



HFP and AIM Acceptable Income Documentation and Family Composition Business Rules

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Refer to CAA Reference Manual to determine what income is counted and which deductions to apply.

1. *What Income is Counted*

- Earnings from a job, earnings include cash, wages, salary, commissions, tips, overtime and under the table payments
- Flex Credit
- Self Employment net profit
- Social Security Administration payments (SSA)
- Retirement Survivors and Disability Insurance (RSDI)
- Social Security Disability Insurance (SSDI)
- Veteran's benefits
- Railroad Retirement
- State Disability Insurance (SDI)
- Worker's Compensation
- Unemployment (Note: Monthly unemployment income is calculated based on the weekly award amount times 2 and then times 2.167. Actual or prorated amounts provided on stubs should not be used to determine monthly income. The documentation should be considered valid so long as it provides the weekly benefit amount and date of check or award period.)
- Child Support, alimony or spousal support payments received (Note: Child Support is a child's unearned income and is counted for the child receiving it only. Alimony or spousal support is the parent's income.)
- Cash income/unverifiable income
- Pensions or retirement
- Rental Income (including renting a room)
- Interest income (may be received each month, or may accumulate in an account)
- Gift Income (additional rules apply)
- Insurance Annuity (Either lump sum or monthly payments/or payments received on investment or insurance policy)
- Loans to meet personal needs
- Grants and scholarships that cover living expenses
- Settlement benefits
- Winnings from lottery, bingo, gambling
- In Home Supportive Services Payments to a Provider
- Farm Income
- Tribal Income
- Housing allowance for clergy

NOTE: A Notice of Action (NOA) with a budget worksheet attached or with budget included dated within 2 months from date received from the County Department of Social Services (CoDSS) will also be accepted as verification of income. The net income on the NOA should be used to determine a child's eligibility. No additional deductions are taken from the amount calculated by the CoDSS as this could result in the application being incorrectly returned to the CoDSS.

2. *What Income is Not Counted*

- Agent Orange payments to Armed Services Personnel who were exposed
- Any income tax credit/refund
- Advance Pay
- Disaster and emergency assistance payments
- Earnings from a job for retroactive salaries
- Earnings of a child under age 14
- Earnings of a child age 14 or older, **IF** the child is in school
- Energy Assistance payments to low income families
- Executive volunteer programs
- Federal Housing Assistance
- Federal payment to American Indians and Alaska Natives
- Foster Care payments
- 401K plan or account that has been cashed out prior to retirement age
- Income for past due child support or alimony support
- In-Kind income, services in-kind
 - Example: Receiving free housing and utilities while working in someone's home or room and board. Might come as an Employer Statement.
- Japanese reparation payments
- Lump-sum inheritance
- Payments to victims of crimes
- Payments to victims of the socialist persecution
- Per Diem
- Property Tax Refund or Rebate
- Public assistance payments:
 - SSI/SSP
 - CalWORKS (aka: TANF, AFDC)
 - Cuban Refugee Cash Grant (RMA)
 - Indochinese Refugee Cash Grant
 - Emergency Assistance (EA)
 - Aid to Adoption Payments (AAP)
 - In Home Supportive Services (IHSS) for the recipient
 - 20% Social Security Increase (Pickle)
 - 1931(b) 'Only' Medi-Cal
 - General Relief/Assistance
- Value of Food Stamps
- General Relief/Assistance
- Reimbursed expenses, i.e. travel expenses
- Relocation assistance benefits
- Scholarships, loans and grants, applied towards college expenses
- Senior citizen volunteer programs
- Spina Bifida payments
- Title IV student assistance

- Training expenses paid by Department of Rehabilitation
- Vista Payments
- Workforce Investment Act (WIA) payments
- Radiation Exposure Compensation Trust Fund Payments
- Trust Accounts

3. *What Deductions are Allowed*

- **Work Expense Deduction:** Up to \$90 from countable earning of each family member earning income (If the income is less than \$90, use the amount of income as the deduction amount),

Income from Temporary Workers' Compensation Disability Insurance (SDI) or Workers' Compensation is countable income and persons who receive it can also get the \$90 deduction from the monthly income. Persons receiving Unemployment Benefits cannot take the deduction.

- **Deduction for Child Care Expenses:** If the amount of child care paid is less than the amount allowed, use the amount paid as the deduction amount. This deduction is applied to the parent's income, not within a mini budget unit (MBU). Deduction amount allowed is:

- Up to \$200 for each child under age 2
- Up to \$175 for each child age 2 or older

- **Deduction for Dependent Care Expenses:** Deduction for expenses related to the care of disabled dependents is up to \$175 per disabled dependent. If the amount paid is less than \$175, use the amount paid as the deduction amount. This deduction is applied to the parent's income, not within an MBU.

- **Alimony or Child Support Received:** A deduction of up to \$50 per Medi-Cal family budget unit (MFBU) is applied for alimony and child support received. If the amount received is less than \$50, deduct the amount received. The \$50 deduction is divided equally among the people who receive the alimony or child support. For example if Mom receives \$125 alimony and her child receives \$350 child support, the deduction allowed per person is \$25, not \$50. Child support or Alimony payments received due to past delinquency is not considered current income.

- **Alimony or child support Paid:** The amount deducted is the full court-ordered amount, or actual amount paid, whichever is less. This deduction is applied to the parent's income, not within an MBU.

4. How to Calculate Income Frequency

<u>Income Frequency</u>	<u>Factor to Arrive at Monthly Income</u>
Monthly	x 1
<u>Bimonthly</u> (i.e. 1 st & 15 th) (Changed from Biweekly)	x 2
Every two weeks	x 2.167
Weekly	x 4.33
Quarterly	÷ 3
Yearly	÷ 12

The following examples illustrate how we apply income within an MBU.

1. **A married couple is applying for themselves and their child (under age 18); they also have a child age 20 who is away at college and not applied for. The following individuals live in the household:**

Applicant Mother-Walmart paycheck
 Father-Construction paycheck
 Child A (Common Child)-McDonald's paycheck
 Child B (Common Child away at college)-Grants that cover living expenses.

Child A's MBU:	
Who is counted in the family size:	Whose income is used to determine eligibility:
1. Mother 2. Father 3. Child A (age 16) 4. Child B (age 20) Family Size = 4 Medi-Cal Eligibility Age 6-18 \$ 0-\$1,534	1. Mother: \$750 x 2.167= \$1625.25 2. Father: \$1025 x 2= \$2050 3. Child A: \$0 Deductions: -180 (2 work deductions) Total Eligible Income: \$3,495.25 Child eligible for HFP

Each Parent's MBU:	
Who is counted in the family size:	Whose income is used to determine eligibility:
1. Mother 2. Father 3. Child A 4. Child B Family Size = 4	1. Mother: \$750 x 2.167= \$1625.25 2. Father: \$1025 x 2= \$2050 Deductions: -180 (2 work deductions) Total Eligible Income: \$3,495.25

2. A married couple is applying for their child (under age 18); applicant is not working, is pregnant, and is applying for the unborn; the spouse's brother also lives in the home. The following individuals live in the household:

Applicant Mother (applicant is expected to deliver next month)-\$0
 Father-Railroad Retirement income
 Child A (Common Child)-\$0
 Unborn (Common Child)-\$0
 Brother in-law-Unemployment Income

Child A's MBU:	
Who is counted in the family size:	Whose income is used to determine eligibility:
1. Mother 2. Father 3. Child A (age 4) 4. Unborn <p style="text-align: center;">Family Size = 4 Medi-Cal Eligibility Age 1-5 \$0-\$2,040</p>	1. Mother-\$0 2. Father-\$3,500 x1 = \$3,500 3. Child A-\$0 Deductions-\$0 <p style="text-align: center;">Total Eligible Income \$3,500 Child eligible for HFP</p>

Unborn's MBU:	
Who is counted in the family size:	Whose income is used to determine eligibility:
1. Mother 2. Father 3. Child A 4. Unborn <p style="text-align: center;">Family Size = 4 Medi-Cal Eligibility Age 0-1 \$0-\$3,067</p>	1. Mother=\$0 2. Father=\$3,500 x1 = \$3,500 Deductions-\$0 <p style="text-align: center;">Total Eligible Income \$3,500 Unborn eligible for HFP</p>

Each Parent's MBU:	
Who is counted in the family size:	Whose income is used to determine eligibility:
1. Mother 2. Father 3. Child A 4. Unborn Family Size = 4	1. Mother=\$0 2. Father=\$3,500 x1 = \$3,500 Deductions-\$0 <p style="text-align: center;">Total Eligible Income \$3,500</p>

3. A single mother is applying for herself and her child. The following individuals live in the household:

Mother-Paycheck & Alimony
 Child A-Child Support

Child A's MBU:	
Who is counted in the family size:	Whose income is used to determine eligibility:
1. Mother 2. Child A (age 6) Family Size = 2 Medi-Cal Eligibility Age 6-18 \$0-\$1010	1. Mother- $\$536 \times 2.167 + \$500/\text{mo} = \$1661.51$ 2. Child A-\$500 Deductions: -\$90 (work deduction) -\$50 (alimony & child support received, \$25 for Mom, \$25 for Child A). Total Eligible Income=\$2,021.51 Child eligible for HFP

Mother's MBU:	
Who is counted in the family size:	Whose income is used to determine eligibility:
1. Mother 2. Child A Family Size = 2	1. Mother- $\$536 \times 2.167 + \$500/\text{mo} = 1661.51$ Deductions: -90 (work deduction) -\$25(alimony & child support received, \$25 for Mom only). Total Eligible Income=\$1546.51

4. A single father is applying for himself and his two children. The following individuals live in the household:

Father-Worker's Compensation, Social Security Benefits
 Child A-SSA
 Child B-SSA

Child A's MBU:	
Who is counted in the family size:	Whose income is used to determine eligibility:
1. Father 2. Child A (age 12) 3. Child B (age 9) Family Size = 3 Medi-Cal Age 6-18 \$0-\$1,272	1. Father- $\$360 \times 4.33 + \$440 = \$1998.80$ 2. Child A=\$440 Deductions: -90 (work deduction) Total Eligible Income=\$2,348.80 Child eligible for HFP

Child B's MBU:	
Who is counted in the family size:	Whose income is used to determine eligibility:
1. Father 2. Child A 3. Child B Family Size = 3 Medi-Cal Eligibility Age 6-18 \$0-1,272	1. Father=\$360 x 4.33+\$440=\$1998.80 2. Child B=\$440 Deductions:-90 (work expense) Total Eligible Income=\$2,348.80 Child eligible for HFP

Father's MBU:	
Who is counted in the family size:	Whose income is used to determine eligibility:
1. Father 2. Child A 3. Child B Family Size = 3	1. Father=\$360 x 4.33+\$440=\$1998.80 Deductions:-90 (work expense) Total Eligible Income=\$1908.80

5. **A mother is applying for herself and her child. She is married to the child's stepfather. All have income. The following individuals live in the household:**

Applicant Mother – Gift Income of \$950 monthly from Stepfather
 Stepfather – Profit and Loss Statement 3 month averaged profits of \$8540
 Applicant's Child - Child Support of \$400 monthly

Child's MBU:	
Who is counted in the family size:	Whose income is used to determine eligibility:
1. Mother 2. Stepfather 3. Child (Age 14) Family Size = 3 Medi-Cal Eligibility Age 6-18 \$0-\$1272	1. Mother Income: \$950 x 1 = \$950 No Deductions 2. Child Income: \$400 x 1 = \$400 Deductions: -\$50 (Child Support Received) Total Eligible Income: \$1300 Child eligible for HFP

Mother's MBU:	
Who is counted in the family size:	Whose income is used to determine eligibility:
1. Mother 2. Stepfather 3. Child <p style="text-align: center;">Family Size = 3</p>	1. Mother Income: Not counted, gift from Stepfather 2. Stepfather Income: $\$8540 \div 3 = \2846.67 Deductions: $-\$90$ (Work Expense) Total Eligible Income: \$2756.67

6. **A mother is applying for herself, her husband, and two children. Child A is the mother's separate child. Child B is the child in common. Child B's father lives in the home. The mother and father have income. The following individuals live in the household:**

Mother – SDI \$325 per week

Father – Earned income \$850 every two weeks, Monthly Child Support Paid \$375

Child A (Mother's separate child)

Child B (Common child) Child Care Expenses Paid by Mom \$100 a month

Child A's MBU:	
Who is counted in the family size:	Whose income is used to determine eligibility:
1. Mother 2. Father 3. Child A (Age 16) 4. Child B <p style="text-align: center;">Family Size = 4 Medi-Cal Eligibility Age 6-18 \$0-\$1534</p>	1. Mother Income: $\$325 \times 4.33 = 1407.25$ Deductions: $-\$90$ (Work Expenses) $-\$100$ (Child Care Expenses) 2. Child A No Income, No deductions Total Eligible Income: 1217.25 Child forwarded to Medi-Cal

Child B's MBU:	
Who is counted in the family size:	Whose income is used to determine eligibility:
1. Mother 2. Father 3. Child A 4. Child B (Age 10) <p style="text-align: center;">Family Size = 4 Medi-Cal Eligibility Age 6-18 \$0-\$1534</p>	1. Mother Income: $\$325 \times 4.33 = \1407.25 Deductions: $-\$90$ (Work Expenses) $-\$100$ (Child Care Expenses) 2. Father Income: $\$850 \times 2.167 = \1841.95 Deductions: $-\$90$ (Work Expenses) $-\$375$ (Child Support Paid) 3. Child B No Income, No deductions Total Eligible Income: \$2594.20 <p style="text-align: center;">Child eligible for HFP</p>

Parent's MBU:	
Who is counted in the family size:	Whose income is used to determine eligibility:
1. Mother 2. Father 3. Child A 4. Child B Family Size = 4	1. Mother Income: $\$325 \times 4.33 = \1407.25 Deductions: $-\$90$ (Work Expenses) $-\$100$ (Child Care Expenses) 2. Father Income: $\$850 \times 2.167 = \1841.95 Deductions: $-\$90$ (Work Expenses) $-\$375$ (Child Support Paid) Total Eligible Income: \$2594.20

7. A mother is applying for herself, her husband, her separate child, and his separate child. The mother and father have income. The following individuals live in the household:

- Mother - Interest Income of \$300 a month
- Father - 1040 line 12 = \$15,000 Schedule C line 13= \$0, line 24b = \$0
- Child A (Mother's separate child) Child Support \$500 monthly
- Child B (Father's separate child) Child Support \$425 monthly

Note: The Alimony/Child Support Received deduction can only be applied once per MFBU. Since Mother and Father are married we would divide the \$50 deduction by 2 and apply \$25 to each child receiving child support.

Child A's MBU:	
Who is counted in the family size:	Whose income is used to determine eligibility:
1. Mother 2. Father 3. Child A (Age 3) 4. Child B <p style="text-align: center;">Family Size = 4 Medi-Cal Eligibility Age 1-5 \$0 - \$2040</p>	1. Mother Income: $\$300 \times 1 = \300 No deductions 2. Child A Income: $\$500 \times 1 = \500 Deduction: $-\$25$ (Child Support Received) Total Eligible Income = \$775 <p style="text-align: center;">Child forwarded to Medi-Cal</p>

Child B's MBU:	
Who is counted in the family size:	Whose income is used to determine eligibility:
1. Mother 2. Father 3. Child A 4. Child B (Age 5, 10 mos) <p style="text-align: center;">Family Size = 4 Medi-Cal Eligibility Age 1-5 \$0 - \$2040</p>	1. Father Income: $\$15000 \div 12 = \1250 Deduction: $-\$90$ (Work Expenses) 2. Child B Income: $\$500 \times 1 = \425 Deduction: $-\$25$ (Child Support Received) Total Eligible Income = \$1560 <p style="text-align: center;">Child forwarded to Medi-Cal</p>

Parent's MBU:	
Who is counted in the family size:	Whose income is used to determine eligibility:
1. Mother 2. Father 3. Child A 4. Child B <p style="text-align: center;">Family Size = 4</p>	1. Mother Income: $\$300 \times 1 = \300 No deductions 2. Father Income: $\$15000 \div 12 = \1250 Deduction: $-\$90$ (Work Expenses) Total Eligible Income: \$1460

- 8. A mother is applying for herself, her separate child, and her deceased husband's separate child. The following individuals live in the household:**
 Mother Earned Income of \$857 bimonthly
 Child A (Mother's separate child)
 Child B (Father's separate child) SSA \$850

Child A's MBU:	
Who is counted in the family size:	Whose income is used to determine eligibility:
1. Mother 2. Child A (Age 7) 3. Child B Family Size = 3 Medi-Cal Eligibility Age 6-18 \$0-\$1272	1. Mother Income: $\$857 \times 2 = \1714 Deductions: $-\$90$ (Work Expense) 2. Child A No income, no deductions Total Eligible Income: \$1624 Child eligible for HFP

Child B's MBU:	
Who is counted in the family size:	Whose income is used to determine eligibility:
1. Mother 2. Child A 3. Child B (Age 13) Family Size = 3 Medi-Cal Eligibility Age 6-18 \$0-\$1272	1. Child B Income: $\$850 \times 1 = \850 Total Eligible Income: \$850 Child forwarded to Medi-Cal

Mother's MBU:	
Who is counted in the family size:	Whose income is used to determine eligibility:
1. Mother 2. Child A 3. Child B Family Size = 3	1. Mother Income: $\$857 \times 2 = \1714 Deductions: $-\$90$ (Work Expense) Total Eligible Income: \$1624

9. **Dad is applying for himself, his child, his girlfriend and their common child. Mom & Dad are unmarried. The following people live in the household:**
 Dad – Veteran's Income of \$900 a month
 Girlfriend (Child B's Mom) – Earned Income of \$484.59 every week
 Child A (Dad's Child) – Child Support Income of \$200 a month
 Child B (Common Child) – No other income

Child A's MBU:	
Who is counted in the family size:	Whose income is used to determine eligibility:
1. Dad 2. Girlfriend 3. Child A (Age 7) 4. Child B Family Size = 4 Medi-Cal Eligibility Age 6-18 \$0-\$1272	1. Dad Income: \$900 x 1 = \$900 No deductions 2. Child A Income: \$200 x 1 = \$200 Deduction: -\$50 (Child Support Received) Total Eligible Income: \$1,050 Child forwarded to MC

Child B's MBU:	
Who is counted in the family size:	Whose income is used to determine eligibility:
1. Dad 2. Girlfriend 3. Child A 4. Child B (Age 3) Family Size = 4 HFP Eligibility Age 1-5 \$2041-\$3834	1. Dad Income: \$900 x 1 = \$900 No deductions 2. Girlfriend Income: \$484.59 x 4.33 = \$2098.27 Deduction: - \$90 (Work Expense) 3. Child B No Income Total Eligible Income: \$2,908.27 Child eligible for HFP

Dad's MBU:	
Who is counted in the family size:	Whose income is used to determine eligibility:
1. Dad 2. Girlfriend 3. Child A 4. Child B Family Size = 4	1. Dad Income: \$900 x 1 = \$900 Total Eligible Income: \$ 900 Adult forwarded to MC

10. Dad is applying for himself, his children's mother, their common child and their unborn child. The children's mother is 7 months pregnant. The following people live in the household:

- Dad – Earned Income of \$1500 a month and Interest Income of \$45 a month.
- Dad also pays \$300 a month for child care expenses for Child A.
- Mother – Worker's Compensation Income of \$450 every 2 weeks
- Child A (Common Child) – No other income
- Unborn (Common Child)

Unborn's MBU:	
Who is counted in the family size:	Whose income is used to determine eligibility:
1. Dad 2. Mother 3. Child A 4. Unborn Family Size = 4 Medi-Cal Eligibility Age 0-1 \$0-\$3067	1. Dad Earned Income: $\$1500 \times 1 = \1500 Interest Income: $\$45 \times 1 = \45 Deductions: $-\$90$ (Work Expense) and $-\$175$ (Child Care Expenses) 2. Mother Income: $\$450 \times 2.167 = \975.15 Deduction: $-\$90$ Total Eligible Income: \$2165.15 Forward Application to MC

Child A's MBU:	
Who is counted in the family size:	Whose income is used to determine eligibility:
1. Dad 2. Mother 3. Child A (Age 2) 4. Unborn Family Size = 4 HFP Eligibility Age 1-5 \$2041-\$3834	1. Dad Earned Income: $\$1500 \times 1 = \1500 Interest Income: $\$45 \times 1 = \45 Deductions: $-\$90$ (Work Expense) and $-\$175$ (Child Care Expenses) 2. Mother Income: $\$450 \times 2.167 = \975.15 Deduction: $-\$90$ (Work Expense) 3. Child A No Income Total Eligible Income: \$2165.15 Child eligible for HFP

Dad's MBU:	
Who is counted in the family size:	Whose income is used to determine eligibility:
1. Dad 2. Mother 3. Child A 4. Unborn Family Size = 4	1. Dad Earned Income: $\$1500 \times 1 = \1500 Interest Income: $\$45 \times 1 = \45 Deductions: $-\$90$ (Work Expense) and $-\$175$ (Child Care Expenses) Total Eligible Income: \$1280 Application forwarded to MC

Mother's MBU:	
Who is counted in the family size:	Whose income is used to determine eligibility:
1. Dad 2. Mother 3. Child A 4. Unborn Family Size = 4	1. Mother Income: $\$450 \times 2.167 = \975.15 Deduction: $-\$90$ (Work Expense) Total Eligible Income: \$885.15 Application forwarded to MC

11. Absent Mom applying for child living with custodial Dad. The following people live in the child's household:

Dad – Earned Income of \$254.04 every week

Child A – Earned Income of \$115.36 every 2 weeks

Child A's MBU:	
Who is counted in the family size:	Whose income is used to determine eligibility:
1. Dad 2. Child A (Age 15) Family Size = 2 MC Eligibility Age 6-18 \$0-\$1010	1. Dad Income: $\$254.04 \times 4.33 = \1099.99 Deduction: $-\$90$ (Work Expense) 2. Child A <i>Do not count Child A's earned income because it is assumed that the child is in school.</i> Total Eligible Income: \$1009.99 Child forwarded to MC

12. Absent Dad applying for child living with custodial Mom. The following people live in the child's household:

Mother – Settlement Benefit Income of \$1000 a month

Mother's Husband – Earned Income of \$1590 twice a month

Child A (Mother's Child being applied for) – Child Support Income of \$800 a month

Child B (Mother & Mother's Husband's Common Child) – No other income

Child A's MBU:	
Who is counted in the family size:	Whose income is used to determine eligibility:
1. Mother 2. Mother's Husband 3. Child A (Age 9) 4. Child B Family Size = 4 HFP Eligibility Age 6-18 \$1535-\$3834	1. Mother Income: $\$1000 \times 1 = \1000 No Deductions 2. Child A Income: $\$800 \times 1 = \800 Deduction: $-\$50$ (Child Support Received) Total Eligible Income: \$1750 Child eligible for HFP

13. Caretaker Aunt is applying for Child A, Child B, and Child C. Child A, Child B, and Child C are not her children or stepchildren. Aunt and Uncle are married. The following people live in the household:

Aunt – Job wages \$350 bi-weekly

Uncle – RSDI (retirement survivors and disability insurance) \$1,200 mo.

Child A (Cousin to Child B or Child C) – SSA of \$250 monthly

Child B (Sister to Child C) – Child support of \$300 monthly

Child C (Sister to Child B) – Child support of \$300 monthly

Child A's MBU:	
Who is counted in the family size:	Whose income is used to determine eligibility:
1. Child A (age 5) Family Size = 1 Medi-Cal Eligibility Age 1-5 \$0-\$996	1. Child A Income: $\$250 \times 1 = \250 Deductions: \$0 Total Eligible Income: \$250 Child forwarded to Medi-Cal

Child B's MBU:	
Who is counted in the family size:	Whose income is used to determine eligibility:
1. Child B (age 10) 2. Child C (age 13) Family Size = 2 Medi-Cal Eligibility Age 6-18 \$0-\$1,010	1. Child B Income: $\$300 \times 1 = \300 Deductions: $-\$25$ (child support received, \$25 for Child B, \$25 for Child C) Total Eligible Income: \$275 Child forwarded to Medi-Cal

Child C's MBU:	
Who is counted in the family size:	Whose income is used to determine eligibility:
1. Child B (age 10) 2. Child C (age 13) Family Size = 2 Medi-Cal Eligibility Age 6-18 \$0-\$1,010	1. Child C Income: $\$300 \times 1 = \300 Deductions: $-\$25$ (child support received, \$25 for Child B, \$25 for Child C) Total Eligible Income: \$275 Child forwarded to Medi-Cal

- 14. Caretaker Aunt is applying for Child A (her stepchild), and Child B. Child B is not her child or stepchild. Aunt and Uncle are married. The following people live in the household:**

Aunt – Income Tax Refund \$1000
 Uncle – Unemployment of \$400 weekly
 Child A (Uncle’s Daughter) – College housing grant of \$2000 per year
 Child B - SSA of \$300 monthly

Child A’s MBU:	
Who is counted in the family size:	Whose income is used to determine eligibility:
1. Aunt 2. Uncle 3. Child A (age 18) Family Size = 3 Medi-Cal Eligibility Age 6-18 \$0-\$1,272	1. Uncle Income: $\$400 \times 4.33 = \$1,732.00$ Deductions: \$0 2. Child A Income: $\$2000 / 12 = \166.66 Deductions: \$0 Total Eligible Income: \$1,898.66 Child eligible for HFP

Child B’s MBU:	
Who is counted in the family size:	Whose income is used to determine eligibility:
1. Child B (age 3) Family Size = 1 Medi-Cal Eligibility Age 1-5 \$0-\$996	1. Child B Income: $\$300 \times 1 = \300 Deductions: \$0 Total Eligible Income: \$300 Child forwarded to Medi-Cal

- 15. Married teen mother (age 18) is applying for coverage for herself and her two children (Child A and Child B). Child A is the applicant’s own separate child. Child B’s father lives in the home and is married to the applicant. The teen mother, father, and Child A have income. The following individuals live in the household:**

Married Teen Mother – Insurance Annuity \$500 twice a month
 Married Father (Teen mother’s husband) – Wages \$435 weekly
 Child A (Teen mother’s own separate child) – Monthly Child Support of \$500
 Child B (Common child) - \$0

Married Teen Mother's MBU:	
Who is counted in the family size:	Whose income is used to determine eligibility:
1. Teen Mother 2. Father (Teen Mother's Husband) 3. Child A (age 1) 4. Child B (age 2) Family Size = 4 Medi-Cal Eligibility Age 6-18 \$0-\$1,534	1. Teen Mother Income: $\$500 \times 2 = \$1,000$ Deductions: \$0 2. Father (Teen mother's husband) Income: $\$435 \times 4.33 = \$1,883.55$ Deductions: $-\$90$ (Work Expense) Total Eligible Income: \$2,793.55 Mother eligible for HFP

Child A's MBU:	
Who is counted in the family size:	Whose income is used to determine eligibility:
1. Teen Mother 2. Father (Teen Mother's Husband) 3. Child A (age 1) 4. Child B (age 2) Family Size = 4 Medi-Cal Eligibility Age 1-5 \$0-\$3,067	1. Teen Mother Income: $\$500 \times 2 = \$1,000$ Deductions: \$0 2. Child A Income: $\$500 \times 1 = \500 Deductions: $\$50$ (Child Support Received) Total Eligible Income: \$1,500 Child A forwarded to Medi-Cal

Child B's MBU:	
Who is counted in the family size:	Whose income is used to determine eligibility:
1. Teen Mother 2. Father (Teen Mother's Husband) 3. Child A 4. Child B Family Size = 4 Medi-Cal Eligibility Age 1-5 \$0-\$3,067	1. Teen Mother Income: $\$500 \times 2 = \$1,000$ Deductions: \$0 2. Father (Teen mother's husband) Income: $\$435 \times 4.33 = \$1,883.55$ Deductions: $-\$90$ (Work Expense) 3. Child B Income: \$0 Deductions: \$0 Total Eligible Income: \$2,793.55 Child B forwarded to Medi-Cal

- 16. Married pregnant teen mother (age 18) is applying for coverage for herself and her unborn child, Child A (her own separate child), and Child B (her step-child). Child B’s father lives in the home and is married to the applicant. Child C (age 3) is also the applicant’s step-child who lives in the home, but is not applying for coverage. The teen mother, father, Child A, Child B, and Child C have income. The following individuals live in the household:**

Married Pregnant Teen Mother – Gift Income of \$900 monthly from relative
 Married Father (Teen mother’s husband) – Worker’s Comp of \$1,300 monthly
 Child A (Teen mother’s own separate child) – Gift Income of \$700 monthly from relative
 Child B (Applicant’s step-child) – SSA of \$500 monthly
 Child C (Applicant’s step-child) – SSA of \$500 monthly

Married Pregnant Teen Mother’s MBU:	
Who is counted in the family size:	Whose income is used to determine eligibility:
1. Teen Mother (age 18) 2. Father (Teen Mother’s Husband) 3. Child A (age 1) 4. Child B (age 9) 5. Child C (age 3) 6. Teen Mother’s Unborn Child (age 0) Family Size = 6 Medi-Cal Eligibility Age 6-18 \$0-\$2,057	1. Teen Mother Income: \$900 x 1 = \$900 Deductions: \$0 2. Father (Teen mother’s husband) Income: \$1,300 x 1 = \$1,300 Deductions: -\$90 Total Eligible Income: \$2,110 Mother eligible for HFP

Child A’s MBU:	
Who is counted in the family size:	Whose income is used to determine eligibility:
1. Teen Mother 2. Father (Teen Mother’s Husband) 3. Child A 4. Child B 5. Child C 6. Teen Mother’s Unborn Child Family Size = 6 Medi-Cal Eligibility Age 1-5 \$0-\$2,736	1. Teen Mother Income: \$900 x 1 = \$900 Deductions: \$0 2. Child A Income: \$700 x 1 = \$700 Deductions: \$0 Total Eligible Income: \$1,600 Child A forwarded to Medi-Cal

Child B's MBU:	
Who is counted in the family size:	Whose income is used to determine eligibility:
1. Teen Mother 2. Father (Teen Mother's Husband) 3. Child A 4. Child B 5. Child C 6. Teen Mother's Unborn Child Family Size = 6 <p style="text-align: center;">Medi-Cal Eligibility Age 1-5 \$0-\$2,736</p>	1. Father (Teen mother's husband) Income: \$1,300 x 1 = \$1,300 Deductions: -\$90 2. Child B Income: \$500 x 1 = \$500 Deductions: \$0 Total Eligible Income: \$1,710 <p style="text-align: center;">Child B forwarded to Medi-Cal</p>

17. **Applicant is applying for HFP/MC coverage for Child A (her married pregnant teen daughter age 18). The applicant's spouse (teen daughter's father) and teen daughter's husband both reside in the home. The applicant's Child B (age 20) also resides in the home, but is not applying for coverage. The applicant, father, Child A, daughter's teen husband, and Child B have income. The following individuals live in the household:**

Applicant (Daughter's natural mother) – Profit and Loss Statement 3 month profits of \$8,610

Father (Daughter's natural father) – Bi-monthly Veteran's Benefits of \$1,250

Child A (Married Pregnant Teen Mother) – Monthly gift income of \$450 from uncle

Pregnant Teen Mother's Husband – Weekly wages of \$575

Child B – Bi-weekly wages of \$780

Married Pregnant Teen Daughter's MBU:	
Who is counted in the family size:	Whose income is used to determine eligibility:
1. Applicant (Teen daughter's natural mother) 2. Father (Teen daughter's natural father) 3. Child A (Married Pregnant Teen Daughter) 4. Pregnant Teen's Unborn Child 5. Married Teen Daughter's Husband 6. Child B Family Size = 6 <p style="text-align: center;">Medi-Cal Eligibility Pregnant women \$0-\$4,114</p>	1. Child A (Married Pregnant Teen Daughter) Income: \$450 x 1 = \$450 Deductions: \$0 2. Married Teen Daughter's Husband Income: \$575 x 4.33 = \$2,489.75 Deductions: -\$90 (work expense) Total Eligible Income: \$2,849.75 <p style="text-align: center;">Married Pregnant Teen Daughter forwarded to Medi-Cal</p>

- 18. An unmarried pregnant teen mother (age 18) is applying for coverage for herself, Child A and Child B. The unborn's teen father lives in the home, but is not married to the applicant. Child A is the applicant's own separate child and Child B is the applicant's common child with the teen father. The teen father has a separate child of his own (Child C age 2) who also lives in the home, but is not applying for coverage. The teen mother, teen father, Child A and Child C have income. The following individuals live in the household:**

Unmarried Pregnant Teen Mother – College grant for 1 year: \$8,000 for tuition, \$5,000 for housing

Unmarried Teen Father – Weekly wages of \$325

Child A (Teen mother's own separate child) – Monthly Child Support of \$400

Child B (Common child)

Child C (Teen father's own separate child) – Monthly insurance annuity of \$200

Unmarried Pregnant Teen Mother's MBU:	
Who is counted in the family size:	Whose income is used to determine eligibility:
1. Unmarried Teen Mother 2. Unmarried Teen Father 3. Teen Mother's Unborn Child 4. Child A (age <1) 5. Child B 6. Child C (age 2) Family Size = 6 Medi-Cal Eligibility Age 6-18 \$0-\$2,057	1. Unmarried Pregnant Teen Mother Income: \$5,000 / 12 = \$416 Deductions: \$0 Total Eligible Income: \$416 Unmarried Pregnant Teen Mother forwarded to Medi-Cal

Child A's MBU:	
Who is counted in the family size:	Whose income is used to determine eligibility:
1. Unmarried Teen Mother 2. Unmarried Teen Father 3. Teen Mother's Unborn Child 4. Child A (age <1) 5. Child B 6. Child C (age 2) Family Size = 6 Medi-Cal Eligibility Age 0-1 \$0-\$4,114	1. Unmarried Pregnant Teen Mother Income: \$5,000 / 12 = \$416 Deductions: \$0 2. Child A Income: \$400 x 1 = \$400 Deductions: -\$50 Total Eligible Income: \$766 Child A forwarded to Medi-Cal

Child B's MBU:	
Who is counted in the family size:	Whose income is used to determine eligibility:
1. Unmarried Teen Mother 2. Unmarried Teen Father 3. Teen Mother's Unborn Child 4. Child A 5. Child B 6. Child C Family Size = 6 Medi-Cal Eligibility Age 1-5 \$0-\$2,057	1. Unmarried Pregnant Teen Mother Income: $\$5,000 / 12 = \416 Deductions: \$0 2. Unmarried Teen Father Income: $\$325 \times 4.33 = \$1,407.25$ Deductions: $-\$90$ (work expense) 3. Child B Income: \$0 Total Eligible Income: \$1,733.25 Child B forwarded to Medi-Cal

19. **Applicant is applying for MC/HFP coverage for her unmarried pregnant teen daughter (age 17). Applicant's spouse (teen daughter's natural father) lives in the home. The unborn's teen father also lives in the home, but is not married to the pregnant daughter. The applicant, applicant's spouse, pregnant daughter, and unborn's father have income. The following individuals live in the household:**

Applicant (teen daughter's natural mother) – Weekly wages of \$280
 Applicant's Spouse (teen daughter's natural father) – Bi-weekly wages of \$1,100
 Pregnant teen daughter – Affidavit monthly income of \$200
 Unborn's father – Monthly commissions of \$840

Unmarried Pregnant Teen Daughter's MBU:	
Who is counted in the family size:	Whose income is used to determine eligibility:
1. Applicant (teen daughter's natural mother) 2. Applicant's Spouse (teen daughter's natural father) 3. Unmarried Pregnant Teen Mother 4. Unborn Child Family Size = 4 Medi-Cal Eligibility Pregnant Women \$0-\$3,067	1. Unmarried Pregnant Teen Mother Income: $\$200 \times 1 = \200 Deductions: $-\$90$ (work expense) Total Eligible Income: \$110 Application forwarded to Medi-Cal

20. A minor is applying for herself. She lives with a family friend. The minor receives unearned income. The following individuals live in the household:

Minor – Age 17, SSA income of \$1,250 per month
Family Friend - \$250 per week from McDonald's

Minor Applicant's MBU:	
Who is counted in the family size:	Whose income is used to determine eligibility:
1. Minor Family Size = 1 Medi-Cal Eligibility Age 6-18	1. Minor Income: $\$1,250 \times 1 = \$1,250$ No deductions (SSA is unearned income) Total eligible income: \$1,250 Minor eligible for HFP

21. Dad is applying for himself, his child, his girlfriend and her child. The following people live in the household:

Dad (Child A's Dad) – Wages of \$425 per week
Girlfriend (Child B's Mom) – Wages of \$400 every two weeks
Child A (Dad's Child) – Age 4, No income
Child B (Girlfriend's Child) – Age 2, \$200 per month child support
Dad's 25 year old brother – Unemployment \$450.00 twice a month

Child A's MBU:	
Who is counted in the family size:	Whose income is used to determine eligibility:
1. Dad 2. Child A Family Size = 2	1. Dad Income: $\$425 \times 4.33 = \$1,840.25$ month Deductions: \$90 2. Child A Income: None Deductions: None Total Eligible Income: \$1,750.25 Child eligible for HFP

Child B's MBU:	
Who is counted in the family size:	Whose income is used to determine eligibility:
1. Girlfriend 2. Child B Family Size = 2	1. Girlfriend Income: $\$400 \times 2.167 = \866.80 month Deductions: \$90 work expense 2. Child B: \$200 Deductions: \$50 child support received Total Eligible income: \$926.80 Child forwarded to Medi-Cal

Dad's MBU:	
Who is counted in the family size:	Whose income is used to determine eligibility:
1. Dad 2. Child A Family Size = 2	1. Dad Income: $\$425 \times 4.33 = \$1,840.25$ Deductions: \$90 work expense Total Eligible Income: \$1,750.25

Girlfriend's MBU:	
Who is counted in the family size:	Whose income is used to determine eligibility:
1. Girlfriend 2. Child B Family Size = 2	1. Girlfriend Income: $\$400 \times 2.167 = \866.80 Deductions: \$90 work expense Total Eligible Income: \$776.80

22. Dad is applying for himself, his child, and his girlfriend. The following people live in the household:

- Dad – Earned income of \$1,925 month as declared by affidavit
- Girlfriend – Age 22, \$1,300 per month from wages
- Child A (Dad's Child) – Age 12, SSA income of \$600 per month

Child A's MBU:	
Who is counted in the family size:	Whose income is used to determine eligibility:
1. Dad 2. Child A Family Size = 2	1. Dad Income: $\$1,925 \times 1 = \$1,925$ Deductions: \$90 work expense 2. Child A Income: $\$600 \times 1 = \600 Deductions: None Total Eligible Income: \$2,435 Child eligible for HFP

Dad's MBU:	
Who is counted in the family size:	Whose income is used to determine eligibility:
1. Dad 2. Child A Family Size = 2	1. Dad Income: $\$1,925 \times 1 = \$1,925$ Deductions: \$90 work expense Total Eligible Income: \$1,835

Girlfriend's MBU:	
Who is counted in the family size:	Whose income is used to determine eligibility:
1. Girlfriend Family Size = 1	1. Girlfriend $\$1300 \times 1 = \1300 Work expense deduction -\$90 Eligible Income: \$1210

Note: Girlfriend is not linked to child in HFP as not married to boyfriend, therefore, boyfriend could not apply for her, and since not linked to a child, she would not be eligible for HFP as an adult. However, if girlfriend was 18 she could apply for herself using the child application. If she is 19-20 she can apply for Medi-Cal.

23. Mom is applying for herself and her two children. The following people live in the household:

- Mom – Wages of \$425 per week, and Alimony of \$600 per month
- Grandmother – Wages of \$200 every two weeks
- Child A (Mom's Child) – Age 4, Child Support of \$200 per month
- Child B (Mom's Child) – Age 2, Child Support of \$200 per month

Note: Three people in the family receive child support/alimony so the \$50 deduction is divided by 3 resulting in \$16.66 being allocated to two people and \$16.67 to remaining person.

Child A's MBU:	
Who is counted in the family size:	Whose income is used to determine eligibility:
1. Mom 2. Child A 3. Child B Family Size = 3 Medi-Cal Eligibility Range Age 1-5 \$0-\$1692	1. Mom Income: $\$425 \times 4.33 + \$600 = \$2440.25$ Deductions: $-\$90$ (work expense) $-\$16.67$ (alimony received) 2. Child A Income: $\$200 \times 1 = \200 Deductions: $-\$16.66$ (child support received) Total Eligible Income: \$2,516.92 Child eligible for HFP

Child B's MBU:	
Who is counted in the family size:	Whose income is used to determine eligibility:
1. Mom 2. Child A 3. Child B Family Size = 3 Medi-Cal Eligibility Range Age 1-5 \$0-\$1692	1. Mom Income: $\$425 \times 4.33 + \$600 = \$2440.25$ Deductions: $-\$90$ (work expense) $-\$16.67$ (alimony received) 2. Child B Income: $\$200 \times 1 = \200 Deductions: $-\$16.66$ (child support received) Total Eligible Income: \$2,516.92 Child eligible for HFP

Mom's MBU:	
Who is counted in the family size:	Whose income is used to determine eligibility:
1. Mom 2. Child A 3. Child B Family Size = 3	1. Mom Income: $\$425 \times 4.33 + \$600 = \$2440.25$ Deductions: $-\$90$ (work expense) $-\$16.67$ (alimony received) Total Eligible Income: \$2,333.58

24. Dad is applying for her pregnant teen daughter, age 17. The following individuals live in the household:

- Mom – Weekly wages of \$325
- Child A – Age 17, pregnant, no income
- Dad – Monthly wages of \$1500

Child A's MBU:	
Who is counted in the family size:	Whose income is used to determine eligibility:
1. Mom 2. Dad 3. Child A Family Size = 3 Medi-Cal Eligibility Range Pregnant Women \$0-\$2,544	1. Child A No income, no deductions Total eligible income: \$0 Child A forwarded to Medi-Cal

25. Mom is applying for her pregnant teen daughter, age 16. The following individuals live in the household:

Mom – Weekly wages of \$325
 Child A – Age 16, pregnant, no income
 Step-Dad – Monthly wages of \$2500

Child A's MBU:	
Who is counted in the family size:	Whose income is used to determine eligibility:
1. Mom 2. Step-Dad 3. Child A Family Size = 3 Medi-Cal Eligibility Range Pregnant Women \$0-\$2,544	1. Child A No income, no deductions Total eligible income: \$0 Child A forwarded to Medi-Cal

26. A step-father is applying for his step-child. The following individuals live in the household:

Step-father (\$950 per month Social Security Benefits)
 Child A's mother, married to Step-Father. Self employed and submitted previous tax year's 1040 and Schedule C.
 Child A no income

Child A's MBU:	
Who is counted in the family size:	Whose income is used to determine eligibility:
1. Child A (age 12) 2. Child A's Mother 3. Step-father <p style="text-align: center;">Family Size = 3</p>	1. Child A's Mother 1040 line 12 \$12,489 Schedule C line 13 \$9,825 Schedule C line 24b \$415 Total Yearly income: \$22,729 ÷ 12 Monthly income \$1,894.08 2. Child A=\$0 Deductions:-90 (work deduction) Total Eligible Income=\$1,894.08 Child eligible for HFP

27. Mother is applying for her infant daughter. The following individuals live in the household:

- Father (Self employed – joint business with Mother)
- Mother (Self employed – joint business with Father)
- Infant Daughter

Infant Daughter's MBU:	
Who is counted in the family size:	Whose income is used to determine eligibility:
1. Mother 2. Father 3. Infant Daughter (age 0-1) <p style="text-align: center;">Family Size = 3</p> <p>Note: Income remains zero because Schedule C line 13 and 24b amounts are added back to the amount on 1040 line 12, and the amount is still negative.</p>	1. Mother 2. Father 3. Infant Daughter (no income) 1040 line 12 -\$12,148 Schedule C line 13 \$8,090 Schedule C line 24b \$3,058 Total Yearly income: \$0 ÷ 12 Monthly income \$0 Deductions:-\$0 Total Eligible Income=\$0 Child forwarded to Medi-Cal

28. Mother is applying for her son, age 5. The following individuals live in the household:

- Father (Self employed – joint business with Mother)
- Mother (Self employed – joint business with Father)
- Child A (age 5)
- Child B (age 20)

Child A's MBU:	
Who is counted in the family size:	Whose income is used to determine eligibility:
1. Mother 2. Father 3. Child A (age 1-5) 4. Child B <p style="text-align: center;">Family Size = 4</p> Note: Schedule C line 13 and 24b amounts are added back to the amount on 1040 line 12, and the amount is now positive and countable income.	1. Mother 2. Father 3. Child A (no income) 1040 line 12 -\$15,296 Schedule C line 13 \$58,195 Schedule C line 24b \$32 Total Yearly income: \$42,931 ÷ 12 Monthly income \$3,577.58 Deductions: -\$180 (work deduction) Total Eligible Income=\$3,397.58 Child eligible for HFP

5. Acceptable Income Documentation

Earned Income:		
Type:	Documentation:	Business Rules:
Non-self employed Wages	Pay Stub	<ul style="list-style-type: none"> ➤ Use Gross Amount (include tips, overtime, commission and bonus) of one stub. ➤ Overtime: If it is indicated anywhere in the images received that the overtime on the documentation is not a regular occurrence, then do not count the overtime. If there is no indication of the occurrence of overtime, include the overtime with the income. DO NOT exclude the income to qualify the children. ➤ Bonus and Commission: A review of the income documentation will be done for frequency of bonus and commission. If Bonus and Commission is paid at a different frequency than regular pay, bonus and commission will be entered separately, indicating the pay frequency. If no indication that the frequency is different, then enter the bonus and commission with the regular pay. ➤ Name of person must be on stub or other identifying information to link to the person (i.e., SSN) NOTE: Do not ask for SS card ➤ If pay-period is not present on pay stub, pay date on stub is acceptable. ➤ Pay-period date must be within 45 days that the document was received by HFP. If no pay-period date is present, the pay date must be within 45 days that the document was received.

		<ul style="list-style-type: none"> ➤ Check indicating only net amount is not acceptable. Send MI for valid income document, i.e. Self-employment income documentation or paycheck stub with gross amount. ➤ Submission of multiple stubs, do not average, use most recent eligible stub. <p>NOTE: If the employer does not deduct taxes, the person is considered to be an independent contractor (i.e., self-employed) and should be asked for an appropriate document (e.g., Profit and Loss Statement, 1040 and Schedule C, etc.)</p>
<p>Non-Self Employed Wages</p>	<p>Employer Statement</p>	<ul style="list-style-type: none"> ➤ Written on company letterhead or name of company stated on letter (must include Employer's business name, business address and phone number.) ➤ Name of person employed ➤ Dated letter (must be dated within 45 days of receipt) ➤ Pay frequency required ➤ Gross amount; send MI for valid income documentation if "salary" is noted. ➤ Signature of employer ➤ Document must have signed statement stating "The information provided above is true and correct to the best of my knowledge," or something similar. ➤ Housing allowance for clergy may be received as an Employer Statement ➤ Room and board as payment is considered In-Kind services and not acceptable.
<p>Non-Self Employed Wages</p>	<p>Federal Income Tax Form 1040, 1040NR, 1040A, 1040EZ, 1040PC, 1040X w/original 1040 from previous year, 1040 with Schedule E (page 2)</p>	<ul style="list-style-type: none"> ➤ Acceptable up through April 15th of the year following the required filling date (i.e., 2002 1040 accepted until April 15, 2004) ➤ Applicant or other adult must be listed as filer ➤ Tax filing extensions, estimated tax forms, or 8453 e-filing are not acceptable ➤ Use only positive \$ amounts on lines 7 – 21 ➤ If there is an amount in line 12 of 1040, there is a business and the applicant must supply a Schedule C or Schedule C-EZ. ➤ Negative \$ amounts are counted as \$0 for that line item. ➤ Salary/Wage income is combined on the tax form (e.g. line 7 of 1040). May need W-2 forms to verify parent/stepparent income, if applicable. ➤ Will need to ask for a W-2 if a stepparent is listed or a parent that no longer lives in the

		<p>home is listed and the only income received is from a 1040, 1040NR, 1040EZ, 1040A filing jointly. Line 7 on the 1040 and 1040A, Line 8 on the 1040NR, or Line 1 on the 1040EZ, will be the combined income. Subtract the amount on line 1 of the W-2 from combined income line of the tax form submitted and apply the income to the appropriate parent.</p> <ul style="list-style-type: none"> ➤ 1040X: Use the corrected amount line for income. ➤ If additional schedules are received (i.e. Schedule F), HFP does not need to review those as the total has already been transferred to form 1040. <ul style="list-style-type: none"> Schedule E <ul style="list-style-type: none"> ➤ Line #32 of the Schedule E MUST match Line #17 of the 1040 ➤ If Line #32 is blank or does not match line #17, it is considered critical missing information ➤ If the applicant claims on the application that only one person is receiving income, however, the Schedule E indicates both parents have income, split the income between both parents
Workers Compensation,	Award Letter, Most Recent Bank statement	<ul style="list-style-type: none"> ➤ Bank-system generated name of person for whom the deposit is made is on the line item showing the deposited amount. ➤ The deposit date of the income shown on the bank statement must be within the last 45 days from the date in which the program receives the documentation. ➤ The bank statement must identify the amount of income received; ➤ The bank statement must identify the type of income being received.
State Disability (SDI)	Award Letter, Pay stub	<ul style="list-style-type: none"> ➤ Name of person for whom the deposit is made is on the line item showing the deposited amount. ➤ Award letter may not be for current year but it should indicate that it has not expired. ➤ Pay stub dated within 45 days that the document was received.
Foreign Income	Pay stub, other documents	<ul style="list-style-type: none"> ➤ Use current day dollar conversion. ➤ Refer to MRMIB for questions.

<p>Self-employment</p> <p>Includes Farm Income</p>	<p>Profit & Loss Statement</p>	<ul style="list-style-type: none"> ➤ 3 months (ending within the last 45 days) itemized by month. ➤ Business name, address and telephone number, letterhead is acceptable. ➤ If address on the P&L is the same as the address listed on the application, this is acceptable. If the address is the same, but there is no phone listed, it is acceptable to assume the phone number will be the same as listed on the application. ➤ Gross (all income), itemized expenses and net. ➤ Draws taken by owner are to be added back in to the net profit of that month. ➤ Depreciation, meals and entertainment are not an acceptable expense; add back in. ➤ Signature of person claiming income and statement saying, "The information provided is true and correct." ➤ Percentage of income if partnership. ➤ Negative \$ amounts are counted as \$0, unless when adding back the depreciation, meals and entertainment or draws, you get a positive, use the positive amount. ➤ When a person has been self-employed for 2 months, and profit and loss statements are submitted for the months they have been in business, the monthly income should be added together and divided by the number of months reported to calculate monthly income.
<p>Self Employment</p>	<p>Federal Income Tax form 1040 w/ Schedule C or Schedule C-EZ, 1040X w/ original 1040 & Schedule C</p>	<ul style="list-style-type: none"> ➤ Acceptable up through April 15 of the year following the required filing date (i.e., 2002 1040 accepted until April 15, 2004). ➤ Applicant or other adult must be listed as filer. ➤ Tax filing extensions, estimated tax forms, or 8453 e-filing not acceptable ➤ Use only positive \$ amounts on lines 7 – 21. ➤ Negative \$ amounts are counted as \$0 for that line item. ➤ If line 31 on the schedule C or line 3 on the schedule C-EZ does not equal line 12 on the 1040, this will go to callback for valid tax forms. ➤ Add back depreciation (line 13), meals and entertainment (line 24b) from Schedule C to line 12 of the 1040. If line 12 is negative amount, add depreciation and meals/entertainment to negative amount. If result is positive amount, use that amount as income. If result is negative amount, count as "0" income. See Scenario 28 above. ➤ Schedule C-EZ is used by persons who do

		<p>not have business expenses exceeding \$5,000.00. The Schedule C-EZ does not have a separate line to report expenses for meals and entertainment, as well as depreciation. Therefore, HFP will not pursue these expenses in order to add back to line 12 of the Tax Form 1040.</p> <ul style="list-style-type: none"> ➤ If additional schedules are received (i.e. Schedule E or F), HFP does not need to review those as the total has already been transferred to form 1040.
<p>In Home Support Services Income (IHSS)</p>	<p>Pay stub</p>	<ul style="list-style-type: none"> ➤ Generally, the HFP considers the recipient of income from a Public Assistance (PA) source (e.g., cash assistance, SSI/SSP, etc.) as a PA recipient. However, the person “providing” IHSS services and receiving income from IHSS is not the recipient of PA income. Rather, this person is the provider of IHSS services and the payment received from IHSS is countable earned income. The person who received the IHSS income (i.e., the IHSS Provider) should not be excluded as the PA recipient in the household size. ➤ In the case of IHSS, the person in the household who is “receiving” services from an IHSS provider is considered to be the PA recipient. This person does not receive income from IHSS. This person is considered to be the PA recipient, is not included in the household size, and their own separate income is not counted when determining the eligibility of a child applying for HFP. ➤ When reviewing the income documentation from IHSS, there are two persons identified on the pay stub. The first is the “Provider”. This is the person providing the care and is being paid by IHSS for providing those services. This person may be a family member or an outside provider. The second person is the “Recipient”. As stated above, this person is receiving the care and is the PA recipient. ➤ Acceptable pay stub for IHSS income must include the following: <ul style="list-style-type: none"> ✓ Gross Amount; ✓ Name of person being identified as the “Provider;” ✓ If pay-period is not present on pay stub, pay date on stub is acceptable. ✓ Pay-period date must be within 45 days that the document was received. If no pay-period date is present, the pay date

		must be within 45 days that the document was received.
Unearned Income:		
Type:	Documentation:	Business Rules:
Bonds or Stock Dividends	Stock/Account Statement, 1099	<ul style="list-style-type: none"> ➤ Use Frequency as stated on the documentation received. If frequency is not stated, send to callback ➤ Re: 1099; assume amount received is for the whole year, therefore, frequency is yearly.
Retirement, Survivors Disability Insurance (RSDI), Social Security Retirement, Social Security Disability Insurance (SSDI)	Pay stub, Award Letter or Bank Statement, 1099 SSA, 1040 or 1040A tax forms	<ul style="list-style-type: none"> ➤ Name of person must be on stub or other identifying information to link to the person (i.e., SSN) NOTE: Do not ask for SS card; ➤ If pay-period is not present on pay stub, pay date on stub is acceptable. ➤ Pay-period date must be within 45 days that the document was received. If no pay-period date is present, the pay date must be within 45 days that the document was received. ➤ Bank-system generated name of person for whom the deposit is made is on the bank statement line item showing the deposited amount ➤ The deposit date of the income shown on the bank statement must be within the last 45 days from the date in which the program receives the documentation. ➤ ➤ The bank statement must identify the amount of income received; ➤ The bank statement must identify the type of income being received. ➤ Award letter may not be current but it should indicate that it has not expired. (i.e., may be dated from previous year but still be for current month or year). ➤ Allowable deductions on a SSA award letter are: Medicare Premium Payments and; Social Security Overpayments All other deductions on a SSA award letter will be added back into the net income. The income amount that will be used is the net income plus the deductions that are not allowed. ➤ Re: 1099; assume amount received is for the whole year, therefore, frequency is yearly. ➤ \$250 one-time Economic Recovery payment received from SSA is to be disregarded. It will be issued on a separate check and will be specifically identified as an ERP. ➤ 1040 Tax Form <ul style="list-style-type: none"> • Use line #20a amount if there is <u>only</u> one SSA income amount reported on line

		<p>#20a;</p> <ul style="list-style-type: none"> • Use line #20a amount if there are SSA income amounts reported on <u>both</u> lines #20a and #20b; or • Use line #20b amount if there is <u>only</u> one SSA income amount reported on line #20b and <u>no</u> income amount report on line #20a. <p>➤ 1040A Tax Form</p> <ul style="list-style-type: none"> • Use line #14a amount if there is <u>only</u> one SSA income amount reported on line 14a only; • Use line #14a amount if there are SSA income amounts reported on <u>both</u> lines #14a and #14b; or • Use line #14b amount if there is <u>only</u> one SSA income amount reported on line #14b and <u>no</u> income amount reported on line #14b
<p>Veterans Benefits, Disability, Pensions and Annuities, Individual Retirement Account (IRA) distribution, Other income including but not limited to grants for living expenses, settlements, lottery/bingo winnings, loans and interest income.</p>	<p>Pay stub, Award letter or Bank Statement, 1040 and 1040A Tax Forms (for IRA and Pension and Annuities)</p>	<ul style="list-style-type: none"> ➤ Name of person must be on stub or other identifying information to link to the person (i.e., SSN) NOTE: Do not ask for SS card; ➤ If pay-period is not present on pay stub, pay date on stub is acceptable. ➤ Pay-period date must be within 45 days that the document was received. If no pay-period date is present, the pay date must be within 45 days that the document was received. ➤ Bank-system generated name of person for whom the deposit is made is on the bank statement line item showing the deposited amount. ➤ The deposit date of the income shown on the bank statement must be within the last 45 days from the date in which the program receives the documentation. ➤ The bank statement must identify the amount of income received; ➤ The bank statement must identify the type of income being received. ➤ Award letter may not be current but it should indicate that it has not expired. (i.e., may be dated from previous year but still be for current month or year). ➤ \$250 one-time Economic Recovery payment received from VA or RRB is to be disregarded. It will be issued on a separate check and will be specifically identified as an ERP. ➤ From the 1040 tax form use only the amount shown on line #15b as countable income for

		<p>IRA distribution income.</p> <ul style="list-style-type: none"> ➤ From the 1040 tax form use only the amount shown on line #16b as countable income for Pensions and Annuities Income. ➤ From the 1040A tax form use only the amount shown on line #11b as countable income for IRA Distributions. ➤ From the 1040A tax form use only the amount shown on line #12b as countable income for Pensions and Annuities Income.
<p>Unemployment</p>	<p>Pay stub, Paycheck, Bank Statement or Award letter</p>	<ul style="list-style-type: none"> ➤ If one paycheck stub or paycheck is received, figure the monthly unemployment income by calculating the weekly-awarded amount times 2 and then times 2.167. The documentation should be considered valid so long as it provides the weekly benefit amount and date of check or award period. ➤ If pay stub shows benefits reduced by \$XX for child support: add together amount reduced to total amount of check, this equals the amount received of unearned income. Then enter the amount of child support paid. ➤ When two (2) or more UIB paycheck stubs are received (regardless of whether they are different or the same amounts) add the weekly benefit amounts together and multiply that amount by 2.167. ➤ If the applicant indicates they receive both sources of income on their application or sent proof of both UIB and Earned (or other unearned) income documentation, HFP and AIM will determine eligibility using both sources of income. ➤ If the applicant submits multiple UIB paychecks (for the same individual); look at each UIB paycheck and identify the frequency by viewing the 'period ending' dates to determine the frequency of the UIB paycheck. ➤ If the applicant submits multiple bank statements (for the same individual; look at each bank statement and identify the frequency by viewing the deposit dates to determine the frequency of the bank statement. ➤ Multiple bank statements or paychecks submitted by the applicant can be more than 45 days from the date the application is received for the sole purpose of identifying the frequency. However, only use the UIB paycheck or bank statement that is within 45 days of the date the program received the

		<p>application as valid proof of income.</p> <ul style="list-style-type: none"> ➤ If the applicant submits paycheck(s) or a bank statement(s), for the same individual, and the frequency cannot be established by viewing the pay “period ending” or deposit dates, look at the frequency identified on the application and apply the frequency to the UIB paycheck or bank statement that is valid (issued within 45 days). ➤ Bank-system generated name of person for whom the deposit is made is on the bank statement line item showing the deposited amount. ➤ The bank statement must identify the amount of income received; ➤ The bank statement must identify the type of income being received.
Financial Aid not applied to educational expenses	Award Letter from School financial office	<ul style="list-style-type: none"> ➤ Award letter must display the Name of the recipient, Dates the financial aid was intended for (can be current or prior year income), Breakdown of expenses (may be submitted by School Financial Office if award letter does not provide). Letter from School Financial Office must display the following: <ul style="list-style-type: none"> ➤ Written on institution letterhead or name of school stated on letter ➤ Name of person enrolled ➤ Dated letter ➤ Pay frequency required ➤ Breakdown of financial aid use (i.e. living expenses, tuition, books, fees)
Gift Money	Letter from Gift Giver	<ul style="list-style-type: none"> ➤ Name of person to whom the gift is made on a regular and ongoing basis (one time gifts not acceptable) ➤ Date gift received (must be within the last 45 days) ➤ Signature of gift giver <p>Note: Gift income is not countable if giftor’s income has been used to determine eligibility for any other person on the application who is applying for benefits.</p>
Alimony & Child Support	Check Stub, District Attorney Notice of Receipt, Court Orders, Statement from parent making the child support payment	<ul style="list-style-type: none"> ➤ Court order may not be the current date but should match amount claimed as received on application ➤ Statement from parent who is making the child support payment must identify the monthly amount paid and name of the child(ren) receiving the child support payment. If the document states payment is for child support, assume it is court ordered and count as child support. If it does not

		<p>specify payment is for child support then treat as gift income.</p> <ul style="list-style-type: none"> ➤ Documentation must be dated within 45 days of receipt date of application.
Other Caveats:		
Type:	Documentation:	Business Rules:
Rental Income	Federal Income Tax Form 1040 with a Schedule E (page 1), Rental Income Worksheet	<ul style="list-style-type: none"> ➤ If there is income listed on line 17 of the Federal Income Tax Form 1040, a Schedule E must be present. If the Schedule E is not present, it is considered missing information. ➤ If only the Schedule E is present and there is no Federal Income Tax Form 1040, it is considered missing information. ➤ Use the rental income amount reported on Line #3 identified on the Schedule E. ➤ Line #26 of the Schedule E MUST match Line #17 of the 1040. ➤ From the Schedule E, deduct lines #7, #9, #12, #13, #14, #16, and #17 for each property, from line #3. ➤ If there is a partnership with the rental income, the individual's income from the partnership is already included in Line 3 on the Schedule E. No additional information will be requested from the applicant to demonstrate the distribution of partnership. ➤ Rental receipts, checks, lease agreements are not acceptable ➤ Property street address, city and state or zip code must be on the form. Zip code missing will be acceptable if a city and state are provided. City and state missing will be acceptable if zip code is provided. Street address must be provided or the documentation is not considered valid. ➤ Must include the monthly income received from rental property. The income documentation will not be valid if information is not present on form. ➤ If an expense is left blank, assume zero for that expense. At a minimum, property tax expense must be reported. If property tax expense (taxes paid) is not reported, the income documentation will not be valid and will be sent to callback. ➤ Calculate the net income amount as follows: Subtract from the rental amount; Mortgage Interest Paid, Taxes Paid, Utilities Paid, Insurance Paid and the greater of 15% of the monthly rental amount plus \$4.17 or the actual cost of Upkeep/Repairs for the month. ➤ The net income will be a monthly frequency, will be categorized as unearned income and will not receive a work deduction. ➤ Must include the signature of the owner(s) and

		<p>date. The income documentation will not be valid if information is not present on the form.</p> <ul style="list-style-type: none"> ➤ Must include date of the signature and date must be within 45 days. The income documentation will not be valid if not received or over 45 days. ➤ Either the worksheet or the required data elements from the worksheet on a separate sheet of paper is acceptable. ➤ If written on a separate sheet of paper, must include "We affirm that the information given on this paper is current, true and correct to the best of our knowledge." ➤ In order to count the rental income for a person applying for HFP, the property owner must be financially responsible for the applying person. ➤ The worksheet or data elements from the worksheet will be accepted for either newly acquired rental property or ongoing rental property. ➤ Must have one form, or the required data elements from the form, for each rental property. If multiple rental addresses are noted and income information for only one property is present, the documentation is not valid.
Room Rental Income	Income Documentation for Renting a Room form, Copy of a payment receipt for renting a room, Copy of any cancelled checks	<ul style="list-style-type: none"> ➤ The Income Documentation for Renting a Room form must be completed in full and signed by the individual who is renting the room. ➤ Copy of the payment receipt must state it is for renting a room, regardless of what is listed on the application. ➤ Copy of the cancelled checks must state it is for renting a room, regardless of what is listed on the application. ➤ Only 10% of the gross monthly income from renting a room will be counted. For example, if an individual is receiving \$100.00 each month for renting a room, the monthly income will be \$10.00. ➤ The individual who rents the room must not be counted in the family size for the income to be counted.
NOAs Received with HFP Applications (Income verification)	Notice of Action (NOA) for Income Verification received from families.	<ul style="list-style-type: none"> ➤ Date of NOA must be within two (2) months of application receipt date. ➤ The net income on the NOA will be used to determine a child's eligibility. No additional deductions are taken from the amount calculated by the CoDSS as this could result in the application being incorrectly returned to the CoDSS. ➤ Income amount on the NOA may be used as income verification. NOA must state it is for a child applying for HFP. ➤ When in-kind income is identified on a NOA, the

<p>CoDSS Referrals Medi-Cal Applications and County Returns</p> <p>(Income Verification)</p> <p>*SNEEDE & Transitional Medi-Cal NOAs are not always final Medi-Cal eligibility determinations for a child.</p>	<p>Notice of Action (NOA) for Income Verification received from counties</p>	<p>in-kind income will be counted.</p> <ul style="list-style-type: none"> ➤ Date of NOA must be within two (2) months of application receipt date. ➤ The net income on the NOA will be used to determine a child's eligibility. No additional deductions are taken from the amount calculated by the CoDSS as this could result in the application being incorrectly returned to the CoDSS. ➤ Income amount on the NOA may be used as income verification. NOA must state it is for a child applying for HFP. ➤ If income amount is not shown on the NOA, may use budget worksheet as proof of income. Budget worksheet must state it is for the child applying for the HFP, to be acceptable. ➤ If other income documentation is received with an application, HFP can use the income documentation to determine eligibility. The income documentation, if used, must be acceptable per current business rules. ➤ *SNEEDE NOAs are not acceptable. Must look for other acceptable income documentation. If there is none, send to callback and obtain from either CoDSS and/or applicant for acceptable income documentation. ➤ When in-kind income is identified on a NOA, the in-kind income will be counted. ➤ *Transitional NOAs are not acceptable. Must look for other acceptable income documentation. If there is none, send to callback and obtain from either CoDSS and/or applicant for acceptable income documentation.
<p>CoDSS Referrals Medi-Cal Applications</p> <p>(Family Size)</p>	<p>Budget Worksheet or Transmittals from CoDSS for family size verification</p>	<ul style="list-style-type: none"> ➤ Use to enter applying and non-applying members. ➤ If there is a family size discrepancy between the budget worksheet and transmittal for the MFBU, send the application to callback to get the correct family size, family member names and relationship to applicant (from either CoDSS liaison or applicant). ➤ However, if the transmittal is the only document containing the MFBU, use the names and relationships listed on the transmittal for the MFBU. ➤ In order for a CoDSS Budget Worksheet to be accepted as proof of income for any type of income source, the Budget Worksheet must be accompanied by an acceptable NOA.

<p>As received with HFP applications (Overriding MEDS)</p>	<p>Notice of Action (NOA) for Overriding MEDs received from families</p>	<ul style="list-style-type: none"> ➤ Must be dated within two (2) months of application receipt date. ➤ Child's name must be listed ➤ Must state no cost Medi-Cal 'end date and year' ➤ Valid term reasons must be stated; invalid term reasons are: <ul style="list-style-type: none"> - The NOA is for the parent, not the applying child. - Applying children not covered by the NOA. - The applicant wants HFP.
<p>As received with HFP applications (Overriding MEDS)</p>	<p>Notice of Action (NOA) for Overriding MEDs received from families</p>	<ul style="list-style-type: none"> ➤ Must be dated within two (2) months of application receipt date. ➤ Child's name must be listed ➤ Must state no cost Medi-Cal 'end date and year' ➤ Valid term reasons must be stated; invalid term reasons are: <ul style="list-style-type: none"> - The NOA is for the parent, not the applying child. - Applying children not covered by the NOA. - The applicant wants HFP.
<p>NOAs received with HFP applications (Overriding 8E)</p>	<p>Notice of Action (NOA) for Overriding 8E on MEDs received from families</p>	<ul style="list-style-type: none"> ➤ Must be dated within two (2) months of application receipt date. ➤ A statement that the application for Medi-Cal (or the child) was denied. ➤ The name of the child who is denied Medi-Cal coverage. ➤ Termination date of AE will be based on the date in which the NOA was issued for no-cost Medi-Cal, if there is no termination date shown on MEDS. <p><u>Example:</u> If the NOA shows an end date of December 15th, for no-cost Medi-Cal, the end date of coverage will be December 31st.</p> <ul style="list-style-type: none"> ➤ After enrollment, HFP must work with CoDSS liaison to terminate AE coverage on MEDS.
<p>Tribal Income</p>	<p>Open</p>	<ul style="list-style-type: none"> ➤ Send to MRMIB for review and direction on if acceptable, frequency to use and amount.
<p>No Income Documentation; Cash Income (Not for self employment)</p>	<p>Affidavit</p>	<ul style="list-style-type: none"> ➤ Use as a last resort when no other documentation is available ➤ Can be used for proof of a room rental if the other documentation noted under room rental cannot be provided by the applicant ➤ Name of person claiming income ➤ Dated letter ➤ Date income was received & frequency of payment ➤ The last day the income was received must be within 45 days the document was received ➤ Declaration that no other proof of income is available ➤ Declaration that the information provided is true and correct ➤ Acknowledgement that s/he understands the information in the letter is subject to verification by the state

		<ul style="list-style-type: none"> ➤ Signature of person claiming the income ➤ Handwritten, unless applicant is unable to write due to literacy or a physical limitation. If so, it may be typed and applicant may sign with an 'X'. The printed name and signature of the witness must be included in this situation. ➤ The person signing the affidavit must be an individual that is identified on the application and is counted in the household. ➤ The signature of "The person receiving the income" must be legible. If the signature is not legible, the affidavit is not valid and must be sent to callback to identify the person receiving the income.
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5. Acceptable Deduction Documentation:

Refer to CAA Reference Manual to determine what income is counted and which deduction to apply.

Type:	Documentation:	Business Rule:
<p>Work Expense: \$90 from countable earnings of each family member</p>	<p>None needed</p>	<ul style="list-style-type: none"> ➤ Deduction can only be taken against earned income ➤ If the income is less than \$90, use the amount of income as the deduction (the deduction cannot exceed the income) <p>Note: Persons who get temporary Worker's Compensation Disability or State Disability Insurance (SDI), can also get the \$90 deduction from the monthly income. Persons who receive unemployment benefits do not receive the \$90.00 work expense deduction.</p>
<p>Child Care Expenses: Up to \$200 or \$175</p>	<p>Copies of receipts or canceled checks or signed statement from child care provider</p>	<ul style="list-style-type: none"> ➤ Up to \$200 for each child under age 2 ➤ Up to \$175 for each child age 2 or older ➤ Deduction can only be taken directly from the income of the parent who is paying the child care expenses; If it is not noted on the documentation who is paying the child care expense, deduct from the parent who has the income. ➤ Documentation must be dated within 45 days of application receipt date. ➤ Childcare paid can be applied to a non-applying child if the non-applying child is a family member only. ➤ If the child is 5 years old or younger, "tuition" is an acceptable deduction. If the child is older than 5 years old, the application will be sent to callback for clarification if the deduction will make the child eligible for HFP.

		<p>Note: Working adults, or adults in job training, get a deduction for childcare expenses. The assumption is that childcare expense is necessary, meaning there is no responsible person in the household who can provide the care. The deduction should not be denied, as we do not verify if a family member works or is in training for a job. If the amount of childcare paid is less than the amount allowed, deduct the amount paid.</p>
Dependent Care Expense: Up to \$175	Copies of receipts or canceled checks	<ul style="list-style-type: none"> ➤ Deduction can only be directly taken from the income of the person who is paying the dependent care expenses. ➤ If the amount paid is less than \$175, use the amount paid. <p>Note: Working adults, or adults in job training, get a deduction for expenses related to the care of disabled dependents. If a disabled family member is a dependent, this deduction can be used. If the amount paid is less than \$175, deduct the amount paid.</p>
Alimony and Child Support received: Up to \$50	Check Stub, District Attorney Notice of Receipt, Court Orders, Statement from parent making the child support payment	<ul style="list-style-type: none"> ➤ If the amount the family gets is less than \$50, deduct the amount received. ➤ Documentation must be dated within 45 days of application receipt date. <p>Note: A deduction of up to \$50 per MFBU is applied for alimony and child support received. If the amount received is less than \$50, deduct the amount received. The \$50 deduction is divided equally among the people who receive the alimony or child support. For example, if Mom receives \$125 alimony and her child receives \$350 child support, the deduction allowed per person is \$25, not \$50. If the child support or Alimony payments received includes past or payments in arrears than only the court ordered amount is considered current income.</p>
Alimony and Child Support Paid	A copy of the court order; cancelled checks or pay receipts may also be sent if the amount paid is less than the court ordered amount, Pay stub says 'Garnishment'	<ul style="list-style-type: none"> ➤ The amount deducted is the court-ordered amount, or actual amount paid, whichever is less. ➤ If pay stub says 'Garnishment' and it is noted somewhere that the garnishment is for an acceptable deduction, include. The pay stub must be acceptable.

6. Deduction Disregard:

When child care, dependent care, alimony paid, and/or child support paid are identified as deductions on an Application, Annual Eligibility Review (AER) Form, Re-Enrollment Form, Add A Person Form, or any other authorized application, but verification of the deduction is not provided, HFP is instructed to use the following guidelines for evaluating income eligibility:

- If the deduction would not affect the eligibility for HFP of the child being applied for (i.e., a child is eligible for HFP with or without the deduction), the deduction will be disregarded (i.e., not counted) and the application will be processed without obtaining the missing deduction information. In these cases, the deduction would not be recorded on system (to prevent an automated Missing Information letter).
- If the deduction is used to forward the child being applied for to no-cost Medi-Cal or the child is subsequently determined by HFP to be below the income guidelines with the deduction, the application will be forwarded to the County Department of Social Services (CoDSS) without obtaining the missing information. In these cases, the deduction should not be disregarded in order to qualify the child for HFP.
- If the child being applied for appears to be above the income guidelines without the deduction, HFP must request the missing deduction information (i.e., telephone attempt and missing information letter). If the missing information is not received within the specified time frame, the application would be denied as an incomplete application.