be in a separate MFBU.
- 2. The children shall be in a separate MFBU, if applying for Medi-Cal.
- 3. The net nonexempt income of the MN person in LTC which is in excess of \$25 shall be allocated to the children as follows:

- A. Determine the maintenance need for the children.
- B. Subtract the net nonexempt income of the children from the amount determined in 1. This is the amount that shall be allocated to the children from the net nonexempt income of the MN person in LTC which is in excess of \$25.

Maintenance Needs (50603)

Effective January 1, 1977:

<u>Persons</u>	<u>Monthly Amount</u>
1	\$184*
1	240
2	367
3	458
4	542

Effective July 1, 1977:

<u>Persons</u>	<u>Monthly Amount</u>
1 (shared)	\$192*
1 (alone)	253
2	383
3	475
4	567

* When all other family members are PA or Other PA.

Long Term Care - \$25 per month plus the support and care of the spouse, minor dependents, and any other dependent relative for whose support (s)he has contributed regularly, excluding the person in inpatient care.

An allowance for upkeep of the home shall be included for a maximum of six months beginning with the first of the month in which long-term care status is established, when a medical determination has been made that the applicant or beneficiary can be expected to return home before the expiration of the six-month period. An allowance for upkeep shall be made when the following circumstances exist:

- A. When the applicant or beneficiary has been living alone in the home a maximum of \$99 per month.
- B. When the home is shared with persons for whom the applicant or beneficiary has no legal responsibility for support, a maximum of \$67 per month.

Determination of Share of Cost (50653)

The share of cost is determined as follows:

- A. Determine net nonexempt income available to the members of the MFBU.
- B. Round the total net nonexempt income determined in (A) to the nearest dollar, with amounts ending in 50 cents or more rounded to the next higher dollar.
- C. Determine the appropriate maintenance need for the MFBU.
- D. Subtract the maintenance need from the founded net nonexempt income. The remainder, if any, is the share of cost.

SSI/SSA PAYMENT LEVELS

EFFECTIVE JULY 1, 1977

Living Arrangements

Category	Independent living arrangement	Residing in household of another and receiving room and board in kind	Independent living arrangement without cooking facilities	Nonmedical board and care	Disabled Minor residing in home of relative
Aged	\$276.00	\$236.74	\$329.00	\$ 343	\$ N/A
Disabled	\$276.00	236.74	329.00	343	\$241.00
Blind	\$313.00	274.77	N/A	343	N/A
Aged and Aged Spouse	\$557.00	468.10	623.00	686	N/A
Disabled and Disabled Spouse	\$557.00	468.10	623.00	686	N/A
Blind and Blind Spouse	\$663.00	574.10	N/A	686	N/A
Aged and Disabled Spouse	\$557.00	468.16	623.00	686	N/A
Aged and Blind Spouse	\$625.00	536.10	N/A	686	N/A
Blind and Disabled Spouse	\$625.00	536.10	N/A	686	N/A

BELTRAN V. MYERS
RETRO ELIGIBILITY REQUIREMENTS
1978

Verification Standards (50167, 50171, 50172)

Accept the applicant's statement of facts on the application regarding residence, income and resources unless the application is incomplete or contains discrepancies/conflict. The county shall offer assistance in completing the application and request clarifying the facts. If verification cannot be obtained, a signed statement from the applicant setting forth the facts shall be accepted.

Disabled (50167)

Blindness and disability shall be verified by any of the following:

- A. By determining that the person was eligible as an MN persons on the basis of blindness or disability in December 1973, and that there has been continuing eligibility since that time.
- B. By obtaining verification that a prior determination of blindness or disability is still valid. This shall be obtained by viewing any of the following items:
 - 1. A Social Security Administration (SSA) Title II or SSI award letter that includes no review date.
 - 2. A Railroad Retirement Board notification of a permanent disability award.
 - 3. A signed statement from the SSA that states that the person is eligible for Title II benefits on the basis of a permanent disability.
 - 4. Documentation of a prior determination of permanent disability under the EVH or MN program, if the determination was done after December 1973.
 - 5. (Effective November 1, 1978) Data on the SDX which shows that a person entering LTC was discontinued from SSI/SSP for reasons other than cessation of disability.
 - 6. An SSA notification that disability benefits have been increased or decreased.
- C. By viewing a SSA Title II check that states that the payment is on the basis of disability. In this case, disability shall be further verified within 60 days by one of the methods specified in B or E.

- D. By obtaining a letter from a physician verifying any one of the following conditions, provided the procedures specified in E are followed after eligibility is determined.
1. Terminal cancer.
 2. Paraplegia or quadriplegia.
 3. Loss of sight in both eyes.
 4. IQ of less than 50.
 5. Absence of more than one limb.
- E. By following procedures established by the Department's Disability Evaluation Branch (DEB). All necessary information shall be submitted to the Department not later than 10 days after the date of application, except in the event of a delay due to circumstances beyond the control of the county.

Property (50420)

- A. A person of family may retain as a reserve any combination of personal and/or real property where the market value does not exceed the following amounts:

<u>Persons</u>	<u>Amount</u>
1	\$1,500
2	\$2,250
3	\$2,300
4	\$2,400

- B. The items of property to be considered in determining eligibility are:
1. Property used as a home is exempt.
 2. Other real property shall be exempt if both of the following conditions are met:
 - a. The property has a net market value of \$25,000 or less.
 - b. The owner meets the utilization requirements.

3. Deeds of trust or mortgages from the sale of real property shall be considered other real property and subject to all the conditions placed upon other real property.
4. Life estate interest in real property shall be considered real property and life estate interest in personal property shall be considered personal property.
5. An American Indian's interest in land held in trust by the United States Government shall be exempt.
6. Cash on hand shall be included in the property reserve, unless it is income received in that month.
7. The entire amount in checking and savings accounts to which the applicant or beneficiary has unrestricted access shall be included in the property reserve.
8. Income tax refunds shall be included in the property reserve.
9. Nonrecurring lump sum social insurance payments shall be included in the property reserve.
10. Stocks, bonds and mutual funds shall be included in the property reserve. The value of these items shall be the closing price on the date the property is evaluated.
11. U.S. Savings Bonds shall be included in the property reserve. The value of these bonds shall be the amount for which they can be sold.
12. Promissory notes which can be sold or discounted shall be included in the property reserve. The value of the note shall be the quick sale value.
13. One motor or other vehicle that is used for transportation shall be exempt.
14. Boats, campers and trailers shall be included in the property reserve unless exempt as either of the following:
 - a. A home.
 - b. A vehicle used for transportation.
15. All items used to furnish and equip a home shall be exempt.
16. The following personal effects shall be exempt:
 - a. Wedding and engagement rings.

- b. Heirlooms.
 - c. Any other item of jewelry with a net market value of \$100 or less.
 - d. All items of clothing.
17. All recreational items shall be exempt, except for:
- a. Recreational motor vehicles shall be considered in accordance with 13.
 - b. Boats, campers and trailers which shall be considered in accordance with 14.
18. All musical instruments shall be exempt.
19. Livestock and poultry retained primarily for personal use shall be exempt. Livestock and poultry retained primarily for profit shall be included in the property reserve.
20. Life insurance policies on the life of any individual in the family shall be exempt if either:
- a. The life insurance has no cash surrender value, or
 - b. The life insurance has a cash surrender value and the combined face value of the policies on the insured individual is \$1,500 or less. If the combined face value of all the policies exceeds \$1,500, only those policies with a combined face value of \$1,500 or less shall be exempt.
21. Burial Plots, Vaults and Crypts
- a. Any burial plot, vault or crypt retained for use by any member of the family shall be exempt.
 - b. Any burial plot not exempted above is other real property and shall be subject to all conditions placed on other real property.
 - c. Any burial vault or crypt not exempted in (a) or (b) is personal property and shall be included in the property reserve.
22. Money or securities placed in trust for funeral, cremation or interment expenses for an individual shall be exempt provided no more than \$1,000 was paid for the trust and the trust is:

23. Loans shall be exempt as property in the current month if they are:
 - a. Exempt as income.
 - b. Income in the current month.
 - c. To be considered income in a future month.
 24. Business Property
 - a. The first \$200 of the net market value of all equipment, inventory and material owned by the applicant or beneficiary for purposes of employment shall be exempt. The remainder of the net market value shall be included in the property reserve.
 - b. The net market value of business equipment, inventory and materials shall be the amount listed by the applicant or beneficiary on the application unless the county determines further verification is required.
 25. Shares of stock in a regional or village corporation held by natives of Alaska for a 20-year period during which such stock cannot be conveyed, transferred or surrendered, shall be exempt.
 26. Real or personal property held in trust for the applicant or beneficiary shall be exempt if the applicant or beneficiary cannot obtain access to the principal of the trust.
- C. The market value of real property shall be (1) or (2), unless the applicant or beneficiary chooses to meet the conditions of (3), and (3) is lower.
1. Four times the assessed value of the property if the property is located in California.
 2. The value established by applying the assessment method used in the area where the property is located, if the property is located outside of California.
 3. The value established as the result of an appraisal by a member of the American Institute of Real Estate Appraisers, if the appraisal is obtained by the applicant or beneficiary and provided to the county department.

Utilization Requirements (50416)

Other real property shall be utilized in order to be exempt. The property is utilized if the following requirements are met:

- A. The property is producing an income of at least six percent of the net market value of the property.
- B. The property has been sold, or the sale is in escrow and there is a bona fide attempt to close the sale.

The entire market value of property not utilized in accordance with this section shall be included in the property reserve on the first of the month following the last month of the utilization period.

Spenddown of Property (50421)

Eligibility may be established by spenddown of excess property when the property reserves exceed the property limit.

- A. If the property reserve has been in excess of the property limit from the first day of the month of application through the date of application, and the property reserve is brought within the property limit by the last day of the month of application.
- B. If the property reserve exceeds but was not more than double the property limit in the months for which retroactive Medi-Cal coverage is requested.

Income (50501)

- A. Certain items of earned and unearned income shall be exempt from consideration in determining a beneficiary's share of cost:
 - 1. Refunds or rebates of taxes on real property.
 - 2. Public assistance and general relief grant.
 - 3. Payments received for social services provided in accordance with Title XX of the Social Security Act.
 - 4. Assistance based on need which is furnished by the State or any political jurisdiction thereof.
 - 5. Rent supplemental payments under the Federal Housing Act of 1965.
 - 6. Foster Care Payments.
 - 7. Loans, grants, scholarships and fellowships.
 - a. The following loans, grants, scholarships and fellowships are exempt:
 - (1) Loans to undergraduate or graduate students made under Title III of the Federal Economic Opportunity Act.

- (2) Loans or grants to undergraduate students that are limited to school expenses and are made or insured under a program administered by either of the State Scholarship and Loan Commission or colleges accredited by the Western Association of Schools and Colleges.
 - (3) Loans or grants to an undergraduate student for education purposes made or insured by the Federal Commissioner of Education.
 - (4) Other loans, grants, scholarships or fellowships, or portions thereof, to undergraduate or graduate students if the loan, grant, scholarship or fellowship document specifically limits the use of the funds for purposes other than current living expenses or the funds would not be available if used for any purpose other than the one specified.
8. Relocation assistance benefits shall be exempt if paid by a public agency to a person who has been relocated as a result of a program of area redevelopment, urban renewal, freeway construction or any other public development involving demolition or condemnation of existing housing.
 9. Federal payments to Indians.
 10. The first \$30 per week of an incentive allowance made to a trainee under Title I of the Comprehensive Employment and Training Act.
 11. Irregular or Infrequent Income.
 - a. Unearned income not exceeding \$60 per calendar quarter.
 - b. Earned income not exceeding \$30 per calendar quarter.
 12. Compensation received by beneficiaries who are 60 years of age or older, for volunteer services performed under the Retired Senior Volunteer Program, the Foster Grandparents Program or the Older Americans Community Service Program of the National Older Americans Act.
 13. Earnings of children under 14 years of age.
- B. Certain amounts of income shall be deducted from nonexempt income to determine the net income to be used in determining the share of cost (50519, 50545):
1. Educational expenses.

2. One-third of any payment made by an absent parent for the support of a disabled or blind child shall be deducted from the total payment.
3. Any Income Deduction - Unearned Income.
 - a. Twenty dollars shall be deducted from any nonexempt unearned income of an aged, blind or disabled person and the spouse or parents of these persons.
 - b. If there is more than one aged, blind, or disabled person in the MFBU, the \$20 shall be deducted from the combined nonexempt unearned income of those persons.
 - c. That portion of the allowable \$20 deduction which is in excess of nonexempt unearned income shall be subtracted from nonexempt earned income.
4. Student Deduction.
 - a. A maximum of \$1,620 per year shall be deducted from the nonexempt earned income of a blind or disabled person who is a student.
5. The first \$30 plus one-third of the remainder shall be deducted from the nonexempt earned income of an AFDC-MN or MI person in both of the following are met:
 - a. The person is the spouse or parent of an ABD-MN person.
 - b. The person was receiving an AFDC cash grant in one of the four months immediately prior to the month in which the deduction will be applied.
6. Sixty-five Plus One-Half.
 - a. The first \$65 plus one-half of the remainder shall be deducted from nonexempt earned income of an aged, blind or disabled person and the spouse or parents of these persons.
 - b. If more than one aged, blind or disabled person in the MFBU has earned income, this deduction shall be subtracted from the combined nonexempt earned income of those persons.
7. In addition to the deduction in (5), the actual cost of work related expenses shall be deducted from the nonexempt earned income of the blind.
8. Nonexempt earned or unearned income of a blind or disabled person shall be deducted, if such income is needed to implement a plan of self-support.

9. Health insurance premiums.
 10. Court ordered child support when it is actually paid.
 11. A special deduction shall be subtracted from the combined nonexempt earned and unearned income of the entire MFBU, if the MFBU includes at least one aged, blind or disabled MN person.
 - a. Determine the appropriate maintenance need for the MFBU without the aged, blind or disabled members considered.
 - b. Determine the appropriate SSI/SSP payment level, based on living situation for each ABD individual or couple in the MFBU, and total these amounts. The payment level shall not be reduced by the receipt of income in kind.
 - c. Determine the appropriate maintenance need for the entire MFBU including the ABD members.
 - d. Subtract the amount determined in (c) from the total of the amounts determined in (a) and (b). The remainder is the special deduction.
- C. Treatment of Income -- Aged, Blind or Disabled MN Person or Person's Spouse in LTC.
1. The income of an aged, blind or disabled MN person in LTC who has a spouse or children shall be treated in the following manner beginning the first of the month following the month the spouses, or the parent and children, began living apart:
 - a. If the MN person in LTC has a spouse or a spouse and children:
 - (1) The MN person in LTC shall be in a separate MFBU.
 - (2) The spouse and any children shall be in a separate MFBU, if applying for Medi-Cal.
 - (3) The net nonexempt income of the MN person in LTC which is in excess of \$25 shall be allocated to the spouse and any children follows:
 - (a) Determine the maintenance need for the spouse and children.
 - (b) Subtract the net nonexempt income of the spouse and children from the amount determined in 1. This is the amount that shall be allocated to the spouse and children from the net nonexempt income of the MN person in LTC which is in excess of \$25.

2. The income of an aged, blind or disabled MN persons's spouse in LTC shall be treated in the following manner beginning the first of the month following the month the spouses began living apart.
 - a. The spouse in LTC shall be in a separate MFBU.
 - b. The MN person and any children, if applying for Medi-Cal, shall be in a separate MFBU.
 - c. The net nonexempt income of the spouse in LTC which is in excess of \$25 shall be allocated to the MN person and any children as follows:
 - (1) Determine the maintenance need for the MN person and children.
 - (2) Subtract the net nonexempt income of the MN person and children from the amount determined in (A). This is the amount that shall be allocated to the MN person and children for the net nonexempt income of the spouse in LTC which is in excess of \$25.
 - (3) In no event shall any income be allocated from the family members living at home to the person in long-term care.

Maintenance Needs (50603)

<u>Persons</u>	<u>Monthly Amount</u>
1	\$192*
1	\$253
2	\$383
3	\$475
4	\$567

*When all other family members are PA or Other PA

Long-Term Care - \$25 per month plus the support and care of the spouse, minor dependents, and any other dependent relative for whose support (s)he has contributed regularly, excluding the person in inpatient care.

An allowance for upkeep of the home shall be included for a maximum of six months beginning with the first of the month in which long-term care status is established, when a medical determination has been made that the applicant or beneficiary can be expected to return home before the expiration of the six

month period. An allowance for upkeep shall be made when the following circumstances exist:

- A. When the applicant or beneficiary has been living alone in the home, a maximum of \$104 per month.
- B. When the home is shared with persons for whom the applicant or beneficiary has no legal responsibility for support, a maximum of \$70 per month.

Determination of Share of Cost (50653)

The share of cost is determined as follows:

- A. Determine net nonexempt income available to the members of the MFBU.
- B. Round the total net nonexempt income determined in (A) to the nearest dollar, with amounts ending in 50 cents or more rounded to the next higher dollar.
- C. Determine the appropriate maintenance need for the MFBU.
- D. Subtract the maintenance need from the rounded net nonexempt income. The remainder, if any, is the share of cost.

SSI/SSP PAYMENT LEVELS

EFFECTIVE JULY 1, 1978

Living Arrangements							
Category	Independent living arrangement	Residing in household of another and receiving room and board in kind	Independent living arrangement without cooking facilities	Nonmedical board and care	Disabled Minor residing in home of relative		
abled	\$322.00	\$258.87	\$358.00	\$369.00	N/A		
nd	322.00	258.87	358.00	369.00	\$258.00		
nd and Aged Spouse	363.00	299.87	N/A	369.00	N/A		
abled and Disabled Spouse	602.00	507.30	674.00	738.00	N/A		
nd and Blind Spouse	602.00	507.30	674.00	738.00	N/A		
nd and Disabled Spouse	714.00	619.30	N/A	738.00	N/A		
nd and Blind Spouse	602.00	507.30	674.00	738.00	N/A		
nd and Disabled Spouse	673.00	578.50	N/A	738.00	N/A		
nd and Disabled Spouse	673.00	578.50	N/A	738.00	N/A		

SSI/SSP PAYMENT LEVELS

EFFECTIVE SEPTEMBER 1, 1978

Category	Living Arrangements						Disabled Minor residing in home of relative
	Independent living arrangement	Residing in household of another and receiving room and board in kind	Independent living arrangement without cooking facilities	Normedical board and care	Normedical board and care	Normedical board and care	
Aged	\$307.60	\$244.47	\$340.60	\$354.60	\$354.60	N/A	
Disabled	307.60	244.47	340.60	354.60	354.60	\$252.60	
Blind	345.60	282.50	N/A	354.60	354.60	N/A	
Aged and Aged Spouse	574.40	479.70	640.40	709.20	709.20	N/A	
Disabled and Disabled Spouse	574.40	479.70	640.40	709.20	709.20	N/A	
Blind and Blind Spouse	680.40	585.70	N/A	709.20	709.20	N/A	
Aged and Disabled Spouse	574.40	479.70	640.40	709.20	709.20	N/A	
Aged and Blind Spouse	642.40	547.70	N/A	709.20	709.20	N/A	
Blind and Disabled Spouse	642.40	547.70	N/A	709.20	709.20	N/A	

BELTRAN V. MYERS
RETRO ELIGIBILITY REQUIREMENTS
1979

Verification Standards (50167, 50171, 50172)

Accept the applicant's statement of facts on the application regarding residence, income and resources unless the application is incomplete or contains discrepancies/conflicts. The county shall offer assistance in completing the application and request verification and/or offer assistance in clarifying the facts. If verification cannot be obtained, a signed statement from the applicant under penalty of perjury setting forth the facts shall be accepted.

Disabled (50167, 50223)

Blindness and disability shall be verified by any of the following:

- A. By determining that the person was eligible as an MN persons on the basis of blindness or disability in December 1973, and that there has been continuing eligibility since that time.
- B. By obtaining verification that a prior determination of blindness or disability is still valid. This shall be obtained by viewing any of the following items:
 - 1. A Social Security Administration (SSA) Title II or SSI award letter that includes no review date.
 - 2. A Railroad Retirement Board notification of a permanent disability award.
 - 3. A signed statement from the SSA that states that the person is eligible for Title II benefits on the basis of a permanent disability.
 - 4. Documentation of a prior determination of permanent disability under the EVH or MN program, if the determination was done after December 1973.
 - 5. Data on the SDX which shows that a person entering LTC was discontinued from SSI/SSP for reasons other than cessation of disability.
 - 6. An SSA notification that disability benefits have been increased or decreased.
- C. By viewing a SSA Title II check that states that the payment is on the basis of disability. In this case, disability shall be further verified within 60 days by one of the methods specified in B or E.

- D. By obtaining a letter from a physician verifying any one of the following conditions, provided the procedures specified in E are followed after eligibility is determined.
1. Terminal cancer.
 2. Paraplegia or quadriplegia.
 3. Absence of both eyes.
 4. IQ of less than 50.
 5. Absence of more than one limb.
- E. By following procedures established by the Department's Disability Evaluation Branch (DEB). All necessary information shall be submitted to the Department not later than 10 days after the date of application, except in the event of a delay due to circumstances beyond the control of the county.

Property (50420)

- A. A person of family may retain as a reserve any combination of personal and/or real property where the net market value does not exceed the following amounts:

<u>Persons</u>	<u>Amount</u>
1	\$1,500
2	\$2,250
3	\$2,300
4	\$2,400

- B. The items of property to be considered in determining eligibility are:
1. Property used as a home is exempt.
 2. Other real property shall be exempt if both of the following conditions are met:
 - a. The property has a net market value of \$25,000 or less.
 - b. The owner meets the utilization requirements.
 3. Deeds of trust or mortgages from the sale of real property shall be considered other real property and subject to all the conditions placed upon other real property.

4. Life estate interest in real property shall be considered real property and life estate interest in personal property shall be considered personal property.
5. An American Indian's interest in land held in trust by the United States Government shall be exempt.
6. Cash on hand shall be included in the property reserve, unless it is income received in that month.
7. The entire amount in checking and savings accounts to which the applicant or beneficiary has unrestricted access shall be included in the property reserve.
8. Income tax refunds shall be included in the property reserve.
9. Nonrecurring lump sum social insurance payments shall be included in the property reserve.
10. Stocks, bonds and mutual funds shall be included in the property reserve. The value of these items shall be the closing price on the date the property is evaluated.
11. U.S. Savings Bonds shall be included in the property reserve. The value of these bonds shall be the amount for which they can be sold.
12. Promissory notes which can be sold or discounted shall be included in the property reserve. The value of the note shall be the quick sale value.
13. One motor or other vehicle that is used for transportation shall be exempt.
14. Boats, campers and trailers shall be included in the property reserve unless exempt as either of the following:
 - a. A home.
 - b. A vehicle used for transportation.
15. All items used to furnish and equip a home shall be exempt.
16. The following personal effects shall be exempt:
 - a. Wedding and engagement rings.
 - b. Heirlooms.
 - c. Any other item of jewelry with a net market value of \$100 or less.

- d. All items of clothing.
17. All recreational items shall be exempt, except for:
 - a. Recreational motor vehicles shall be considered in accordance with 13.
 - b. Boats, campers and trailers which shall be considered in accordance with 14.
 18. All musical instruments shall be exempt.
 19. Livestock and poultry retained primarily for personal use shall be exempt. Livestock and poultry retained primarily for profit shall be included in the property reserve except (effective May 17, 1979) to the extent exempt as business property (24).
 20. Life insurance policies on the life of any individual in the family shall be exempt if either:
 - a. The life insurance has no cash surrender value, or
 - b. The life insurance has a cash surrender value and the combined face value of the policies on the insured individual is \$1,500 or less. If the combined face value of all the policies exceed \$1,500, only those policies with a combined face value of \$1,500 or less shall be exempt.
 21. Burial Plots, Vaults and Crypts
 - a. Any burial plot, vault or crypt retained for use by any member of the family shall be exempt.
 - b. Any burial plot not exempted above is other real property and shall be subject to all conditions placed on other real property.
 - c. Any burial vault or crypt not exempted in (a) or (b) is personal property and shall be included in the property reserve.
 22. Money or securities placed in trust for funeral, cremation or interment expenses for an individual shall be exempt provided no more than \$1,000 was paid for the trust.
 23. Loans shall be exempt as property in the current month if they are:
 - a. Exempt as income.
 - b. Income in the current month.

c. To be considered income in a future month.

24. Business Property

Effective January 1, 1979:

- a. The first \$200 of the net market value of all equipment, inventory and material owned by the applicant or beneficiary for purposes of employment shall be exempt. The remainder of the net market value shall be included in the property reserve.
- b. The net market value of business equipment, inventory and materials shall be the amount listed by the applicant or beneficiary on the application unless the county determines further verification is required.

Effective May 17, 1979:

- a. Equipment, inventory, licenses and materials owned by the applicant or beneficiary which are necessary for employment or for an approved plan of rehabilitation or self-care necessary for employment shall be exempt.
 - b. Motor vehicles shall be considered equipment only if used for employment purposes, other than for commuting to and from work.
 - c. Cash on hand and money in checking accounts necessary for the functioning of a business shall be exempt up to a maximum of three times the average monthly cash expenditures of the business.
 - f. Real property used in whole or in part as a business or for self-employed shall be considered other real property.
25. Shares of stock in a regional or village corporation held by natives of Alaska for a 20-year period during which such stock cannot be conveyed, transferred or surrendered, shall be exempt.
26. Real or personal property held in trust for the applicant or beneficiary shall be exempt if the applicant or beneficiary cannot obtain access to the principal of the trust.
- C. The market value (50412) of real property shall be (1) or (2), unless the applicant or beneficiary chooses to meet the conditions of (3), and (3) is lower.
1. Four times the assessed value of the property if the property is located in California.

2. The value established by applying the assessment method used in the area where the property is located, if the property is located outside of California.
3. The value established as the result of an appraisal by a member of the American Institute of Real Estate Appraisers, if the appraisal is obtained by the applicant or beneficiary and provided to the county.

Utilization Requirements (50416)

Other real property shall be utilized in order to be exempt. The property is utilized if the following requirements are met:

- A. The property is producing an income of at least six percent of the net market value of the property.
- B. The property has been sold, or the sale is in escrow and there is a bona fide attempt to close the sale.

The entire market value of property not utilized in accordance with this section shall be included in the property reserve on the first of the month following the last month of the utilization period.

Spenddown of Property (50421)

Eligibility may be established by spenddown of excess property when the property reserves exceed the property limit.

- A. If the property reserve has been in excess of the property limit from the first day of the month of application through the date of application, and the property reserve is brought within the property limit by the last day of the month of application.
- B. If the property reserve exceeds but was not more than double the property limit in the months for which retroactive Medi-Cal coverage is requested.

Income (50501)

- A. Certain items of earned and unearned income shall be exempt from consideration in determining a beneficiary's share of cost:
 1. Refunds or rebates of taxes on real property.
 2. Public assistance and general relief grants.
 3. Payments received for social services provided in accordance with Title XX of the Social Security Act.
 4. Assistance based on need which is furnished by the State or any political jurisdiction thereof.

5. Rent supplemental payments under the Federal Housing Act of 1965.
6. Foster Care Payments.
7. Loans, grants, scholarships and fellowships.
 - a. The following loans, grants, scholarships and fellowships are exempt:
 - (1) Loans to undergraduate or graduate students made under Title III of the Federal Economic Opportunity Act.
 - (2) Loans or grants to undergraduate students that are limited to school expenses and are made or insured under a program administered by either of the State Scholarship and Loan Commission or colleges accredited by the Western Association of Schools and Colleges.
 - (3) Loans or grants to an undergraduate student for education purposes made or insured by the Federal Commissioner of Education.
 - (4) Other loans, grants, scholarships or fellowships, or portions thereof, to undergraduate or graduate students if the loan, grant, scholarship or fellowship document specifically limits the use of the funds for purposes other than current living expenses or the funds would not be available if used for any purpose other than the one specified.
8. Relocation assistance benefits shall be exempt if paid by a public agency to a person who has been relocated as a result of a program of area redevelopment, urban renewal, freeway construction or any other public development involving demolition or condemnation of existing housing.
9. Federal payments to Indians.
10. The first \$30 per week of an incentive allowance made to a trainee under Title I of the Comprehensive Employment and Training Act.
11. Irregular or Infrequent Income.
 - a. Unearned income not exceeding \$60 per calendar quarter.
 - b. Earned income not exceeding \$30 per calendar quarter.

12. Compensation received by beneficiaries who are 60 years of age or older, for volunteer services performed under the Retired Senior Volunteer Program, the Foster Grandparents Program or the Older Americans Community Service Program of the National Older Americans Act.
 13. Earnings of children under 14 years of age.
- B. Certain amounts of income shall be deducted from nonexempt income to determine the net income to be used in determining the share of cost (50519, 50545):
1. Educational expenses.
 2. One-third of any payment made by an absent parent for the support of a disabled or blind child shall be deducted from the total payment.
 3. Any Income Deduction - Unearned Income.
 - a. Twenty dollars shall be deducted from any nonexempt unearned income of an aged, blind or disabled person and the spouse or parents of these persons.
 - b. If there is more than one aged, blind, or disabled person in the MFBU, the \$20 shall be deducted from the combined nonexempt unearned income of those persons.
 - c. That portion of the allowable \$20 deduction which is in excess of nonexempt unearned income shall be subtracted from nonexempt earned income.
 4. Student Deduction.
 - a. A maximum of \$1,620 per year shall be deducted from the nonexempt earned income of a blind or disabled person.
 5. The first \$30 plus one-third of the remainder shall be deducted from the nonexempt earned income of an AFDC-MN or MI person in both of the following are met:
 - a. The person is the spouse or parent of an ABD-MN person.
 - b. The person was receiving an AFDC cash grant in one of the four months immediately prior to the month in which the deduction will be applied.

6. Sixty-five Plus One-Half.
 - a. The first \$65 plus one-half of the remainder shall be deducted for nonexempt earned income of an aged, blind or disabled person and the spouse or parents of these persons.
 - b. If more than one aged, blind or disabled persons in the MFBU has earned income, this deduction shall be subtracted from the combined nonexempt earned income of those persons.
 7. In addition to the deduction in (5), the actual cost of work related expenses shall be deducted from the nonexempt earned income of the blind.
 8. Nonexempt earned or unearned income of a blind or disabled person shall be deducted, if such income is needed to implement a plan of self-support.
 9. Health insurance premiums.
 10. Court ordered child support when it is actually paid.
 11. A special deduction shall be subtracted from the combined nonexempt earned and unearned income of the entire MFBU, if the MFBU includes at least one aged, blind or disabled MN person.
 - a. Determine the appropriate maintenance need for the MFBU without the aged, blind or disabled members considered.
 - b. Determine the appropriate SSI/SSP payment level, based on living situation for each ABD individual or couple in the MFBU, and total these amounts. The payment level shall not be reduced by the receipt of income in kind.
 - c. Determine the appropriate maintenance need for the entire MFBU including the ABD members.
 - d. Subtract the amount determined in (c) from the total of the amounts determined in (a) and (b). The remainder is the special deduction.
- C. Treatment of Income -- Aged, Blind or Disabled MN Person or Person's Spouse in LTC.
1. The income of an aged, blind or disabled MN person in LTC who has a spouse or children shall be treated in the following manner beginning the first of the month following the month the spouses, or the parent and children, began living apart:

- a. If the MN person in LTC has a spouse or a spouse and children:
 - (1) The MN person in LTC shall be in a separate MFBU.
 - (2) The spouse and any children shall be in a separate MFBU, if applying for Medi-Cal.
 - (3) The net nonexempt income of the MN person in LTC which is in excess of \$25 shall be allocated to the spouse and any children follows:
 - (a) Determine the maintenance need for the spouse and children.
 - (b) Subtract the net nonexempt income of the spouse and children from the amount determined in 1. This is the amount that shall be allocated to the spouse and children from the net nonexempt income of the MN person in LTC which is in excess of \$25.
2. The income of an aged, blind or disabled MN persons's spouse in LTC shall be treated in the following manner beginning the first of the month following the month the spouses began living apart.
 - a. The spouse in LTC shall be in a separate MFBU.
 - b. The MN person and any children, if applying for Medi-Cal, shall be in a separate MFBU.
 - c. The net nonexempt income of the spouse in LTC which is in excess of \$25 shall be allocated to the MN person and any children as follows:
 - (1) Determine the maintenance need for the MN person and children.
 - (2) Subtract the net nonexempt income of the MN person and children from the amount determined in (A). This is the amount that shall be allocated to the MN person and children for the net nonexempt income of the spouse in LTC which is in excess of \$25.
 - (3) In no event shall any income be allocated from the family members living at home to the person in long-term care.

Maintenance Needs (50603)

<u>Persons</u>	<u>Monthly Amount</u>
1	\$221*
1	\$291
2	\$442
3	\$550
4	\$650

*When all other family members are PA or Other PA

Long-Term Care - \$25 per month plus the support and care of the spouse, minor dependents, and any other dependent relative for whose support (s)he has contributed regularly, excluding the person in inpatient care.

An allowance for upkeep of the home shall be included for a maximum of six months beginning with the first of the month in which long-term care status is established, when a medical determination has been made that the applicant or beneficiary can be expected to return home before the expiration of the six month period. An allowance for upkeep shall be made when the following circumstances exist:

- A. When the applicant or beneficiary has been living alone in the home, a maximum of \$120 per month (effective July 1, 1979).
- B. When the home is shared with persons for whom the applicant or beneficiary has no legal responsibility for support, a maximum of \$81 per month (effective July 1, 1979).

Determination of Share of Cost (50653)

The share of cost is determined as follows:

- A. Determine net nonexempt income available to the members of the MFBU.
- B. Round the total net nonexempt income determined in (A) to the nearest dollar, with amounts ending in 50 cents or more rounded to the next higher dollar.
- C. Determine the appropriate maintenance need for the MFBU.
- D. Subtract the maintenance need from the rounded net nonexempt income. The remainder, if any, is the share of cost.

SSI/SSP PAYMENT LEVELS

EFFECTIVE JULY 1, 1979

Living Arrangements

Category	Independent living arrangement	Residing in household of another and receiving room and board in kind	Independent living arrangement without cooking facilities	Nonmedical board and care	Disabled Minor residing in home of relative
Aged	\$356	\$286.67	\$394	\$ 402	N/A
Disabled	356	286.67	394	402	\$282
Blind	399	329.60	N/A	402	N/A
Aged and Aged Spouse	660	555.90	736	804	N/A
Disabled and Disabled Spouse	660	555.90	736	804	N/A
Blind and Blind Spouse	776	671.90	N/A	804	N/A
Aged and Disabled Spouse	660	555.90	736	804	N/A
Aged and Blind Spouse	733	628.90	N/A	804	N/A
Blind and Disabled Spouse	733	628.90	N/A	804	N/A

BELTRAN V. MYERS
RETRO ELIGIBILITY REQUIREMENTS
1980

Verification Standards (50167, 50171, 50172)

Accept the applicant's statement of facts on the application regarding residence, income and resources unless the application is incomplete or contains discrepancies/conflicts. The county shall offer assistance in completing the application and request verification and/or offer assistance in clarifying the facts. If verification cannot be obtained, a signed statement from the applicant under penalty of perjury setting forth the facts shall be accepted.

Disabled (50167)

Blindness and disability shall be verified by any of the following:

- A. By determining that the person was eligible as an MN person on the basis of blindness or disability in December 1973, and that there has been continuing eligibility since that time.
- B. By obtaining verification that a prior determination of blindness or disability is still valid. This shall be obtained by viewing any of the following items:
 1. A Social Security Administration (SSA) Title II or SSI award letter that includes no review date.
 2. A Railroad Retirement Board notification of a permanent disability award.
 3. A signed statement from the SSA that states that the person is eligible for Title II benefits on the basis of a permanent disability.
 4. Documentation of a prior determination of permanent disability under the EVH or MN program, if the determination was done after December 1973.
 5. Data on the SDX which shows that a person entering LTC was discontinued from SSI/SSP for reasons other than cessation of disability.
 6. A SSA notification that disability benefits have been increased or decreased.
 7. SGA disability shall be verified by the Disability Evaluation Branch.

- C. By viewing a SSA Title II check that states that the payment is on the basis of disability. In this case, disability shall be further verified within 60 days by one of the methods specified in B or E.
- D. By obtaining a letter from a physician verifying any one of the following conditions, provided the procedures specified in E are followed after eligibility is determined.
 - 1. Terminal cancer.
 - 2. Loss of the use of at least two limbs, such as paraplegia or quadriplegia.
 - 3. Loss of sight in both eyes.
 - 4. IQ of less than 50.
 - 5. Absence of more than one limb.
- E. By following procedures established by the Department's Disability Evaluation Branch (DEB). All necessary information shall be submitted to the Department no later than 10 days after the date of application, except in the event of a delay due to circumstances beyond the control of the county.

Property (50420)

- A. A person of family may retain as a reserve any combination of personal and/or real property where the net market value does not exceed the following amounts:

<u>Persons</u>	<u>Amount</u>
1	\$1,500
2	\$2,250
3	\$2,300
4	\$2,400

- B. The items of property to be considered in determining eligibility are:
 - 1. Property used as a home is exempt.
 - 2. Other real property shall be exempt if both of the following conditions are met:
 - a. The property has a net market value of \$25,000 or less.

- b. The owner meets the utilization requirements.
3. Deeds of trust or mortgages from the sale of real property shall be considered other real property and subject to all the conditions placed upon other real property.
4. Life estate interest in real property shall be considered real property and life estate interest in personal property shall be considered personal property.
5. An American Indian's interest in land held in trust by the United States Government shall be exempt.
6. Cash on hand shall be included in the property reserve, unless it is income received in that month.
7. The entire amount in checking and savings accounts to which the applicant or beneficiary has unrestricted access shall be included in the property reserve.
8. Income tax refunds shall be included in the property reserve.
9. Nonrecurring lump sum social insurance payments shall be included in the property reserve.
10. Stocks, bonds and mutual funds shall be included in the property reserve. The value of these items shall be the closing price on the date the property is evaluated.
11. U.S. Savings Bonds shall be included in the property reserve. The value of these bonds shall be the amount for which they can be sold.
12. Promissory notes which can be sold or discounted shall be included in the property reserve. The value of the note shall be the quick sale value.
13. One motor or other vehicle that is used for transportation shall be exempt.
14. Boats, campers and trailers shall be included in the property reserve unless exempt as either of the following:
 - a. A home.
 - b. A vehicle used for transportation.
15. All items used to furnish and equip a home shall be exempt.

16. The following personal effects shall be exempt:
 - a. Wedding and engagement rings.
 - b. Heirlooms.
 - c. Any other item of jewelry with a net market value of \$100 or less.
 - d. All items of clothing.
17. All recreational items shall be exempt, except for:
 - a. Recreational motor vehicles shall be considered in accordance with 13.
 - b. Boats, campers and trailers which shall be considered in accordance with 14.
18. All musical instruments shall be exempt.
19. Livestock and poultry retained primarily for personal use shall be exempt. Livestock and poultry retained primarily for profit shall be included in the property reserve except to the extent exempt as business property (24).
20. Life insurance policies on the life of any individual in the family shall be exempt if either:
 - a. The life insurance has no cash surrender value, or
 - b. The life insurance has a cash surrender value and the combined face value of the policies on the insured individual is \$1,500 or less. If the combined face value of all the policies exceeds \$1,500, only those policies with a combined face value of \$1,500 or less shall be exempt.
21. Burial Plots, Vaults and Crypts
 - a. Any burial plot, vault or crypt retained for use by any member of the family shall be exempt.
 - b. Any burial plot not exempted above is other real property and shall be subject to all conditions placed on other real property.
 - c. Any burial vault or crypt not exempted in (a) or (b) is personal property and shall be included in the property reserve.

22. The first \$1,000 paid for burial trusts and prepaid burial contracts for funeral, cremation or interment expenses for an individual shall be exempt. The remainder of the amount paid shall be included in the property reserve.
 23. Loans shall be exempt as property in the current month if they are:
 - a. Exempt as income.
 - b. Income in the current month.
 - c. To be considered income in a future month.
 24. Business Property
 - a. Equipment, inventory, licenses and materials owned by the applicant or beneficiary which are necessary for employment, for self-support or for an approved plan of rehabilitation or self-care necessary for employment shall be exempt.
 - b. Motor vehicles shall be considered equipment only if used for employment other than for commuting to and from work.
 - c. Cash on hand and money in checking accounts necessary for the functioning of a business shall be exempt up to a maximum of three times the average monthly cash expenditures of the business.
 - d. Real property used in whole or in part as a business or for self-employed shall be considered other real property.
 25. Shares of stock in a regional or village corporation held by natives of Alaska for a 20-year period during which such stock cannot be conveyed, transferred or surrendered, shall be exempt.
 26. Real or personal property held in trust for the applicant or beneficiary shall be exempt if the applicant or beneficiary cannot obtain access to the principal of the trust.
 27. The cash surrender value of burial insurance policies on any individual in the family shall be exempt effective March 7, 1980.
- C. The market value (50412) of real property shall be (1) or (2), unless the applicant or beneficiary chooses to meet the conditions of (3), and (3) is lower.
1. Four times the assessed value of the property if the property is located in California.

2. The value established by applying the assessment method used in the area where the property is located, if the property is located outside of California.
3. The value established as the result of an appraisal by a member of the American Institute of Real Estate Appraisers, if the appraisal is obtained by the applicant or beneficiary and provided to the county department.

Utilization Requirements (50416)

Other real property shall be utilized in order to be exempt. The property is utilized if the following requirements are met:

- A. The property is producing an income of at least six percent of the net market value of the property.
- B. The property has been sold, or the sale is in escrow and there is a bona fide attempt to close the sale.

The entire market value of property not utilized in accordance with this section shall be included in the property reserve on the first of the month following the last month of the utilization period.

Spenddown of Property (50421)

Eligibility may be established by spenddown of excess property when the property reserves exceed the property limit.

- A. If the property reserve has been in excess of the property limit from the first day of the month of application through the date of application, and the property reserve is brought within the property limit by the last day of the month of application.
- B. If the property reserve exceeds but was not more than double the property limit in the months for which retroactive Medi-Cal coverage is requested.

Income (50501)

- A. Certain items of earned and unearned income shall be exempt from consideration in determining a beneficiary's share of cost:
 1. Refunds or rebates of taxes on real property.
 2. Public assistance and general relief grants.
 3. Payments received for social services provided in accordance with Title XX of the Social Security Act.

4. Assistance based on need which is furnished by the State or any political jurisdiction thereof.
5. Rent supplemental payments under the Federal Housing Act of 1965.
6. Training expenses paid by the Department of Rehabilitation (effective June 17, 1980).
7. Foster Care Payments.
8. Loans, grants, scholarships and fellowships.
 - a. The following loans, grants, scholarships and fellowships are exempt:
 - (1) Loans to undergraduate or graduate students made under Title III of the Federal Economic Opportunity Act.
 - (2) Loans or grants to undergraduate students that are limited to school expenses and are made or insured under a program administered by either of the State Scholarship and Loan Commission or colleges accredited by the Western Association of Schools and Colleges.
 - (3) Loans or grants to an undergraduate student for education purposes made or insured by the Federal Commissioner of Education.
 - (4) Other loans, grants, scholarships or fellowships, or portions thereof, to undergraduate or graduate students if the loan, grant, scholarship or fellowship document specifically limits the use of the funds for purposes other than current living expenses or the funds would not be available if used for any purpose other than the one specified.
9. Payments made under California's Victims of Crimes Program (effective June 17, 1980).
10. Relocation assistance benefits shall be exempt if paid by a public agency to a person who has been relocated as a result of a program of area redevelopment, urban renewal, freeway construction or any other public development involving demolition or condemnation of existing housing.
11. Federal payments to Indians.
12. The first \$30 per week of an incentive allowance made to a trainee under Title I of the Comprehensive Employment and Training Act.

13. Irregular or Infrequent Income.
 - a. Unearned income not exceeding \$60 per calendar quarter.
 - b. Earned income not exceeding \$30 per calendar quarter.
 14. Compensation received by beneficiaries who are 60 years of age or older, for volunteer services performed under the Retired Senior Volunteer Program, the Foster Grandparents Program or the Older Americans Community Service Program of the National Older Americans Act.
 15. Earnings of children under 14 years of age.
- B. Certain amounts of income shall be deducted from nonexempt income to determine the net income to be used in determining the share of cost (50519, 50545):
1. Educational expenses.
 2. One-third of any payment made by an absent parent for the support of a disabled or blind child shall be deducted from the total payment.
 3. Any Income Deduction - Unearned Income.
 - a. Twenty dollars shall be deducted from any nonexempt unearned income of an aged, blind or disabled person and the spouse or parent of these persons.
 - b. If there is more than one aged, blind, or disabled person in the MFBU, the \$20 shall be deducted from the combined nonexempt unearned income of those persons.
 - c. That portion of the allowable \$20 deduction which is in excess of nonexempt unearned income.
 4. Student Deduction.
 - a. A maximum of \$1,620 per year shall be deducted from the nonexempt earned income of a blind or disabled person who is a student.
 5. The first \$30 plus one-third of the remainder shall be deducted from the nonexempt earned income of an AFDC-MN or MI person in both of the following are met:
 - a. The person is the spouse or parent of an ABD-MN person.
 - b. The person was receiving an AFDC cash grant in one of the four months immediately prior to the month in which the deduction will be applied.

6. Sixty-five Plus One-Half.
 - a. The first \$65 plus one-half of the remainder shall be deducted for nonexempt earned income of an aged, blind or disabled person and the spouse or parent of these persons.
 - b. If more than one aged, blind or disabled persons in the MFBU has earned income, this deduction shall be subtracted from the combined nonexempt earned income of those persons.
7. In addition to the deduction in (5), the actual cost of work related expenses shall be deducted from the nonexempt earned income of the blind.
8. Nonexempt earned or unearned income of a blind or disabled person shall be deducted, if such income is needed to implement a plan of self-support.
9. Health insurance premiums.
10. Court ordered child support when it is actually paid.
11. A special deduction shall be subtracted from the combined nonexempt earned and unearned income of the entire MFBU, if the MFBU includes at least one aged, blind or disabled MN person.
 - a. Determine the appropriate maintenance need for the MFBU without the aged, blind or disabled members considered.
 - b. Determine the appropriate SSI/SSP payment level, based on living situation for each ABD individual or couple in the MFBU, and total these amounts. The payment level shall not be reduced by the receipt of income in kind.
 - c. Determine the appropriate maintenance need for the entire MFBU including the ABD members.
 - d. Subtract the amount determined in (c) from the total of the amounts determined in (a) and (b). The remainder is the special deduction.

C. Treatment of Income -- Aged, Blind or Disabled MN Person or Person's Spouse in LTC.

1. The income of an aged, blind or disabled MN person in LTC who has a spouse or children shall be treated in the following manner beginning the first of the month following the month the spouses, or the parent and children, began living apart:

a. If the MN person in LTC has a spouse or a spouse and children:

- (1) The MN person in LTC shall be in a separate MFBU.
- (2) The spouse and any children shall be in a separate MFBU, if applying for Medi-Cal.
- (3) The net nonexempt income of the MN person in LTC which is in excess of \$25 shall be allocated to the spouse and any children follows:
 - (a) Determine the maintenance need for the spouse and children.
 - (b) Subtract the net nonexempt income of the spouse and children from the amount determined in 1. This is the amount that shall be allocated to the spouse and children from the net nonexempt income of the MN person in LTC which is in excess of \$25.

2. The income of an aged, blind or disabled MN persons's spouse in LTC shall be treated in the following manner beginning the first of the month following the month the spouses began living apart.

- a. The spouse in LTC shall be in a separate MFBU.
- b. The MN person and any children, if applying for Medi-Cal, shall be in a separate MFBU.
- c. The net nonexempt income of the spouse in LTC which is in excess of \$25 shall be allocated to the MN person and any children as follows:
 - (1) Determine the maintenance need for the MN person and children.
 - (2) Subtract the net nonexempt income of the MN person and children from the amount determined in (A). This is the amount that shall be allocated to the MN person and children for the net nonexempt income of the spouse in LTC which is in excess of \$25.
 - (3) In no event shall any income be allocated from the family members living at home to the person in long-term care.

Maintenance Needs (50603)

<u>Persons</u>	<u>Monthly Amount</u>
1	\$259*
1	\$336
2	\$517
3	\$663
4	\$758

*When all other family members are PA or Other PA

Long-Term Care - \$25 per month plus the support and care of the spouse, minor dependents, and any other dependent relative for whose support (s)he has contributed regularly, excluding the person in inpatient care.

An allowance for upkeep of the home shall be included for a maximum of six months beginning with the first of the month in which long-term care status is established, when a medical determination has been made that the applicant or beneficiary can be expected to return home before the expiration of the six month period. An allowance for upkeep shall be made when the following circumstances exist:

- A. When the applicant or beneficiary has been living alone in the home, a maximum of \$120 per month.
- B. When the home is shared with persons for whom the applicant or beneficiary has no legal responsibility for support, a maximum of \$81 per month.

Determination of Share of Cost

The share of cost is determined as follows:

- A. Determine net nonexempt income available to the members of the MFBU.
- B. Round the total net nonexempt income determined in (A) to the nearest dollar, with amounts ending in 50 cents or more rounded to the next higher dollar.
- C. Determine the appropriate maintenance need for the MFBU.
- D. Subtract the maintenance need from the rounded net nonexempt income. The remainder, if any, is the share of cost.

SSI/SSP PAYMENT LEVELS

EFFECTIVE JULY 1, 1980

Living Arrangements

Category	Independent living arrangement	Residing in household of another and receiving room and board in kind	Independent living arrangement without cooking facilities	Nonmedical board and care	Disabled Minor residing in home of relative
Aged	\$420	\$340.67	\$464	\$465	N/A
Disabled	420	340.67	464	465	\$322
Blind	471	391.67	N/A	465	N/A
Aged and Aged Spouse	773	654.00	861	930	N/A
Disabled and Disabled Spouse	773	654.00	861	930	N/A
Blind and Blind Spouse	905	786.00	N/A	930	N/A
Aged and Disabled Spouse	773	654.00	861	930	N/A
Aged and Blind Spouse	854	735.00	N/A	930	N/A
Blind and Disabled Spouse	854	735.00	N/A	930	N/A

BELTRAN V. MYERS
RETRO ELIGIBILITY REQUIREMENTS
1981

Verification Standards (50167, 50171, 50172)

Accept the applicant's statement of facts on the application regarding residence, income and resources. If the application is incomplete or contains discrepancies/conflict, the county shall offer assistance in completing the application or clarifying the facts. If verification cannot be obtained, a signed statement from the applicant setting forth the facts shall be accepted.

Disabled (50167)

Blindness and disability shall be verified by any of the following:

- A. By determining that the person was eligible as an MN person on the basis of blindness or disability in December 1973, and that there has been continuing eligibility since that time.
- B. By obtaining verification that a prior determination of blindness or disability is still valid. This shall be obtained by viewing any of the following items:
 - 1. A Social Security Administration (SSA) Title II or SSI award letter that includes no review date.
 - 2. A Railroad Retirement Board notification of a permanent disability award.
 - 3. A signed statement from the SSA that states that the person is eligible for Title II benefits on the basis of a permanent disability.
 - 4. Documentation of a prior determination of permanent disability under the EVH or MN program, if the determination was done after December 1973.
 - 5. Data on the SDX which shows that a persons entering LTC was discontinued from SSI/SSP for reasons other than cessation of disability.
 - 6. An SSA notification that disability benefits have been increased or decreased.
 - 7. SGA disability shall be verified by the Disability Evaluation Branch.
- C. By viewing a Social Security Administration Title II check that states that the payment is on the basis of disability. In this case, disability shall be further verified within 60 days by one of the methods specified in B or E.

D. By obtaining a letter from a physician verifying any one of the following conditions, provided the procedures specified in E are followed after eligibility is determined.

1. Terminal cancer.
2. Paraplegia or quadriplegia.
3. Absence of both eyes.
4. IQ of less than 50.
5. Absence of more than one limb.

E. By following procedures established by the Department's Disability Evaluation Branch (DEB). All necessary information shall be submitted to the Department no later than 10 days after the date of application, except in the event of a delay due to circumstances beyond the control of the county.

Property (50420)

A. A person of family may retain as a reserve any combination of personal and/or real property where the net market value does not exceed the following amounts:

<u>Persons</u>	<u>Amount</u>
1	\$1,500
2	\$2,250
3	\$2,300
4	\$2,400

B. The items of property to be considered in determining eligibility are:

1. Property used as a home is exempt.
2. Other real property shall be exempt if both of the following conditions are met:
 - a. The property has a net market value of \$25,000 or less.
 - b. The owner meets the utilization requirements.
3. Effective June 1 1981, mortgages, notes secured by deeds of trust and other promissory notes which can be sold or discounted shall be included in the property reserve except that a mortgage, or a note secured by a deed of trust, from the sale of real property owned by the applicant or

beneficiary shall be considered other real property and subject to all the conditions placed upon other real property.

4. Life estate interest in real property shall be considered real property and life estate interest in personal property shall be considered personal property.
5. An American Indian's interest in land held in trust by the United States Government shall be exempt.
6. Cash on hand shall be included in the property reserve, unless it is income received in that month.
7. The entire amount in checking and savings accounts to which the applicant or beneficiary has unrestricted access shall be included in the property reserve.
8. Income tax refunds shall be included in the property reserve.
9. Nonrecurring lump sum social insurance payments shall be included in the property reserve.
10. Stocks, bonds and mutual funds shall be included in the property reserve. The value of these items shall be the closing price on the date the property is evaluated.
11. U.S. Savings Bonds shall be included in the property reserve. The value of these bonds shall be the amount for which they can be sold.
12. Promissory notes which can be sold or discounted shall be included in the property reserve. The value of the note shall be the quick sale value.
13. One motor or other vehicle that is used for transportation shall be exempt.
14. Boats, campers and trailers shall be included in the property reserve unless exempt as either of the following:
 - a. A home.
 - b. A vehicle used for transportation.
15. All items used to furnish and equip a home shall be exempt.
16. The following personal effects shall be exempt:
 - a. Wedding and engagement rings.
 - b. Heirlooms.

- c. Any other item of jewelry with a net market value of \$100 or less.
 - d. All items of clothing.
17. All recreational items shall be exempt, except for:
- a. Recreational motor vehicles shall be considered in accordance with 13.
 - b. Boats, campers and trailers which shall be considered in accordance with 14.
18. All musical instruments shall be exempt.
19. Livestock and poultry retained primarily for personal use shall be exempt. Livestock and poultry retained primarily for profit shall be included in the property reserve except to the extent exempt as business property (24).
20. Life insurance policies on the life of any individual in the family shall be exempt if either:
- a. The life insurance has no cash surrender value, or
 - b. The life insurance has a cash surrender value and the combined face value of the policies on the insured individual is \$1,500 or less. If the combined face value of all the policies exceeds \$1,500, only those policies with a combined face value of \$1,500 or less shall be exempt.
21. Burial Plots, Vaults and Crypts
- a. Any burial plot, vault or crypt retained for use by any member of the family shall be exempt.
 - b. Any burial plot not exempted above is other real property and shall be subject to all conditions placed on other real property.
 - c. Any burial vault or crypt not exempted in (a) or (b) is personal property and shall be included in the property reserve.
22. The first \$1,000 paid for burial trusts and prepaid burial contracts for funeral, cremation or interment expenses for an individual shall be exempt. The remainder of the amount paid shall be included in the property reserve.

23. Loans shall be exempt as property in the current month if they are:
 - a. Exempt as income.
 - b. Income in the current month.
 - c. To be considered income in a future month.
 24. Business Property
 - a. Equipment, inventory, licenses and materials owned by the applicant or beneficiary which are necessary for employment, for self-support or for an approved plan of rehabilitation or self-care necessary for employment shall be exempt.
 - b. Motor vehicles shall be considered equipment only if used for employment or other than for commuting to and from work.
 - c. Cash on hand and money in checking accounts necessary for the functioning of a business shall be exempt up to a maximum of three times the average monthly cash expenditures of the business.
 - d. Real property used in whole or in part as a business or for self-employed shall be considered other real property.
 25. Shares of stock in a regional or village corporation held by natives of Alaska for a 20-year period during which such stock cannot be conveyed, transferred or surrendered, shall be exempt.
 26. Real or personal property held in trust for the applicant or beneficiary shall be exempt if the applicant or beneficiary cannot obtain access to the principal of the trust.
 27. The cash surrender value of burial insurance policies on any individual in the family shall be exempt effective March 7, 1980.
- C. The market value of real property (50412) shall be (1) or (2), unless the applicant or beneficiary chooses to meet the conditions of (3), and (3) is lower.
1. Four times the assessed value of the property if the property is located in California.
 2. The value established by applying the assessment method used in the area where the property is located, if the property is located outside of California.

3. The value established as the result of an appraisal by a member of the American Institute of Real Estate Appraisers, if the appraisal is obtained by the applicant or beneficiary and provided to the county department.

Utilization Requirements (50416)

Other real property shall be utilized in order to be exempt. The property is utilized if the following requirements are met:

- A. The property is producing an income of at least six percent of the net market value of the property.
- B. The property has been sold, or the sale is in escrow and there is a bona fide attempt to close the sale.

The entire market value of property not utilized in accordance with this section shall be included in the property reserve on the first of the month following the last month of the utilization period.

Spendedown of Property (50421)

Eligibility may be established by spenddown of excess property when the property reserves exceed the property limit.

- A. If the property reserve has been in excess of the property limit from the first day of the month of application through the date of application, and the property reserve is brought within the property limit by the last day of the month of application.
- B. If the property reserve exceeds but was not more than double the property limit in the months for which retroactive Medi-Cal coverage is requested.

Income (50501)

- A. Certain items of earned and unearned income shall be exempt from consideration in determining a beneficiary's share of cost:
 1. Refunds or rebates of taxes on real property.
 2. Public assistance and general relief grants.
 3. Payments received for social services provided in accordance with Title XX of the Social Security Act.
 4. Assistance based on need which is furnished by the State or any political jurisdiction thereof.
 5. Rent supplemental payments under the Federal Housing Act of 1965.

6. Training expenses paid by the Department of Rehabilitation.
7. Foster Care Payments.
8. Loans, grants, scholarships and fellowships.
 - a. The following loans, grants, scholarships and fellowships are exempt:
 - (1) Loans to undergraduate or graduate students made under Title III of the Federal Economic Opportunity Act.
 - (2) Loans or grants to undergraduate students that are limited to school expenses and are made or insured under a program administered by either of the State Scholarship and Loan Commission or colleges accredited by the Western Association of Schools and Colleges.
 - (3) Loans or grants to an undergraduate student for education purposes made or insured by the Federal Commissioner of Education.
 - (4) Other loans, grants, scholarships or fellowships, or portions thereof, to undergraduate or graduate students if the loan, grant, scholarship or fellowship document specifically limits the use of the funds for purposes other than current living expenses or the funds would not be available if used for any purpose other than the one specified.
9. Payments made under California's Victims of Crimes Program.
10. Relocation assistance benefits shall be exempt if paid by a public agency to a person who has been relocated as a result of a program of area redevelopment, urban renewal, freeway construction or any other public development involving demolition or condemnation of existing housing.
11. Federal payments to Indians.
12. The first \$30 per week of an incentive allowance made to a trainee under Title I of the Comprehensive Employment and Training Act.
13. Irregular or Infrequent Income.
 - a. Unearned income not exceeding \$60 per calendar quarter.
 - b. Earned income not exceeding \$30 per calendar quarter.

14. Compensation received by beneficiaries who are 60 years of age or older, for volunteer services performed under the Retired Senior Volunteer Program, the Foster Grandparents Program or the Older Americans Community Service Program of the National Older Americans Act.
 15. Earnings of children under 14 years of age.
- B. Certain amounts of income shall be deducted from nonexempt income to determine the net income to be used in determining the share of cost (50519, 50545):
1. Educational expenses.
 2. One-third of any payment made by an absent parent for the support of a disabled or blind child shall be deducted from the total payment.
 3. Any Income Deduction - Unearned Income.
 - a. Twenty dollars shall be deducted from any nonexempt unearned income of an aged, blind or disabled person or the spouse or parent of these persons.
 - b. If there is more than one aged, blind, or disabled person in the MFBU, the \$20 shall be deducted from the combined nonexempt unearned income of those persons.
 - c. That portion of the allowable \$20 deduction which is in excess of nonexempt unearned income.
 4. Student Deduction.
 - a. A maximum of \$1,620 per year shall be deducted from the nonexempt earned income of a blind or disabled person who is a student.
 5. The first \$30 plus one-third of the remainder shall be deducted from the nonexempt earned income of an AFDC-MN or MI person in both of the following are met:
 - a. The person is the spouse or parent of an ABD-MN person.
 - b. The person was receiving an AFDC cash grant in one of the four months immediately prior to the month in which the deduction will be applied.

6. Sixty-five Plus One-Half.

- a. The first \$65 plus one-half off the remainder shall be deducted for nonexempt earned income of an aged, blind or disabled person or the spouse or parent of these persons.
- b. If more than one aged, blind or disabled persons in the MFBU has earned income, this deduction shall be subtracted from the combined nonexempt earned income of those persons.

7. In addition to the deduction in (6), the actual cost of work related expenses shall be deducted from the nonexempt earned income of the blind.

8. Nonexempt earned or unearned income of a blind or disabled person shall be deducted, if such income is needed to implement a plan of self-support.

9. Health insurance premiums.

10. A special deduction shall be subtracted from the combined nonexempt earned and unearned income of the entire MFBU, if the MFBU includes at least one aged, blind or disabled MN person.

- a. Determine the appropriate maintenance need for the MFBU without the aged, blind or disabled members considered.
- b. Determine the appropriate SSI/SSP payment level, based on living situation for each ABD individual or couple in the MFBU, and total these amounts. The payment level shall not be reduced by the recipient of income in kind.
- c. Determine the appropriate maintenance need for the entire MFBU including the ABD members.
- d. Subtract the amount determined in (c) from the total of the amounts determined in (a) and (b). The remainder is the special deduction.

C. Treatment of Income -- Aged, Blind or Disabled MN Person or Person's Spouse in LTC.

1. The income of an aged, blind or disabled MN person in LTC who has a spouse or children shall be treated in the following manner beginning the first of the month following the month the spouses, or the parent and children, began living apart:
 - a. If the MN person in LTC has a spouse or a spouse and children:

- (1) The MN person in LTC shall be in a separate MFBU.
 - (2) The spouse and any children shall be in a separate MFBU, if applying for Medi-Cal.
 - (3) The net nonexempt income of the MN person in LTC which is in excess of \$25 shall be allocated to the spouse and any children follows:
 - (a) Determine the maintenance need for the spouse and children.
 - (b) Subtract the net nonexempt income of the spouse and children from the amount determined in 1. This is the amount that shall be allocated to the spouse and children from the net nonexempt income of the MN person in LTC which is in excess of \$25.
2. The income of an aged, blind or disabled MN persons's spouse in LTC shall be treated in the following manner beginning the first of the month following the month the spouses began living apart.
- a. The spouse in LTC shall be in a separate MFBU.
 - b. The MN person and any children, if applying for MEDI-Cal, shall be in a separate MFBU.
 - c. The net nonexempt income of the spouse in LTC which is in excess of \$25 shall be allocated to the MN person and any children as follows:
 - (1) Determine the maintenance need for the MN person and children.
 - (2) Subtract the net nonexempt income of the MN person and children from the amount determined in (A). This is the amount that shall be allocated to the MN person and children for the net nonexempt income of the spouse in LTC which is in excess of \$25.
 - (3) In no event shall any income be allocated from the family members living at home to the person in long-term care.

Maintenance Needs (50603)

Effective January 1, 1981:

<u>Persons</u>	<u>Monthly Amount</u>
1	\$250*
1	\$328
2	\$500
3	\$625
4	\$733

Effective July 1, 1981:

<u>Persons</u>	<u>Monthly Amount</u>
1	\$275*
1	\$359
2	\$550
3	\$675
4	\$808

*When all other family members are PA or Other PA

Long-Term Care - \$25 per month plus the support and care of the spouse, minor dependents, and any other dependent relative for whose support (s)he has contributed regularly, excluding the person in inpatient care.

An allowance for upkeep of the home shall be included for a maximum of six months beginning with the first of the month in which long-term care status is established, when a medical determination has been made that the applicant or beneficiary can be expected to return home before the expiration of the six month period. An allowance for upkeep shall be made when the following circumstances exist:

- A. When the applicant or beneficiary has been living alone in the home, a maximum of \$128 per month.
- B. When the home is shared with persons for whom the applicant or beneficiary has no legal responsibility for support, a maximum of \$86 per month.

Determination of Share of Cost (50603)

The share of cost is determined as follows:

A. For MFBU's which do not include a person in LTC:

1. Determine net nonexempt income available to the members of the MFBU.
2. Round the total net nonexempt income determined in (1) to the nearest dollar, with amounts ending in 50 cents or more rounded to the next higher dollar.
3. Determine the appropriate maintenance need for the MFBU.
4. Subtract the combined maintenance need from the total rounded net nonexempt income. The remainder, if any, is the share of cost.

B. For MFBU's which include a person in LTC:

1. Determine the total countable income available to the MFBU in the month.
2. Add to the total countable income any amounts previously deducted.
3. Subtract from the amount determined in (2) the deductions and allocations. This is the net nonexempt income available to the MFBU.
4. Round the total net nonexempt income determined in (3) to the nearest dollar, with amounts ending in 50 cents or more to the next highest dollar.
5. Determine the appropriate maintenance need.
6. Subtract the amount determined in (5) from the amount determined in (4). This amount, if any, is the share of the cost.

SSI/SSP PAYMENT LEVELS

EFFECTIVE JANUARY 1, 1981

Living Arrangements

Category	Independent living arrangement	Residing in household of another and receiving room and board in kind	Independent living arrangement without cooking facilities	Nonmedical board and care	Disabled Minor residing in home of relative
Aged	\$402	\$322.67	\$445	\$454	N/A
Disabled	402	322.67	445	454	\$319
Blind	451	371.67	N/A	454	N/A
Aged and Aged Spouse	746	627.00	832	908	N/A
Disabled and Disabled Spouse	746	627.00	832	908	N/A
Blind and Blind Spouse	877	758.00	N/A	908	N/A
Aged and Disabled Spouse	746	627.00	832	908	N/A
Aged and Blind Spouse	828	709.00	N/A	908	N/A
Blind and Disabled Spouse	828	709.00	N/A	908	N/A

SSI/SSP PAYMENT LEVELS

EFFECTIVE JULY 1, 1981

Living Arrangements

Category	Independent living arrangement	Residing in household of another and receiving room and board in kind	Independent living arrangement without cooking facilities	Nonmedical board and care	Disabled Minor residing in home of relative
Aged	\$439	\$350.77	\$486	\$496	N/A
Disabled	439	350.77	486	496	\$348
Blind	492	403.77	N/A	496	N/A
Aged and Aged Spouse	815	682.67	909	992	N/A
Disabled and Disabled Spouse	815	682.67	909	992	N/A
Blind and Blind Spouse	958	825.67	N/A	992	N/A
Aged and Disabled Spouse	815	682.67	909	992	N/A
Aged and Blind Spouse	904	771.67	N/A	992	N/A
Blind and Disabled Spouse	904	771.67	N/A	992	N/A

BELTRAN V. MYERS
RETRO ELIGIBILITY REQUIREMENTS
1982

Verification Standards (50167, 50171, 50172)

Accept the applicant's statement of facts on the application regarding residence, income and resources. If the application is incomplete or contains discrepancies/conflict, the county shall offer assistance in completing the application or clarifying the facts. If verification cannot be obtained, a signed statement from the applicant setting forth the facts shall be accepted.

Disabled (50167)

Blindness and disability shall be verified by any of the following:

- A. By determining that the person was eligible as an MN person on the basis of blindness or disability in December 1973, and that there has been continuing eligibility since that time.
- B. By obtaining verification that a prior determination of blindness or disability is still valid. This shall be obtained by viewing any of the following items:
 - 1. A Social Security Administration (SSA) Title II or SSI award letter that includes no review date.
 - 2. A Railroad Retirement Board notification of a permanent disability award.
 - 3. A signed statement from the SSA that states that the person is eligible for Title II benefits on the basis of a permanent disability.
 - 4. Documentation of a prior determination of permanent disability under the EVH or MN program, if the determination was done after December 1973.
 - 5. Data on the SDX which shows that a persons entering LTC was discontinued from SSI/SSP for reasons other than cessation of disability.
 - 6. An SSA notification that disability benefits have been increased or decreased.
 - 7. SGA disability shall be verified by the Disability Evaluation Branch.
- C. By viewing a Social Security Administration Title II check that states that the payment is on the basis of disability. In this case, disability shall be further verified within 60 days by one of the methods specified in B or E.

D. By obtaining a letter from a physician verifying any one of the following conditions, provided the procedures specified in E are followed after eligibility is determined.

1. Terminal cancer.
2. Paraplegia or quadriplegia.
3. Absence of both eyes.
4. IQ of less than 50.
5. Absence of more than one limb.

E. By following procedures established by the Disability Evaluation Branch (DEB). All necessary information shall be submitted to the Department no later than 10 days after the date of application, except in the event of a delay due to circumstances beyond the control of the county.

Property (50420)

A. A person of family may retain as a reserve any combination of personal and/or real property where the net market value does not exceed the following amounts:

<u>Persons</u>	<u>Amount</u>
1	\$1,500
2	\$2,250
3	\$2,300
4	\$2,400

B. The items of property to be considered in determining eligibility are:

1. Property used as a home is exempt.
2. Other real property shall be exempt if both of the following conditions are met:
 - a. The property has a net market value of \$25,000 or less.
 - b. The owner meets the utilization requirements.
3. Mortgages, notes secured by deeds of trust and other promissory notes which can be sold or discounted shall be included in the property reserve except that a mortgage, or a note secured by a deed of trust, from the sale of real property owned by the applicant or beneficiary

shall be considered other real property and subject to all the conditions placed upon other real property.

4. Life estate interest in real property shall be considered real property and life estate interest in personal property shall be considered personal property.
5. An American Indian's interest in land held in trust by the United States Government shall be exempt.
6. Cash on hand shall be included in the property reserve, unless it is income received in that month.
7. The entire amount in checking and savings accounts to which the applicant or beneficiary has unrestricted access shall be included in the property reserve.
8. Income tax refunds shall be included in the property reserve.
9. Nonrecurring lump sum social insurance payments shall be included in the property reserve.
10. Stocks, bonds and mutual funds shall be included in the property reserve. The value of these items shall be the closing price on the date the property is evaluated.
11. U.S. Savings Bonds shall be included in the property reserve. The value of these bonds shall be the amount for which they can be sold.
12. One motor or other vehicle that is used for transportation shall be exempt.
13. Boats, campers and trailers shall be included in the property reserve unless exempt as either of the following:
 - a. A home.
 - b. A vehicle used for transportation.
14. All items used to furnish and equip a home shall be exempt.
15. The following personal effects shall be exempt:
 - a. Wedding and engagement rings.
 - b. Heirlooms.
 - c. Any other item of jewelry with a net market value of \$100 or less.
 - d. All items of clothing.

16. All recreational items shall be exempt, except for:
 - a. Recreational motor vehicles shall be considered in accordance with 13.
 - b. Boats, campers and trailers which shall be considered in accordance with 14.
17. All musical instruments shall be exempt.
18. Livestock and poultry retained primarily for personal use shall be exempt. Livestock and poultry retained primarily for profit shall be included in the property reserve except to the extent exempt as business property.
20. Life insurance policies on the life of any individual in the family shall be exempt if either:
 - a. The life insurance has no cash surrender value, or
 - b. The life insurance has a cash surrender value and the combined face value of the policies on the insured individual is \$1,500 or less. If the combined face value of all the policies exceeds \$1,500, only those policies with a combined face value of \$1,500 or less shall be exempt.
21. Burial Plots, Vaults and Crypts
 - a. Any burial plot, vault or crypt retained for use by any member of the family shall be exempt.
 - b. Any burial plot not exempted above is other real property and shall be subject to all conditions placed on other real property.
 - c. Any burial vault or crypt not exempted in (a) or (b) is personal property and shall be included in the property reserve.
21. The first \$1,000 paid for burial trusts and prepaid burial contracts for funeral, cremation or interment expenses for an individual shall be exempt. The remainder of the amount paid shall be included in the property reserve.
22. Loans shall be exempt as property in the current month if they are:
 - a. Exempt as income.
 - b. Income in the current month.
 - c. To be considered income in a future month.

23. Business Property

- a. Equipment, inventory, licenses and materials owned by the applicant or beneficiary which are necessary for employment, for self-support or for an approved plan of rehabilitation or self-care necessary for employment shall be exempt.
- b. Motor vehicles shall be considered equipment only if used for employment or for other than for commuting to and from work.
- c. Cash on hand and money in checking accounts necessary for the functioning of a business shall be exempt up to a maximum of three times the average monthly cash expenditures of the business.
- d. Real property used in whole or in part as a business or for self-employment shall be considered other real property.

24. Shares of stock in a regional or village corporation held by natives of Alaska for a 20-year period during which such stock cannot be conveyed, transferred or surrendered, shall be exempt.

25. Real or personal property held in trust for the applicant or beneficiary shall be exempt if the applicant or beneficiary cannot obtain access to the principal of the trust.

26. The cash surrender value of burial insurance policies on any individual in the family shall be exempt.

C. The market value of real property (50412) shall be (1) or (2), unless the applicant or beneficiary chooses to meet the conditions of (3), and (3) is lower.

1. Four times the assessed value of the property if the property is located in California.
2. The value established by applying the assessment method used in the area where the property is located, if the property is located outside of California.
3. The value established as the result of an appraisal by a member of the American Institute of Real Estate Appraisers, if the appraisal is obtained by the applicant or beneficiary and provided to the county department.

Utilization Requirements (50416)

Other real property shall be utilized in order to be exempt. The property is utilized if the following requirements are met:

- A. The property is producing an income of at least six percent of the net market value of the property.
- B. The property has been sold, or the sale is in escrow and there is a bona fide attempt to close the sale.

The entire market value of property not utilized in accordance with this section shall be included in the property reserve on the first of the month following the last month of the utilization period.

Spenddown of Property (50421) (Repealed effective August 31, 1982)

Eligibility may be established by spenddown of excess property when the property reserves exceed the property limit.

- A. If the property reserve has been in excess of the property limit from the first day of the month of application through the date of application, and the property reserve is brought within the property limit by the last day of the month of application.
- B. If the property reserve exceeds but was not more than double the property limit in the months for which retroactive Medi-Cal coverage is requested.

Income (50501)

- A. Certain items of earned and unearned income shall be exempt from consideration in determining a beneficiary's share of cost:
 - 1. Refunds or rebates of taxes on real property.
 - 2. Public assistance and general relief grants.
 - 3. Payments received for social services provided in accordance with Title XX of the Social Security Act.
 - 4. Assistance based on need which is furnished by the State or any political jurisdiction thereof.
 - 5. Rent supplemental payments under the Federal Housing Act of 1965.
 - 6. Training expenses paid by the Department of Rehabilitation.
 - 7. Foster Care Payments.
 - 8. Loans, grants, scholarships and fellowships.
 - a. The following loans, grants, scholarships and fellowships are exempt:

- (1) Loans to undergraduate or graduate students made under Title III of the Federal Economic Opportunity Act.
 - (2) Loans or grants to undergraduate students that are limited to school expenses and are made or insured under a program administered by either of the State Scholarship and Loan Commission or colleges accredited by the Western Association of Schools and Colleges.
 - (3) Loans or grants to an undergraduate student for education purposes made or insured by the Federal Commissioner of Education.
 - (4) Other loans, grants, scholarships or fellowships, or portions thereof, to undergraduate or graduate students if the loan, grant, scholarship or fellowship document specifically limits the use of the funds for purposes other than current living expenses or the funds would not be available if used for any purpose other than the one specified.
9. Payments made under California's Victims of Crimes Program.
 10. Relocation assistance benefits shall be exempt if paid by a public agency to a person who has been relocated as a result of a program of area redevelopment, urban renewal, freeway construction or any other public development involving demolition or condemnation of existing housing.
 11. Federal payments to Indians.
 12. The first \$30 per week of an incentive allowance made to a trainee under Title I of the Comprehensive Employment and Training Act.
 13. Irregular or Infrequent Income.
 - a. Unearned income not exceeding \$60 per calendar quarter.
 - b. Earned income not exceeding \$30 per calendar quarter.
 14. Compensation received by beneficiaries who are 60 years of age or older, for volunteer services performed under the Retired Senior Volunteer Program, the Foster Grandparents Program or the Older Americans Community Service Program of the National Older Americans Act.
 15. Earnings of children under 14 years of age.

- B. Certain amounts of income shall be deducted from nonexempt income to determine the net income to be used in determining the share of cost (50519, 50545):
1. Educational expenses.
 2. One-third of any payment made by an absent parent for the support of a disabled or blind child shall be deducted from the total payment.
 3. Any Income Deduction - Unearned Income.
 - a. Twenty dollars shall be deducted from any nonexempt unearned income of an aged, blind or disabled person and the spouse or parent of these persons.
 - b. If there is more than one aged, blind, or disabled person in the MFBU, the \$20 shall be deducted from the combined nonexempt unearned income of those persons.
 - c. That portion of the allowable \$20 deduction which is in excess of nonexempt unearned income.
 4. Student Deduction.
 - a. A maximum of \$1,620 per year shall be deducted from the nonexempt earned income of a blind or disabled person who is a student.
 5. The first \$30 plus one-third of the remainder shall be deducted from the nonexempt earned income of an AFDC-MN or MI person in both of the following are met:
 - a. The person is the spouse or parent of an ABD-MN person.
 - b. The person was receiving an AFDC cash grant in one of the four months immediately prior to the month in which the deduction will be applied.
 6. Sixty-five Plus One-Half.
 - a. The first \$65 plus one-half off the remainder shall be deducted for nonexempt earned income of an aged, blind or disabled person and the spouse or parent of these persons.
 - b. If more than one aged, blind or disabled persons in the MFBU has earned income, this deduction shall be subtracted from the combined nonexempt earned income of those persons.

7. In addition to the deduction in (C), the actual cost of work related expenses shall be deducted from the nonexempt earned income of the blind.
 8. Nonexempt earned or unearned income of a blind or disabled person shall be deducted, if such income is needed to implement a plan of self-support.
 9. Health insurance premiums.
 10. A special deduction shall be subtracted from the combined nonexempt earned and unearned income of the entire MFBU, if the MFBU includes at least one aged, blind or disabled MN person. (Repealed effective September 1, 1982.
 - a. Determine the appropriate maintenance need for the MFBU without the aged, blind or disabled members considered.
 - b. Determine the appropriate SSI/SSP payment level, based on living situation for each ABD individual or couple in the MFBU, and total these amounts. The payment level shall not be reduced by the recipient of income in kind.
 - c. Determine the appropriate maintenance need for the entire MFBU including the ABD members.
 - d. Subtract the amount determined in (c) from the total of the amounts determined in (a) and (b). ~~The remainder is the special deduction.~~
- C. Treatment of Income -- Aged, Blind or Disabled MN Person or Person's Spouse in LTC.
1. The income of an aged, blind or disabled MN person in LTC who has a spouse or children shall be treated in the following manner beginning the first of the month following the month the spouses, or the parent and children, began living apart:
 - a. If the MN person in LTC has a spouse or a spouse and children:
 - (1) The MN person in LTC shall be in a separate MFBU.
 - (2) The spouse and any children shall be in a separate MFBU, if applying for Medi-Cal.
 - (3) The net nonexempt income of the MN person in LTC which is in excess of \$25 shall be allocated to the spouse and any children as follows:

- (a) Determine the maintenance need for the spouse and children.
 - (b) Subtract the net nonexempt income of the spouse and children from the amount determined in (a). This is the amount that shall be allocated to the spouse and children from the net nonexempt income of the MN person in LTC which is in excess of \$25.
2. The income of an aged, blind or disabled MN persons's spouse in LTC shall be treated in the following manner beginning the first of the month following the month the spouses began living apart.
- a. The spouse in LTC shall be in a separate MFBU.
 - b. The MN person and any children, if applying for Medi-Cal, shall be in a separate MFBU.
 - c. The net nonexempt income of the spouse in LTC which is in excess of \$25 shall be allocated to the MN person and any children as follows:
 - (1) Determine the maintenance need for the MN person and children.
 - (2) Subtract the net nonexempt income of the MN person and children from the amount determined in (a). This is the amount that shall be allocated to the MN person and children for the net nonexempt income of the spouse in LTC which is in excess of \$25.
 - (3) In no event shall any income be allocated from the family members living at home to the person in long-term care.

Maintenance Needs (50603)

Effective January 1, 1982:

<u>Persons</u>	<u>Monthly Amount</u>
1	\$238*
1	\$309
2	\$475
3	\$583
4	\$693

Effective September 1, 1982:

<u>Persons</u>	<u>Monthly Amount</u>
1	\$248*
1	\$331
2	\$408
3	\$507
4	\$601

*When all other family members are PA or Other PA

Long-Term Care - \$25 per month plus the support and care of the spouse, minor dependents, and any other dependent relative for whose support (s)he has contributed regularly, excluding the person in inpatient care.

An allowance for upkeep of the home shall be included for a maximum of six months beginning with the first of the month in which long-term care status is established, when a medical determination has been made that the applicant or beneficiary can be expected to return home before the expiration of the six month period. An allowance for upkeep shall be made when the following circumstances exist:

- A. When the applicant or beneficiary has been living alone in the home, a maximum of \$128 per month. (\$111 effective September 1, 1982).
- B. When the home is shared with persons for whom the applicant or beneficiary has no legal responsibility for support, a maximum of \$86 per month. (\$75 effective September 1, 1982).

Determination of Share of Cost (50653)

The share of cost is determined as follows:

- A. For MFBU's which do not include a person in LTC:
 - 1. Determine net nonexempt income available to the members of the MFBU.
 - 2. Round the total net nonexempt income determined in (1) to the nearest dollar, with amounts ending in 50 cents or more rounded to the next higher dollar.
 - 3. Determine the appropriate maintenance need for the MFBU.
 - 4. Subtract the combined maintenance need from the total rounded net nonexempt income. The remainder, if any, is the share of cost.

B. For MFBU's which include a person in LTC:

1. Determine the total countable income available to the MFBU in the month.
2. Add to the total countable income any amounts previously deducted.
3. Subtract from the amount determined in (2) the deductions and allocations. This is the net nonexempt income available to the MFBU.
4. Round the total net nonexempt income determined in (3) to the nearest dollar, with amounts ending in 50 cents or more to the next highest dollar.
5. Determine the appropriate maintenance need.
6. Subtract the amount determined in (5) from the amount determined in (D). This amount, if any, is the share of the cost.

SSI/SSP PAYMENT LEVELS

EFFECTIVE JULY 1, 1982

Living Arrangements

Category	Independent living arrangement	Residing in household of another and receiving room and board in kind	Independent living arrangement without cooking facilities	Nonmedical board and care	Disabled minor residing in home of relative
Aged	\$451	\$356.24	\$499	\$ 510	N/A
Disabled	451	356.24	499	510	\$358
Blind	506	411.24	N/A	510	N/A
Aged and Aged Spouse	838	695.87	935	1,020	N/A
Disabled and Disabled Spouse	838	695.87	935	1,020	N/A
Blind and Blind Spouse	985	842.87	N/A	1,020	N/A
Aged and Disabled Spouse	838	695.87	935	1,020	N/A
Aged and Blind Spouse	929	786.87	N/A	1,020	N/A
Blind and Disabled Spouse	929	786.87	N/A	1,020	N/A

(County Stamp)
Attachment V

MEDI-CAL
BELTRAN v. MYERS
NOTICE OF ACTION
APPLICATION FOR RETROACTIVE ELIGIBILITY

Date: _____

State No.: _____

District: _____

Approval/Denial For: _____

We have reviewed all information available to us about your circumstances and find that:

You are eligible for retroactive Medi-Cal coverage under *Beltran v. Myers* for the months of: _____

Enclosed is a Claim For Reimbursement for each of the months listed. Please follow instructions that come with the form. Return the completed claim form to the county welfare department within 180 days of the date shown above.

You are eligible for retroactive Medi-Cal coverage under *Beltran v. Myers* for the months of: _____

However, your income was more than the amount allowed for living expenses and you would have had a share of cost to pay toward the cost of medical care prior to receiving Medi-Cal. Below are the amounts which will be subtracted from the reimbursement amount owed you.

\$ _____	For _____	\$ _____	For _____
\$ _____	For _____	\$ _____	For _____
\$ _____	For _____	\$ _____	For _____
	(Month)		(Month)

Enclosed is a Claim For Reimbursement for each of the months listed. Please follow instructions that come with the form. Return the completed claim form to the county welfare department within 180 days of the date shown above.

Your application for retroactive Medi-Cal coverage under *Beltran v. Myers* has been denied because: _____

Although your application for retroactive Medi-Cal coverage under *Beltran v. Myers* has been approved for the months noted above, your application for the months of: _____

_____ has been denied because: _____

The regulations which require this action are California Administrative Code, Title 22, Section: _____

This action does not affect any application you may have for current and continuing Medi-Cal. If you have any questions about this action or if there are additional facts relating to your circumstances which you have not reported to us, please write or telephone. We will answer your questions or make an appointment to see you in person.

(Eligibility Worker)

(Phone Number)

PLEASE READ THE REVERSE SIDE OF THIS NOTICE

YOUR RIGHT TO APPEAL THIS ACTION

If you are dissatisfied with the action described on the other side, or any other county action, you may request a state hearing before a Hearing Officer of the State Department of Social Services. This hearing will be conducted in an informal manner to assure that everyone present is able to speak freely. Your county worker can help you request a hearing. If you decide to request a hearing, you must do so WITHIN 90 DAYS OF THE DATE OF THIS NOTICE.

How to Request a State Hearing

The best way to request a hearing is to fill in and send this entire notice to:

Office of Chief Referee
State Department of Social Services
744 P Street, Mail Station 19-36
Sacramento, CA 95814

State Regulations Available

State Regulations, including those covering state hearings, are available at the local office of the county welfare department.

Los Angeles County Residents send to:
Fair Hearing Section
P.O. Box 10280
Glendale, California 91209

Authorized Representative

You can represent yourself at the state hearing. You can also be represented by a friend, attorney or any other person, but you are expected to arrange for the representative yourself. You can get help in locating free legal assistance by calling the toll-free number of Public Inquiry and Response Unit (800) 952-5253.

You may also request a hearing by calling the toll-free number of Public Inquiry and Response Unit.

Public Inquiry and Response (Public Information)

Toll-Free Number: (800) 952-5253*

Teletypewriter (TTY) only: (800) 952-5434*

*You will have to dial "1" first.

Information Practices Act Notice

The information you are asked to write in below is needed to process your request, and processing may be delayed if your request is incomplete. A case file will be set up by the Chief Referee. You have a right to examine the materials that make up the record for decision and may locate this record by contacting Public Inquiry and Response Unit (phone number shown above). Any information you provide may be shared with the county welfare department, with the U.S. Department of Health and Human Services, Authority: W&IC 10950.

The State Public Inquiry and Response Unit can provide you with further information about your hearing rights or files. Assistance is also available in some languages other than English, including Spanish. You may phone, write, or come in.

Public Inquiry and Response
State Department of Social Services
744 P Street, Mail Station 16-23
Sacramento, CA 95814

REQUEST FOR A STATE HEARING

Name Phone Number
Address City State Zip Code

I am requesting a state hearing because of an action by the welfare department of county related to Medi-Cal.
Reasons for my request:

I speak a language other than English and need an interpreter for my hearing. (The State will provide the interpreter at no cost to you.)
Language Dialect

BELTRAN V. MYERS - CLAIM FOR REIMBURSEMENT

CO DIST _____ COUNTY USE _____

READ INSTRUCTIONS ON BACK BEFORE COMPLETING

Only medical expenses in the following month may be listed below.
 Your Share of Cos: \$ _____
 Mo. Yr.

Name of claimant/beneficiary _____ Person acting in behalf of claimant _____
 Address _____ Address _____
 City/State/Zip _____ City/State/Zip _____
 Day phone _____ Day phone _____
 County Code _____ Relationship to claimant _____

Medical expenses of family members listed below may be included in this claim.

State Number				Name - Last, First	Eligible In			Birthdate			Sex	Other Cov. Code	Social Security No.	HIC or RR No.
Aid	7 Digit Serial No.	FBU	Pers.		A	B	C	Mo.	Day	Yr.				

Patient Name	Provider Name	Provider Address	Date of Service			Service	Total Bill	Paid By Patient	Paid By Other Source	Owed By Patient	STATE USE ONLY
			Mo.	Day	Yr.						
Total											

I understand that if I submit *unpaid* medical bills, Medi-Cal may pay the doctor or hospital.

I hereby certify under penalty of perjury that the foregoing is true and correct to the best of my knowledge.

Signature of claimant or person acting in claimant's behalf _____ Date _____

STATE USE ONLY

Date received _____ Notice of claim disposition sent: _____ Total reimbursement \$ _____
 Duplicate check _____ Date _____
 Logged by _____ Initials _____
 Authorizing Signature _____

**INSTRUCTIONS FOR
BELTRAN V. MYERS CLAIM FOR REIMBURSEMENT**

Instructions to Claimant (The county welfare department has completed the top portion of the other side of this form.)

1. At the top is a box that indicates what *month* the claim is for. Claims may be submitted for this month *only*. Please use a separate form for additional months.
2. Next to the month box is a box labeled "Share of Cost." This tells you what your share of medical expenses for that month must be. You must have paid or agreed to pay this amount of your medical bills.
3. Your claim may include medical expenses for all family members listed.
4. The following corresponds to items on the front of the form.

Patient Name	Enter the name of patient to whom service has been provided.
Date of Service	Enter <i>exact</i> date (month, day, year) each service was performed. Continuous service (such as hospitalization) should be shown as month, day, year THROUGH month, day, year.
Service	Enter the type of medical care received (such as hip operation, nursing home care, physical examination).
Total Bill	Enter the total charge for service. Do not enter in this space any amount paid by any other source, e.g., your insurance company.
Paid by Patient	Enter the amount you have already paid.
Paid by Other Source	Enter any amount paid by Medicare or other health coverage.
Owed by Patient	Enter the amount that has not been paid.
State Use Only	Leave this space blank.
Provider Name	Enter physician, hospital, nursing home or other person who provided your medical care.
Provider Address	Enter the complete address of the physician, hospital, nursing home or other person who provided your medical care.
Total	Leave these spaces blank.

5. This claim must be accompanied by proof of payment of medical expenses. Acceptable proof of payment will be:
 - A. Copies of receipts (or bills stamped "PAID") from hospitals, skilled nursing facilities, physicians, dentists or other persons who provide medical care. The receipt submitted must show the beneficiary's name, the treatment or service, and the dates of treatment or service, or
 - B. Cancelled checks confirming payment to provider(s) for medical care received *and* a statement from the claimant itemizing the medical care received and the date(s) of service, or
 - C. A signed statement from the physician, hospital or other person who provided your medical care. This statement must indicate the date(s) of service, the medical care received, and the amount paid or still owing by the beneficiary. The statement must also include the provider's name, address, and phone number.
6. After all documentation is attached, sign and date the statement verifying the information.
7. Do not write below your signature. This is for State use.
8. Return this claim form and proof of payment documentation to your county welfare department.

BELTRAN V. MYERS - CLAIM FOR REIMBURSEMENT

CO DIST COUNTY USE

READ INSTRUCTIONS ON BACK BEFORE COMPLETING

Sample

Only medical expenses in the following month may be listed below.		Your Share of Cost
<u>9</u> Mo.	<u>80</u> Yr.	\$ <u>25⁰⁰</u>

Name of claimant/beneficiary Richard Smith

Person acting in behalf of claimant Peter Jones

Address 7035 Willow Way

Address 4100 Olsen Lane

City/State/Zip Los Angeles, Ca 90012

City/State/Zip Los Angeles, Ca 90012

Day phone (213) 487-0259

Day phone (213) 511-0635

County Code

Relationship to claimant Son-in-law

Medical expenses of family members listed below may be included in this claim.

State Number				Name - Last, First	Eligible in			Birthdate			Sex	Other Cov. Code	Social Security No.	HIC or RR No.
Aid	7 Digit Serial No.	FBU	Pers.		A	B	C	Mo.	Day	Yr.				
67	7654321	1	01	Smith, Richard				6	03	13	M	N	544-03-1276	544-03-1276
67	7654321	1	02	Smith, Elsie				3	26	15	F	N	545-65-0173	

Patient Name	Provider Name	Provider Address	Date of Service		Service	Total Bill	Paid By Patient	Paid By Other Source	Owed By Patient	STATE USE ONLY
			Mo.	Day Yr.						
						Total				

I understand that if I submit *unpaid* medical bills, Medi-Cal may pay the doctor or hospital.

I hereby certify under penalty of perjury that the foregoing is true and correct to the best of my knowledge.

Signature of claimant or person acting in claimant's behalf _____ Date _____

STATE USE ONLY

Date received _____ Notice of claim disposition sent: _____ Total reimbursement \$ _____

Duplicate check _____ Initials _____ Date _____

Logged by _____ Initials _____ Authorizing Signature _____

**INSTRUCTIONS FOR
BELTRAN V. MYERS CLAIM FOR REIMBURSEMENT**

Instructions to Claimant (The county welfare department has completed the top portion of the other side of this form.)

1. At the top is a box that indicates what *month* the claim is for. Claims may be submitted for this month *only*. Please use a separate form for additional months.
2. Next to the month box is a box labeled "Share of Cost." This tells you what your share of medical expenses for that month must be. You must have paid or agreed to pay this amount of your medical bills.
3. Your claim may include medical expenses for all family members listed.
4. The following corresponds to items on the front of the form.

Patient Name	Enter the name of patient to whom service has been provided.
Date of Service	Enter <i>exact</i> date (month, day, year) each service was performed. Continuous service (such as hospitalization) should be shown as month, day, year THROUGH month, day, year.
Service	Enter the type of medical care received (such as hip operation, nursing home care, physical examination).
Total Bill	Enter the total charge for service. Do not enter in this space any amount paid by any other source, e.g., your insurance company.
Paid by Patient	Enter the amount you have already paid.
Paid by Other Source	Enter any amount paid by Medicare or other health coverage.
Owed by Patient	Enter the amount that has not been paid.
State Use Only	Leave this space blank.
Provider Name	Enter physician, hospital, nursing home or other person who provided your medical care.
Provider Address	Enter the complete address of the physician, hospital, nursing home or other person who provided your medical care.
Total	Leave these spaces blank.

5. This claim must be accompanied by proof of payment of medical expenses. Acceptable proof of payment will be:
 - A. Copies of receipts (or bills stamped "PAID") from hospitals, skilled nursing facilities, physicians, dentists or other persons who provide medical care. The receipt submitted must show the beneficiary's name, the treatment or service, and the dates of treatment or service, or
 - B. Cancelled checks confirming payment to provider(s) for medical care received *and* a statement from the claimant itemizing the medical care received and the date(s) of service, or
 - C. A signed statement from the physician, hospital or other person who provided your medical care. This statement must indicate the date(s) of service, the medical care received, and the amount paid or still owing by the beneficiary. The statement must also include the provider's name, address, and phone number.
6. After all documentation is attached, sign and date the statement verifying the information.
7. Do not write below your signature. This is for State use.
8. Return this claim form and proof of payment documentation to your county welfare department.

