26. 250% Working Disabled Program

The 250% Working Disabled Program (250% WDP) allows working disabled individuals to pay a premium to receive Medi-Cal (MC) benefits. Premiums depend on the individual's non-exempt countable income:

- $20 to $250 per month for an eligible individual.
- $30 to $375 per month for an eligible couple.

The Department of Health Care Services (DHCS) Third Party Liability Branch (TPLB) is responsible for collecting premiums.

All other programs must be explored before the 250% WDP is evaluated (i.e., Modified Adjusted Gross Income (MAGI) MC, Non-MAGI MC, Pickle, etc.) The 250% WDP must be evaluated at Intake, Redetermination (RD), for former Social Security Income (SSI) recipients and when a client asks about the program.

26.1 Definitions

26.1.1 Child

A child must be unmarried and not the head of a household and either under age 18, or under age 22 and be a student regularly attending school, college, or training that is designed to prepare him/her for a paying job.

26.1.2 Family Income

Net non-exempt “Family Income” is used in the 250% FPL test and includes:

- The client’s own income, except for disability income and earnings retained in a separate account. [Refer to Chapter 26, Section 26.2.5 "Retained Earned Income," page-6]
- The spouse’s income, if the spouse has income above a certain SSI threshold
- If the applicant is a child, the parental income is deemed until the child reaches 18 years of age

Note:

“Family Income” does NOT include the income of a child in the home, unless the child is the applicant of the 250% WD Program.
26.1.3 **In-Kind Support and Maintenance (ISM)**

In-Kind Support and Maintenance of food or shelter given to applicant or received by him/her because it was paid for by someone having no legal responsibility to provide them. Shelter includes room, rent, gas, electricity, water, sewer and garbage collection services.

26.1.4 **Presumed Maximum Value (PMV)**

Presumed Maximum Value is 1/3 of the SSI payment rate (but not the combined SSI/SSP payment) plus $20 dollars.

26.1.5 **Substantial Gainful Activity (SGA)**

Substantial Gainful Activity means work that involves doing significant and productive physical or mental duties, and is done, or intended, for pay or profit (SGA is not applicable to the 250% WD Program).

26.1.6 **Spousal/Parental Deeming**

When a portion of the ineligible spouse’s income is provided to the spouse/child(ren).

26.1.7 **SSI/SSP**

The Federal Supplemental Security Income (SSI) program provides a monthly cash benefit to eligible aged, blind and disabled persons who meet the program’s income and resource requirements. In California, the SSI payment is augmented with a State Supplemental Payment (SSP) grant.

26.1.8 **Value of the One-Third Reduction (VTR)**

Value of the one-third reduction is 1/3 of the SSI payment (not the combined SSI/SSP payment).

26.2 **Eligibility Criteria**

To be eligible for the 250% WDP, an individual must:

- Meet the federal definition of disability as defined by federal law for Social Security disability programs, without regard to the ability to perform Substantial Gainful Activity (SGA), even if the individual has earned income over the current SGA amount. [Refer to Chapter 26, Section 26.1.5 "Substantial Gainful Activity (SGA)," page-2]
• Be otherwise eligible for SSI/SSP benefits, if earnings are disregarded.

• Have net non-exempt family income less than 250% of the Federal Poverty Level (FPL). [Refer to Chapter 26, "Family Income," page-3]

Note:

Disability income is exempt income. Earnings placed in a separate identifiable account are exempt income in the month received and the account is exempt property. [Refer to Chapter 26, Section 26.2.5 "Retained Earned Income," page-6]

• Pay a monthly premium based on net countable income. If full premiums are not paid for two consecutive months, the client will be discontinued from the program.

• Meet all other non-financial MC eligibility program requirements (i.e., California residency).

Reminder:

Disabled individuals who do not qualify for Aged, Blind and Disabled-Medically Needy (ABD-MN) programs due to SGA may be eligible for the 250% WDP.

Family Income

Net non-exempt Family Income is used in the 250% FPL test including:

• The client’s own income, except for disability based income and earnings retained in a separate account. [Refer to Chapter 26, Section 26.2.5 "Retained Earned Income," page-6]

• The spouse’s income, if the spouse has income above a certain SSI threshold. [Refer to Chapter 26, Section 26.8 "SSI Methodology," page-18]

• The parent’s income, if the applicant is a child.

Family Income does NOT include the income of a child in the home, unless the child is the applicant of the 250% WDP. A child must meet the same work requirements as an adult to be eligible for the 250% WDP, the child would be in a separate MFBU.

26.2.1 Disability Determination

An individual must meet the federal definition of disability to qualify for the 250% WDP. However, SGA does not apply to determine disability for the 250% WDP.
A Disability Determination Service Division (DDSD) referral packet is required to determine disability unless disability has already been verified; for example, client receives Social Security benefits based on disability.

To clearly identify the referral packet as a 250% WDP, the “Disability Determination and Transmittal form” (MC 221) must include:

- Section 8 - Check the “Other” box and enter “250% WDP”
- Section 10 - Write “250% Working Disabled Program - NO SGA Determination Required”
- Indicate the client’s working hours for contact purposes only.

[Refer to “DDSD,” page 22-1]
[Refer to “DDSD Referral Not Required,” page 22-2]

**Note:**

Confirmation of disability determination from DDSD is required before granting eligibility for the 250% WDP.

### 26.2.2 Immigration Status

Individuals requesting the 250% WDP must meet the immigration status requirements of the SSI/SSP Program.

The following individuals are **not eligible** for the 250% WDP:

- Undocumented individuals,
- Foreign visitors in the United States (U.S.) on a temporary visa,
- Other non-citizens who would qualify only for restricted MC.

**Note:**

All children under age 19 receive full-scope MC under SB75. SB75 does not apply to the 250% WDP.

- Non-citizens with the following statuses are **NOT** eligible for 250% WDP **UNLESS** they are lawfully living in the United States and were receiving SSI on or before August 22, 1996:
- Voluntary Departure INS Section 242(b)
• Order of Supervision (INA Section 242)
• Registry Alien (INA Section 249)
• Indefinite Stay of Deportation
• Suspension of Deportation (INA Section 244)
• In United States with Permission of INS
• Deferred Action Status
• Indefinite Voluntary Departure
• Extended Voluntary Departure
• Stay of Deportation (INA Section 106)
• Immediate Relative Petition
• Application for Adjustment Status
• Lawful Temporary Resident.

26.2.3 Property Determination

Non-MAGI MC property regulations apply, with several exceptions as described below. Individuals requesting the 250% WDP must have net non-exempt property at or below the property limit. For the 250% WDP the property limit does not increase if there are additional family members in the home.

• The following individual retirement accounts are EXEMPT:

  • Individual Retirement Accounts (IRAs)
  • Work related pension funds administered by an employer or union including deferred compensation and thrift plans, and
  • Plans for self-employed persons such as KEOGH plans.

Note:

The above-mentioned retirement plans will continue to be exempt when an individual is no longer participating in 250% WDP, and is receiving MC program based on age, blindness or disability (ABD-MN). This exemption applies as long as the client is in an ABD-MN aid code. EWs must document that the specific retirement plan continues to be exempt.
• Retained Earned Income is also **EXEMPT** if it is kept in a separately identifiable account.  [Refer to Chapter 26, Section 26.2.5 "Retained Earned Income," page-6]

### 26.2.4 Net Non-Exempt Property Test/SSI Property Test

The net non-exempt property must meet the SSI/SSP property test. To complete the SSI Property Test, the EW must:

Table 26-1: Net Non-Exempt Property Test/SSI Property Test

<table>
<thead>
<tr>
<th>Step</th>
<th>Action</th>
</tr>
</thead>
</table>
| 1.   | Use the “SSI/SSP Property Test Work Sheet for the 250% Working Disabled Program - Adult and Children Applicants” (MC 338 C) to determine the net non-exempt property for the individual.  
[Refer to Chapter 26, Section 26.8 "SSI Methodology," page-18] |
| 2.   | Determine the SSI/SSP property limit. Use the property limit of:  
• $2,000, if the applicant is a child or a single adult  
• $3,000, if the applicant has an eligible/ineligible spouse.  
**Note:**  
The property limit does not increase if there are additional family members in the home. |
| 3.   | Compare the net non-exempt property from Step 1 to the SSI/SSP property limit from Step 2.  
• If the net non-exempt property is less than or equal to the SSI/SSP property limit, the individual passes the SSI Property Test.  
  • Continue to determine eligibility.  
• If the net non-exempt property is more than the SSI/SSP property limit, the individual does NOT pass the SSI Property Test and is not potentially eligible for the 250% WDP.  
  • Evaluate the applicant for other types of MC (i.e., Pickle, A&D FPL and ABD-MN). |

### 26.2.5 Retained Earned Income

Earned Income held in a separately identifiable account is exempt. All retained earned income is exempt property and will continue to be exempt as long as it is held in a separately identifiable account and it is not combined with other non-exempt resources. There is no maximum limitation on the amount that an individual can keep in their separately identifiable account. Proof of the exempt retained earned income and the separation from their personal checking, savings, or other non-exempt resources is required.

Interest income accrued in this retained separate account is not exempt. Accrued interest is non-exempt income in the month received and property the following month.
26.2.6 Income Determination

There are two income tests that need to be completed:

- The SSI Income Test
- The 250% Federal Poverty Level Test.

SSI Income Test

Applicants of the 250% WDP must have net non-exempt income less than the SSI/SSP payment standard. SSI income methodology is used to determine net non-exempt income, except that the applicant's earnings and disability income are exempt for this test. A determination of whether spousal deeming is appropriate is required prior to deeming an ineligible spouse's income to the 250% WDP applicant [Refer to “Supplemental Security Income Methodology Adult Income Eligibility Work Sheet” (MC 326 A (05/07)). Refer to BENDS # 06-13 for a workaround.

To complete the SSI payment standard:

**Table 26-2: SSI Income Test**

<table>
<thead>
<tr>
<th>Step</th>
<th>Action</th>
</tr>
</thead>
</table>
| 1.   | Determine whether the net non-exempt family income of the disabled working applicant is less than 250% of FPL by using one of the following forms:  
  - **For adults**: Use the “SSI/SSP Income Test Work Sheet for the 250% Working Disabled Program - ADULTS” (MC 338 A),  
    OR  
  - **For children**: Use the “250% and SSI/SSP Income Test Work Sheet for the 250% Working Disabled Program - CHILD Applying With or Without Ineligible Parent(s)” (MC 338 B).  
  [Refer to Chapter 26, Section 26.8 "SSI Methodology,” page-18] |
| 2.   | Use the appropriate SSI/SSP Payment Standard for:  
  - One person, if the applicant is a child, a single adult, or a married adult with an ineligible spouse when spousal deeming rules do NOT apply.  
  - Two people, if the applicants are a couple, or a married adult with an ineligible spouse when spousal deeming rules DO apply.  
  [Refer to Chapter 26, Section 26.1.6 "Spousal/Parental Deeming,” page-2] |
Medi-Cal 26. 250% Working Disabled Program

Update #19-07

The family net non-exempt income of a 250% WDP applicant must be below the 250% of the FPL. SSI income methodology is used to determine the family’s net non-exempt income, except that DISABILITY INCOME of the applicant is exempt (i.e., DIB, RSDI payments based on disability, private disability payments, etc.).

To complete the 250% FPL Test, the EW must:

### Table 26-3: 250% FPL Test

<table>
<thead>
<tr>
<th>Step</th>
<th>Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Determine the net non-exempt Family Income based on SSI Methodology by using the following forms:</td>
</tr>
<tr>
<td></td>
<td>• <strong>For adults:</strong> Use the “250% Income Test Work Sheet for the 250% Working Disabled Program - ADULTS” (MC 338), OR&lt;br&gt;• <strong>For children:</strong> Use the “250% and SSI/SSP Income Test Work Sheet for the 250% Working Disabled Program - CHILD Applying With or Without Ineligible Parent(s)” (MC 338 B).</td>
</tr>
<tr>
<td>2.</td>
<td>Determine the appropriate family size for the 250% FPL amount. Use the 250% FPL amount for:</td>
</tr>
<tr>
<td></td>
<td>• One person, if the applicant is a child, a single adult, or a married adult when spousal deeming rules do NOT apply.</td>
</tr>
<tr>
<td></td>
<td>• Two people, if the applicants are a couple or a married adult when spousal deeming rules DO apply.</td>
</tr>
<tr>
<td></td>
<td><strong>Note:</strong> The FPL family size does NOT increase if there are additional family members in the home.</td>
</tr>
</tbody>
</table>

[Refer to Chapter 26, Section 26.8 "SSI Methodology," page-18]
26.2.7 SSA Disability Income that Converts to Retirement Income

SSA disability income that converts to SSA retirement income when clients reach retirement age will continue to be exempt. Retirement income which converts from sources other than SSA will not be exempt. Income from SSA which is not converted from disability income, such as retirement income, when the recipient reaches retirement age will be considered unearned income.

Example:

Ms. Jackson was receiving SSA disability, when she reached retirement age the income converted to SSA retirement income. This income will remain exempt.

Example:

Mr. Pomeroy who is receiving railroad disability income reaches retirement age. His railroad disability converts to retirement income. This income will be considered unearned income as it did not convert from SSA disability income.

Example:

Mr. Carbondale is receiving SSA retirement income, which did not convert from SSA disability. This income will be considered unearned income as it did not convert from SSA disability income.

Verification of the conversion is required. Verification may include the following:

- Any written verification from the SSA office.
- SSA award letter.
- Verbal verification from SSA. EWs must document in Case Comments when verbal verification is received from a Social Security Administration worker.
26.3 Eligibility Determination Procedures

26.3.1 Identifying Potential Eligibles for the 250% WDP

An individual must be disabled and employed in order to qualify for 250% WDP. The following MC individuals must be reviewed for the 250% WDP:

- Any individual requesting the 250% WDP
- Any individual who:
  - Is currently working

**Exception:**

A recipient is allowed one annual 26-week period of unemployment.

- Alleges disability, and
- Does not qualify for MAGI MC or Non-MAGI MC with a zero share-of-cost (i.e., ineligible due to SGA or eligible for ABD-MN with a share-of-cost). The two programs must be explained and the client must be given the option to choose.

26.3.2 Twenty-Six Weeks of Temporary Unemployment

A 250% WDP participant is allowed one 26-week period of unemployment annually. The unemployment period starts from the date the client stopped working. If EWs have other sources of information to document the beginning period of unemployment, i.e. IEVS, EWs may use that as proof of unemployment. Otherwise, self-declaration is sufficient. The EW must follow up on the unemployment status at the end of the 26 weeks. If the participant remains unemployed past 26 weeks, determine eligibility for other MC programs.

**Note:**

Any UIB income received is treated as unearned income.

26.3.3 No Face-To-Face Requirement

A face-to-face interview is NOT required at intake or at the annual redetermination, but may be requested by the individual.
26.250% Working Disabled Program

26.3.4 Informing Requirement

Required Forms

- The notice “Important Information on Sending Your Medi-Cal 250 Percent Working Disabled Program Premium Payments” (MC 0384) describes various requirements relating to the premium payment system and must be provided to ALL eligible individuals at:
  - Initial approval, and
  - Annual redetermination.

  **Note:** Although a face-to-face interview is not required, if the client requests an explanation of this form, the EW must review the content of this form with the client by phone or in person.

- “Important Information Regarding the Medi-Cal 250 Percent Working Disabled Program” (SCD 2315) explains program requirements must be provided to clients at the point of approval of 250% WPD.

26.3.5 Retroactive Benefits

The 250% WDP allows three-months of retroactive eligibility. The client must complete the “Supplement to Statement of Facts for Retroactive Medi-Cal” (MC 210 A) for retroactive 250% WDP coverage. The applicable premium must be paid for each month for which retroactive coverage is requested.

The payment or non-payment of premiums in one or more of the three retroactive months are not a factor in determining whether the client has failed to pay premiums for two consecutive months. If the client fails to pay premiums for any of the retroactive months, there is no discontinuance or penalty period.

26.3.6 Establishing a MEDS Record

If the EW determines that the applicant is eligible for the 250% WDP, the EW must confirm that the 250% WDP aid code appears in MEDS for the client.

The premium amount will show in the share-of-cost (SOC) field on the INQM screen. This screen will show an eligibility status code (ELIG-STAT: three digit code) which reflects whether the month is:

- A month in which full premiums have been paid
- An unpaid retroactive month
• One of the history months (eligibility was reported for a month or months prior to the current MEDS month)

• One of the two months of “exception eligibility” when the recipient has not paid FULL premiums but is still eligible, or

• A month of ineligibility because the recipient has been terminated from the 250% WDP.

**ELIG-STAT Code**

---

**26.3.7 Other Requirements**

Clients requesting or receiving coverage under the 250% WDP must meet all other MC program requirements, including:

• Providing all appropriate information or MC forms (i.e., CCFRM 604, MC 13, etc.)

• Providing any necessary paper verifications
• Completing an annual redetermination
• Maintaining California residency
• Identifying other health coverage
• Completing medical support requirements, when applicable.

26.4 Monthly Premiums

All eligible individuals must pay a monthly premium to be enrolled in the 250% WDP. The premium amount is determined by the family’s net non-exempt income. The monthly premium must be paid even if no medical services are received in a given month. Premiums are paid directly to the DHCS TPL Branch. Premiums are NOT paid to the EW or the County. Premiums are due by the 10th of each month.

Premium Amount in the SOC Field
26.4.1 Premium Amount Determination

Based on the net non-exempt family income determined by the 250% FPL Income Test, the EW may determine the amount of the monthly premium for an eligible individual or couple, when both are eligible for 250% WDP, according to the following chart:

Table 26-4: Premium Amount Determination

<table>
<thead>
<tr>
<th>Net Countable Income</th>
<th>* Premium Amount For One Eligible Individual</th>
<th>** Premium Amount For An Eligible Couple</th>
</tr>
</thead>
<tbody>
<tr>
<td>From</td>
<td>To</td>
<td>$1</td>
</tr>
<tr>
<td>$1</td>
<td>$600 (Maintenance Need for One)</td>
<td>$20</td>
</tr>
<tr>
<td>$601</td>
<td>$700</td>
<td>$25</td>
</tr>
<tr>
<td>$701</td>
<td>$900</td>
<td>$50</td>
</tr>
<tr>
<td>$901</td>
<td>$1,100</td>
<td>$75</td>
</tr>
<tr>
<td>$1,101</td>
<td>$1,300</td>
<td>$100</td>
</tr>
<tr>
<td>$1,301</td>
<td>$1,500</td>
<td>$125</td>
</tr>
<tr>
<td>$1,501</td>
<td>$1,700</td>
<td>$150</td>
</tr>
<tr>
<td>$1,701</td>
<td>$1,900</td>
<td>$175</td>
</tr>
<tr>
<td>$1,901</td>
<td>$2,100</td>
<td>$200</td>
</tr>
<tr>
<td>$2,101</td>
<td>250% of FPL for Two</td>
<td>$250</td>
</tr>
</tbody>
</table>

*This column is for an eligible child, an eligible single adult or a married individual with a spouse when the spouse is not eligible for the 250% WDP.

**Eligibility is based on countable income of both spouses and tested against the FPL for two.

Note: Share of cost provisions are not applicable to the 250% WDP.

Reminder:

The following are two budgeting income clarifications for EWs:

- Use the net countable income for ONE if an individual or child is applying,
- Use the net countable income for TWO if an individual is applying and the spouse’s income is counted or if a couple is applying.
26.250% Working Disabled Program

26.4.2 Premium Collection System

Determining Eligibility and Amount of Premium

CalWIN will determine eligibility and amount of premium for individuals in the 250% WD Program. This information is reported to MEDS via CalWIN interface.

Payment Options

Individuals receiving aid under the 250% WDP have the option to pay their monthly premium by:

- Electronic fund transfer (EFT) free of charge directly to the Department of Health Care Services (DHCS) at www.govone.com/PAYCAL/DHCS, or

- Mail. The individual must write their name and CIN on the check or money order to avoid delays in processing and mail the payment to:

  Department of Health Care Services
  Third Party Liability and Recovery Division
  Working Disabled Program - MS 4720 - Dept. 155
  P.O. Box 997421
  Sacramento, CA 95899-7421

  Note:

  It is very important that the client’s name and CIN is on the payment (check or money order) so that DHCS can immediately credit the client’s account. Premium payments are due by the 10th of each month.

Third Party Liability Branch

TPLB is responsible for collecting the required premium payments and reporting this information to MEDS.

Collection of Premiums

Clients must make the premium payments to the DHCS TPLB.

Premiums will be posted as soon as possible. If a partial premium for a month is received, it will be deposited and reported to MEDS.

MEDS will recognize both full and partial premiums allowing the client to make multiple premium payments in one month.
Information Technology Services Division

Information Technology Services Division (ITSD) will:

- Ensure that the data changes are made to MEDS so that MEDS will track the premium payments.
- Discontinue, with a timely notice, individuals who failed to pay full premiums for two consecutive months and inform the EW by worker alert.

For more information regarding the EFT process and the 250% WDP, see the WDP web page.

26.4.3 Termination of the 250% Working Disabled Program

If full premiums are not paid for two consecutive months, DHCS will:

- Discontinue the client from the 250% WDP
- Issue a timely Notice of Action (NOA) to the client, with appeal rights, informing of the discontinuance from the 250% WDP for failure to pay required premiums. The NOA will inform the client that the EW will automatically redetermine eligibility under other MC programs
- Notify the EW via Worker Alert that the client has been terminated due to non-payment of premiums. Clients are eligible for benefits when “exception eligibility” shows.

Note:

During this two month period, clients will continue to be eligible under the 250% WDP even though full premiums for these months have not been paid. MEDS will have an eligibility status code showing exception eligibility.

26.4.4 Penalty Period

Once DHCS discontinues a client from the 250% WDP for failure to pay full premiums for two consecutive months, there will be a six-month penalty period.

- If the client chooses to re-enroll during the six-month penalty period, the client must pay the premium for the current month and any past due premiums.
- If the client chooses to re-enroll after the end of the penalty period, he/she is considered a new applicant.
26.5 Benefits Identification Card for 250% WDP

Persons eligible for the 250% WDP receive a MC plastic Benefits Identification Card (BIC). MC providers receive the following message “RECIPIENT MEDI-CAL ELIGIBLE WITH NO SHARE OF COST.” This message appears when the provider checks the client’s MC eligibility either by phone or computer.

26.6 Continuing Activities

26.6.1 Reporting Changes

Individual receiving benefits under the 250% WDP must report changes within 10 days. EWs must take action on any known or reported changes.

If a reported change causes ineligibility, evaluate the individual/couple for any other MC program they may be eligible for.

26.6.2 Redeterminations

Clients with 250% WDP must have their eligibility redetermined at least every 12 months. Change in Circumstance apply to 250% WDP clients.

26.6.3 Discontinuance for Reasons Other than Non-payment of Premiums

If a client is discontinued from the 250% WDP for reasons other than non-payment of premiums and does not appeal the decision, he/she is again treated as a new applicant.

26.7 Notices of Action (NOAs)

Notification

The EW must send notification in writing of the applicant’s MC eligibility status and notify the client of any changes in eligibility. A NOA must be issued for approvals, denials, redetermination, changes in premium amounts, or discontinuance of eligibility. In addition when an individual is approved the 250% WDP the “Important Information about Medi-Cal 250 Percent Working Disabled Program Premium
Payment Methods (MC 0384)” must be mailed to the client. The available 250% WDP NOAs are as follows:

- Approval of Benefits as a 250% Working Disabled Individual or Couple (MC 338D)
- Denial of Benefits Under the 250% Working Disabled Program (MC 338G)
- Discontinuance of Benefits Under the 250% Working Disabled Program (MC 338J)

DHCS will generate and send the client a MC Discontinuance NOA for failure to pay full premiums for two consecutive months in the 250% WDP.

### 26.8 SSI Methodology

#### 26.8.1 Determining Net Non-exempt Income

The 250% WD income is determined according to the California Code of Regulations (CCR) Title 22, Article 5, except as follows:

- SSI requirements for treating In-kind Support and Maintenance (ISM) as unearned income are used.
- All disability income, including worker’s compensation, of the working disabled individual is disregarded (i.e., federal, state or private disability income).
- Impairment related work expenses (IRWE) are allowable deduction from earned income. [Refer to Chapter 30, Section 30.18.4 "IRWE," page-52]
- Spousal/parental deeming based on SSI methodology applies. A determination of whether spousal deeming is appropriate is required before deeming an ineligible spouse’s income to the 250% WDP applicant. The spouse’s net non-exempt income must be compared to the current SSI Standard Allocation prior to deeming. If the income is less than the SSI Standard Allocation deeming rules do not apply. If the income is more than the SSI Standard Allocation, deeming rules do apply. Refer to BENDS #06-13 for a workaround.
- One-third of child support received by an applicant who is a disabled child is disregarded before the remainder is treated as unearned income.
- Allow a student deduction of up to $400 per month or $1620 per year from the student’s (working disabled) earned income.
In-Kind Support and Maintenance

ISM includes food, clothing or shelter received by the client. ISM is provided by someone having no legal responsibility for the client. There are two rules used to determine the dollar amount of ISM that an client receives:

- The VTR is the value of one-third of the SSI payment rate, do not include the SSP portion.
  
  **Example:**
  
  A client receives SSI of $300 and SSP of $50, the 1/3 value is $300/3=$100.

- The PMV is the value of one-third of the SSI payment rate, plus $20, do not include the SSP portion.
  
  **Example:**
  
  A client receives SSI of $300 and SSP of $50, the 1/3 value is $300/3=$100+$20=$120.

In-Kind Support and Maintenance - Sharing

- Sharing is determined when the client cannot establish ownership interest or rental liability, and is living and eating with someone other than a spouse or child(ren).

- A client is sharing if their prorated share of the total costs is met. A client who is sharing is not considered as receiving any food or shelter from inside the household.

- Determining the Prorated Share Amount:
  
  - Complete the “Statement of Living Arrangements” (DHS 7044), and
  
  - Average the household expenses and contributions.

**Example:**

Client and one roommate have utilities, food, and rental expenses which total $800 per month. The client must meet his/her 1/2 share of $400 per month worth of the total expenses. The $400 would be his/her prorated share of the expenses.
### Table 71: ISM Most Common Situations and Guidelines to Use VTR or PMV

<table>
<thead>
<tr>
<th>Living Arrangement</th>
<th>VTR: Count 1/3 of SSI (but not SSP) payment level as unearned income</th>
<th>PMV: Count 1/3 of SSI (but not SSP) payment level plus $20 as unearned income</th>
</tr>
</thead>
<tbody>
<tr>
<td>Applicant lives in own home. For example:</td>
<td>VTR does not apply.</td>
<td>Count PMV to the applicant if any combination of food, shelter, or clothing given by a person who is not a responsible relative.</td>
</tr>
<tr>
<td>• He/She and spouse are living at home and have ownership of life estate interest or rental liability,</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• He/She pays prorated share, or</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• All members of the household are receiving public assistance income payments.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Applicant and his/her:</td>
<td>Count VTR as unearned income to the applicant if the other person gives/pays for the applicant’s food and shelter.</td>
<td>If VTR does not apply, count PMV as unearned income to the applicant if the other person gives/pays any other combination of the applicant’s food, shelter, or clothing.</td>
</tr>
<tr>
<td>• Spouse</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Minor child or</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Ineligible spouse (or ineligible parent if applicant is a child) whose income may be deemed to the applicant.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lives in the household of another who is not one of listed above.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Applicant lives throughout the whole month in the household of another person who is not his/her spouse, child, or ineligible spouse/parent.</td>
<td>Count VTR if the other person is giving/paying the applicant’s full and shelter costs.</td>
<td>If no VTR, count PMV if the other person gives any other combination of food, shelter, or clothing. For example, the applicant shares expenses but does not pay prorated share.</td>
</tr>
</tbody>
</table>
Follow These Guidelines When Using the VTR and PMV Method

<table>
<thead>
<tr>
<th>Step</th>
<th>Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Screen for the VTR method first, then go to the PMV method</td>
</tr>
<tr>
<td></td>
<td>[Refer to Chapter 26, Section 26.1.4 “Presumed Maximum Value (PMV),” page-2]</td>
</tr>
<tr>
<td></td>
<td>[Refer to Chapter 26, Section 26.1.8 “Value of the One-Third Reduction (VTR),” page-2]</td>
</tr>
<tr>
<td>2.</td>
<td>Apply the VTR method when the:</td>
</tr>
<tr>
<td></td>
<td>• Client lives in another person’s household for one full calendar month, and</td>
</tr>
<tr>
<td></td>
<td>• Receives both food and shelter from the person he/she lives with, and</td>
</tr>
<tr>
<td></td>
<td>• Lives with a person other than a spouse, child(ren) or someone he/she can deem income to.</td>
</tr>
<tr>
<td>3.</td>
<td>Apply the PMV method when the:</td>
</tr>
<tr>
<td></td>
<td>• Applicant/recipient receives partial or full support from someone who is not a legally responsible relative.</td>
</tr>
<tr>
<td></td>
<td>• Place of residence involves ownership interest or rental liability.</td>
</tr>
<tr>
<td></td>
<td>• Applicant/recipient is sharing food or shelter or does not receive both food or shelter.</td>
</tr>
<tr>
<td></td>
<td>• Applicant/recipient is living in another person’s household but not receiving food and shelter from that person.</td>
</tr>
</tbody>
</table>

26.9 Budgeting Examples

26.9.1 Example I - An Individual

Fabian Saroyan is disabled and receiving the following income:

• RSDI (disability based) $720.00 per month

• Earnings of $519.60 per month

He has the following property:

• An individual retirement account $70,000.00

• Checking account $1,250.00

<table>
<thead>
<tr>
<th>From MC 338: 250% Income Test Work Sheet - Adults</th>
<th>Computation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Applicant’s gross earned income</td>
<td>$519.60</td>
</tr>
<tr>
<td>Minus $65 earned income deduction plus amount unused of $20 “any income deduction”</td>
<td>- $85.00</td>
</tr>
<tr>
<td>Subtotal</td>
<td>$434.60</td>
</tr>
</tbody>
</table>
26.250% Working Disabled Program

26.9.2 Example II - Child With Ineligible Parents

Family consists of a disabled (DDSD) 19 year old woman. She lives with her parents who are both ineligible. Child is receiving worker’s compensation of $568.00 bi-weekly and is earning $300.00 weekly at a local department store. Her parents both work, her father’s gross income is $1,800.00 per month from a full time job, and her mother’s gross income is $475.00 per month from a part-time job.

Child’s property:

- Savings account $1,100.00

Parent’s property:

- Savings account $1,450.00
- Checking account $175.00

<table>
<thead>
<tr>
<th>From MC 338: 250% Income Test Work Sheet - Adults</th>
<th>Computation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Divide subtotal by 2 to get countable earned income</td>
<td>$217.30</td>
</tr>
<tr>
<td>250% Income Eligibility Determination: rounded down</td>
<td>$217.00</td>
</tr>
<tr>
<td>List 250% of the FPL for one (year 2016)</td>
<td>$2,475.00</td>
</tr>
<tr>
<td>Determination</td>
<td>Eligible</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>From MC 338 A: SSI/SSP Income Test Work Sheet - Adults</th>
<th>Computation</th>
</tr>
</thead>
<tbody>
<tr>
<td>SSI payment level for one (in the year 2016)</td>
<td>$733.00</td>
</tr>
<tr>
<td>Determination</td>
<td>Eligible</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>From MC 338 C: SSI/SSP Property Test Work Sheet - Adults and /Child Applicants</th>
<th>Computation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Applicant’s net non-exempt property</td>
<td>$1,250.00</td>
</tr>
<tr>
<td>Property limit for one person</td>
<td>$2,000.00</td>
</tr>
<tr>
<td>Determination</td>
<td>Eligible</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>From Premium Amount Chart</th>
<th>Premium Amount For One Eligible Individual</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net countable income from $1 to $600 (applicant’s net income $217 from MC 338)</td>
<td>$20.00</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>From MC 338 B: 250% &amp; SSI/SSP Income Test Work Sheet - Child</th>
<th>Computation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross earned income (from parents: $1,800 + $475)</td>
<td>$2,275.00</td>
</tr>
</tbody>
</table>
### Example III - Eligible Individual With Ineligible Spouse (aged)

The family consists of father, mother and a pair of twins who are 16 years old. Father is disabled, receiving RSDI (disability based) and working part-time earning $530.00 per month. Mother is also working and earns $1,380.00 per month. The married couple have a bank account with a current

---

#### From MC 338 B: 250% & SSI/SSP Income Test Work Sheet - Child

<table>
<thead>
<tr>
<th>Computation</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Minus $65 earned income deduction plus amount unused of $20 &quot;any income deduction&quot;</td>
<td>- $85.00</td>
</tr>
<tr>
<td>Subtotal</td>
<td>$2,190.00</td>
</tr>
<tr>
<td>Divide by 2 to get countable earned income</td>
<td>$1,095.00</td>
</tr>
<tr>
<td>Enter parental deduction (SSI/SSP payment level for two parents, in the year 2016)</td>
<td>$1,265.00</td>
</tr>
<tr>
<td>Allocation amount to Potential 250% WD Child</td>
<td>$0.00</td>
</tr>
<tr>
<td>Child's gross income</td>
<td>$1,299.00</td>
</tr>
<tr>
<td>Minus $65 earned income deduction plus amount unused of $20 &quot;any income deduction&quot;</td>
<td>- $85.00</td>
</tr>
<tr>
<td>Subtotal</td>
<td>$1,214.00</td>
</tr>
<tr>
<td>Divide by 2 to get net non-exempt earned income</td>
<td>$607.00</td>
</tr>
<tr>
<td>List 250% of current FPL for one (in the year 2016)</td>
<td>$2,475.00</td>
</tr>
<tr>
<td>Does the child meet the 250% income test</td>
<td>Yes/Eligible</td>
</tr>
<tr>
<td>Enter the SSI/SSP payment level for one (in year the 2016)</td>
<td>$733.00</td>
</tr>
<tr>
<td>Does the child meet the SSI/SSP income test</td>
<td>Yes/Eligible</td>
</tr>
</tbody>
</table>

#### From: MC 338 C: SSI/SSP Property Test Work Sheet - Adults and/Child Applicants

<table>
<thead>
<tr>
<th>Computation</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Parental allocation. Only consider the net non-exempt property</td>
<td>$1,625.00</td>
</tr>
<tr>
<td>Enter the property limit for two (two parents in the home)</td>
<td>$3,000.00</td>
</tr>
<tr>
<td>Total allocation to child</td>
<td>$0.00</td>
</tr>
<tr>
<td>Enter child's own net non-exempt property</td>
<td>$1,100.00</td>
</tr>
<tr>
<td>Enter the property limit for one</td>
<td>$2,000.00</td>
</tr>
<tr>
<td>Does the child meet the property requirement</td>
<td>Yes/Eligible</td>
</tr>
</tbody>
</table>

#### From Premium Amount Chart

<table>
<thead>
<tr>
<th>Computation</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net countable income from $601 to $700 (applicant's net income $607.00 from MC 338)</td>
<td>$25.00</td>
</tr>
</tbody>
</table>

---

**26.250% Working Disabled Program**
balance of $1,785.00. The husband has a retirement account through his employment that has a value of $15,000. Spousal deeming rules apply for this situation.

<table>
<thead>
<tr>
<th>From MC 338: 250% Income Test Work Sheet - Adults</th>
<th>Individual</th>
<th>Ineligible Spouse</th>
</tr>
</thead>
<tbody>
<tr>
<td>Enter applicant’s gross earned income, and if deeming applies, enter ineligible spouse gross earned income</td>
<td>$530.00</td>
<td>$1,380.00</td>
</tr>
<tr>
<td>Minus allocation to ineligible children from ineligible spouse. $217 Standard SSI Allocation per child (2X $217=$514)</td>
<td>- $514.00</td>
<td></td>
</tr>
<tr>
<td>Subtotal</td>
<td></td>
<td>$866.00</td>
</tr>
<tr>
<td>Combined earned income (column 1 + column 2)</td>
<td>$1,396.00</td>
<td></td>
</tr>
<tr>
<td>Enter any IRWE of potential 250% applicant</td>
<td>$0.00</td>
<td></td>
</tr>
<tr>
<td>Subtotal</td>
<td>$1,396.00</td>
<td></td>
</tr>
<tr>
<td>Minus $65 earned income deduction plus amount unused of $20 “any income deduction”</td>
<td>-$85.00</td>
<td></td>
</tr>
<tr>
<td>Subtotal</td>
<td>$1,311.00</td>
<td></td>
</tr>
<tr>
<td>Divide by 2 to get countable earned income</td>
<td>$655.50</td>
<td></td>
</tr>
<tr>
<td>Total countable income</td>
<td>$655.50</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>From MC 338: 250% Income Test Work Sheet - Adults (continuation)</th>
<th>Computation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Enter gross unearned amount for ineligible spouse</td>
<td>$1,380.00</td>
</tr>
<tr>
<td>Minus allocation to ineligible children from ineligible spouse</td>
<td>- $514.00</td>
</tr>
<tr>
<td>Subtotal</td>
<td>$866.00</td>
</tr>
<tr>
<td>Spousal Deeming Applies</td>
<td>Yes</td>
</tr>
<tr>
<td>Enter total countable income from previous section, round down</td>
<td>$655.50</td>
</tr>
<tr>
<td>List 250% of FPL. If there is spousal deeming, use FPL for two (in the year 2016)</td>
<td>$3,338.00</td>
</tr>
<tr>
<td>Determination</td>
<td>Yes/Eligible</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>From: MC 338 A: SSI/SSP Income Test Work Sheet - Adults</th>
<th>Computation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ineligible spouse’s earned income after allocation to ineligible children</td>
<td>$866.00</td>
</tr>
<tr>
<td>Minus $65 earned income deduction plus amount unused of $20 “any income deduction”</td>
<td>- $85.00</td>
</tr>
<tr>
<td>Subtotal</td>
<td>$781.00</td>
</tr>
<tr>
<td>Divide by 2 to get ineligible spouse’s net earned income</td>
<td>$390.50</td>
</tr>
<tr>
<td>Total income considered for the SSI/SSP Income Test</td>
<td>$390.50</td>
</tr>
</tbody>
</table>
26.10  CalWIN Entries

26.10.1  Collect Case Individual Detail

The 250% WDP is optional and the client must agree to pay the premium to maintain zero SOC MC. The EW must enter Y or N in the Client’s choice about 250% WD [Y/N] field on the [Other Information] tab of the Collect Case Individual Detail window.
26.10.2 Twenty-Six Weeks of Temporary Unemployment Entries

To prevent CalWIN from discontinuing the client from the 250% WDP when income stops for up to 26 weeks, the EW must follow these steps:

1. When the client reports that he/she has stopped working, but plans to return to work, the EW should end date employment. The EW must terminate the income in the Display Earned Income Detail window by adding a record indicating the client is earning $0.00.

2. A case alert should be set for 26 weeks as of the date the client reported the employment stopped. The EW must reevaluate the client’s employment status at the end of the 26 weeks, and take appropriate action depending on the employment status.
26.2603 Separately Identifiable Account Entries

The client may keep earned income in a separately identifiable account as long as it is not combined with other resources.

EW steps:

1. To prevent the separately identifiable account from counting in the client’s property reserve, the EW must identify the bank account in CalWIN as a type of account that is exempt, such as a business account.

2. To identify such an account, the user accesses the [Liquid Asset Ownership Detail] tab of the Collect Liquid Asset Detail window in Data Collection.

3. Check the radio button for business then select the reason in the drop down menu Necessary for Employment/SelfSup and seek empl.

4. Indicate the account is unavailable by entering a No in the Available box.
26.10.4 Conversion of RSDI Disability to RSDI Retirement Entries

RSDI Social Security Disability income that converts to Social Security Retirement income when the client reaches retirement age is exempt, depending on the individual's eligibility to receive RSDI Retirement. CalWIN will use the retirement income in determining eligibility. The workaround is to keep the amount as RSDI-Disability, and use a Special Indicator to identify these cases.

EW steps:

1. A person is to be considered Aged on the first of the month they turn age 65. CalWIN is programmed to evaluate a person as Aged according to this regulation and will no longer evaluate the person as Disabled unless Disability entries are made on the Collect Disability/Medical Conditions Detail.

2. If the client being discontinued or Denied the 250%WDP is age 65 or older is deemed Disabled by SSA, the EW must update the [Diagnosis] tab of the Collect Disability/Medical Conditions Detail window with an Other-Presumptive diagnosis in order for CalWIN to continue to evaluate the person as Disabled.

Reminder:

These entries must be made in advance to prevent a client from being discontinued during an automated Batch run.
26.11 Questions and Answers

**Question 1:** Are family members who are not disabled or Medically Needy in the MFBU with the 250% WDP eligible individual?

**Answer 1:** No. The 250% WDP eligible individual is in his or her own MFBU. H/She is treated as an “Other Public Assistance” eligible client. Exception: A couple that are both eligible for the 250% WDP are in the same MFBU.

**Question 2:** Can the 250% WDP eligible individual be ineligible in his/her family’s MFBU?

**Answer 2:** No, eligibility must be evaluated for all requesting family members first. If the entire family is ineligible, the working disabled individual must be offered the 250% WDP. If the individuals agrees to the program and the premium, an eligibility determination must be completed. If he/she is eligible, he or she is considered “other PA” and is in his/her own MFBU. The rest of the family is reviewed again for other programs without the 250% WDP individual included in the MFBU.

**Question 3:** Are 250% WDP child applicants required to be working or just disabled with working parents?

**Answer 3:** A child must meet the same work requirements as an adult to be eligible for the 250% WDP.

**Question 4:** Whose MFBU would a 250% WDP disabled child be in, if a parent also qualifies for the program?

**Answer 4:** The 250% WDP disabled child is considered a single individual and will be in his/her own MFBU.
**Question 5:** Should the EW evaluate an applicant for the 250% WDP if he/she has been denied under the SGA rules?

**Answer 5:** Yes, SGA does not apply to the 250% WDP.

**Question 6:** What are the reporting requirements for the 250% WDP?

**Answer 6:** All changes must be reported within 10 days and at the yearly redetermination.

**Question 7:** If the family of a 250% WDP client report changes in income, does the EW also update the income/eligibility for the 250% WDP client?

**Answer 7:** Yes.

**Question 8:** Will the Department of Health Care Services (DHCS) discontinue the client for client request, death of client, loss of legal residence or loss of contact?

**Answer 8:** No. If such information is provided to DHCS, the information will be forwarded to the EW for action. DHCS will only discontinue clients for failure to pay premiums.

**Question 9:** Is there a Medicare Part “B” buy-in provision for the 250% WDP?

**Answer 9:** Yes, the 250% WDP individuals are entitled to a State Part “B” buy-in.

**Question 10:** How is “work” defined for 250% WDP eligibility?

**Answer 10:** For the 250% WDP only: “work” is not defined. Individuals must only provide proof of employment (pay stubs or written verification). If the individual is self-employed, he/she is required to provide records that substantiate “work”. For independent contractors the IRS form 1099 is acceptable. An individual is considered working if he/she is receiving vacation or sick leave from the employer.

**Question 11:** Can a 250% WDP eligible individual qualify for In-Home Supportive Services (IHSS)?

**Answer 10:** The 250% WDP does not affect IHSS, if the client is otherwise eligible for IHSS.