

## 19. Non-MAGI Linkage and MFBUs

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### 19.1 Non-MAGI Linkage

Eligibility for Medi-Cal (MC) must be determined in a specific order known as the MC Hierarchy. Individuals who are not eligible for Mega-Mandatory MC must be evaluated for MAGI MC, and if they are ineligible for MAGI they will be evaluated for Non-MAGI MC Optional Categorical programs. [\[Refer to MC HB ch. 1\]](#).



#### Exception:

If an individual is found eligible for MAGI, they still have the right to request evaluation for Non-MAGI and choose the Non-MAGI aid code if all eligibility criteria are met.

Medically Needy (MN) and Medically Indigent (MI) are the two categories of optional Non-MAGI programs. The next two sections provide information on linkage requirements for each of the programs under these two categories.

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### 19.2 Medically Needy

#### 19.2.1 AFDC-MN

Linkage for the AFDC-MN program is established by the parent/caretaker living with the child or children for whose care the parent/caretaker relative has primary responsibility. For linkage purposes, a child is defined as a non-disabled individual who is under the age of 21 or a disabled individual under the age of 18.

The following individuals may be eligible for Medi-Cal (MC) under the AFDC-MN Program:

- A child(ren) who is living with a parent or caretaker relative
- The parent(s) of the child(ren)
- The nonparent caretaker relative of the child(ren)
- A caretaker relative of a child who is receiving PA
- A parent/caretaker relative of a child in a facility as long as that parent/caretaker still exercises care and control of the child.

**Note:**

When a nonparent caretaker relative has his/her own linkage factor (ABD) he/she may choose to be included in the children's Medi-Cal Family Budget Unit (MFBU) or in a separate MFBU.

**Example:** Grandmother (age 66) requests MC for herself and her grandchildren. There is no spouse or children of her own in the home. She may be linked to the grandchildren and included in the same MFBU with them unless she requests otherwise because she has her own linkage (i.e. aged). If she does not request MC she is not included in the MFBU. (If the grandchildren are receiving PA, the Grandmother is the only person in an MFBU of 1)

## Treatment of Income and Property

In households where there is an MFBU which contains a nonparent caretaker relative and related children and the spouse or children of the caretaker either do not request MC or do not receive PA and do not appear in any MFBU, no income or property of the caretaker's spouse or own children is counted other than income which is actually contributed to the MFBU.

The EW must ask the caretaker relative if any of the spouse's or children's income or property is contributed and available to the caretaker. Count only that income or property that is declared to be available.

### 19.2.2 ABD-MN

Individuals have linkage to ABD-MN if they are aged, blind, or disabled.

#### Aged

Individuals are aged if they are 65 years of age or older. Individuals are considered to be 65 years of age on the first day of the month in which they reach 65.

#### Blind

Individuals are considered blind if there has been a medical determination that they have either of the following conditions:

- Central visual acuity of no more than 20/200 with best possible correction, or
- Tunnel vision with a limited visual field of 20 degrees or less.

Determination of blindness must be made by the Disability Determination Service Division (DDSD) prior to approval of MC eligibility under this program. [\[Refer to "DDSD," page 22-1\]](#)

**Note:**

If client has previously been determined to be disabled, a DDS is not required because they already have linkage to the ABD-MN program.

### 19.2.3 Disabled

Individuals 18 years of age or older are disabled if they are either of the following:

- Unable to engage in any substantial gainful activity because of a physical or mental impairment which:
  - Can be expected to result in death, or
  - Has lasted or can be expected to last for a continuous period of at least 12 months.
- Engaging in substantial gainful activity and meet both of the following conditions:
  - Were eligible for SSI/SSP but became ineligible due to engagement in substantial gainful activity, and
  - Continue to suffer from the physical or mental impairment which was the basis of the disability determination.

**Note:**

Children who are under 18 years of age are considered disabled if they have any medically determinable physical or mental impairment of comparable severity to that which would make an adult disabled.

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## 19.3 Medically Indigent

A Medically Indigent person is one who does not qualify under any other MC program (including MAGI).

There are two categories of Medically Indigent individuals:

- Medically Indigent Adult Exceptions (MIA-X's)
- Medically Indigent Children (MICs)

For purposes of this section, individuals are considered 21 years of age on the first day of the month following the month in which they reach age 21, unless they turn 21 on the first day of the month.

### 19.3.1 MIA Exceptions

To qualify as potentially eligible as a MIA Exception, the person must be between 21 and 64 years old, and must meet at least one of the following conditions at the time of application:

- Be in a skilled nursing facility or intermediate care facility
- Be a refugee with less than 8 months residency
- Be a pregnant woman

### 19.3.2 Medically Indigent Child

Medically Indigent Children (MICs under age 21):

- Are neither linked to, nor a recipient of PA
- A child who is not eligible as an AFDC-MN person because s/he is not living with a relative

#### Blind or Disabled Child

A person under 21 who meets the definitions of blind or disabled may choose to apply and receive MI. However, in most cases, ABD-MN status is preferred due to budgeting differences which may lower the share of cost (SOC). The choice to apply as MI or ABD can be made by a person acting on behalf of the child under 21.



#### Reminder:

A disabled person who is age 18 or older is considered an adult.

#### Foster Children

Children in Foster placement living in California and placed by California are eligible for MC:

- On the basis of the information provided by the public agency on form MC 250.
- Without consideration of the property or income of the child's natural or foster parents.

#### Adopted Children

Children under the Aid for Adoption of Children program living in California and placed by California are eligible for MC.

## Other Foster/Adopted Children

Children who are federally eligible under the Adoption Assistance Program (AAP) or Foster Care Program (FCP) and are not living in California must receive Medicaid from the state in which they reside.

AAP or FCP federally eligible children placed by another state and living in California are eligible for MC.

### 19.3.3 Treatment of MIA Pregnant Women

If a pregnant woman is verified as being temporarily disabled (receiving SDI, has doctor's statement, etc.), then she has AFDC-MN linkage in those month(s) only. The month after the temporary disability ends, the woman would then become a MIA exception (if pregnant) or an ineligible MIA if no other linkage exists. Issue 60-Day Postpartum benefits if not otherwise eligible for full-scope benefits. [\[Refer to "60-Day Postpartum Program," page 30-1\]](#)



#### Note:

MIA pregnant women are granted aid code 86 (No SOC) or 87 (SOC).

### 19.3.4 Eligibility for the Newborn

If the mother remains eligible for full-scope MC, the newborn may receive services authorized by the mother's card for the month of birth and for the following month. Due to "Deemed Eligibility" (DE) rules, most newborns are automatically deemed eligible for Medi-Cal at birth until age one. [\[Refer to Chapter 35\]](#)

The 60-Day Postpartum Program provides restricted benefits only to the mother. Services to the newborn are not covered by the Postpartum card.

The Medi-Cal Family Budget Unit (MFBU) consists of those individuals who will be included in the Medi-Cal eligibility and SOC determination. Refer to the following for definitions of MFBU members.

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## 19.4 Non-MAGI MC MFBUs

Refer to the following definitions for individuals potentially included in an MFBU.

### Adult

- An individual 21 years of age or older.

- A blind or disabled individual 18 to 21 years of age, living in the home of a parent and not currently enrolled in school.
- An individual who is 18 to 21 years of age, who is not living in the home of a parent or caretaker relative and not claimed as a tax dependent by parent(s).
- An individual 14 to 18 years of age who is not living with a parent or caretaker relative and who does not have a parent, caretaker relative or legal guardian handling any of his/her financial affairs.

## Child

- An individual under 21 years of age (married or unmarried) who lives with a parent(s) or caretaker relative.

**Note:**

A blind or disabled person 18 to 21 years of age, living in the home of a parent and not in school, is considered an adult.

- An individual (married or unmarried) 18 to 21 years of age who is living away from home and being claimed as a tax dependent by parent(s). [Refer to “Tax Dependency,” page 19-8]

**Note:**

This includes an 18 to 21 year old receiving out-of-home care and claimed by the parent as a tax dependent.

- An individual 14-18 years of age living away from home, who has a parent, caretaker relative or legal guardian handling any of his/her financial affairs.
- Any individual under 14 years of age, regardless of living situation.
- An unborn is considered a child for Medi-Cal purposes.

## Responsible Relative

The responsibility of a relative to contribute to the cost of health care services of an MC applicant or recipient is limited to the following:

- Spousal responsibility occurs when the spouses are living together in the home.
  - If one or both of the spouses is in Long Term Care (LTC) or board and care, the spouses income and property must be considered available in determining each others eligibility and SOC, depending on the composition of the MFBU.

- If neither of the spouses is in LTC or board and care, but the spouses are living apart, the spouses must have their eligibility and SOC determined as single individuals the day following the separation. This cannot be a temporary separation.
- Parental responsibility occurs when the children are living in the home, with the exception of minor consent.
- Relative responsibility occurs when children living in or away from the home are:
  - 18-21 years of age, and
  - Claimed as a dependent by a parent(s) in order to receive a tax credit or deduction for state or federal income tax purposes.

**Note:**

There is no parental responsibility for a child applying for Minor Consent Services. There is no parental responsibility for children under 18 years of age, living away from home and handling ALL their own affairs, whether or not claimed as a tax dependent by parents.

- If a couple is divorced and living together, they are treated as unmarried parents. They are not financially responsible for one another.
- Domestic partners are not financially responsible for each other except for any income that they may contribute to the household in excess of their share of the expenses.

**Caretaker Relative**

- A caretaker relative is a relative in the home who provides care and supervision to a child only when there is no natural or adoptive parent in the home.
- Legal guardianship does not constitute status as a caretaker relative. Therefore, legal guardianship has no bearing on MFBU composition or linkage.

**Family Member**

- Family member means the following individuals living in the home:
  - A child or sibling children.
  - The parents (married or unmarried) of the sibling children.
  - The stepparents of the sibling children.

- The separate children of either unmarried parent, married parent or stepparent.

**Note:**

If there are no children, family member means a single person or a married couple

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## 19.5 Tax Dependency

The following rules apply:

- Any child aged 20 or younger who is not blind or disabled living with his/her parents whether or not claimed as a tax dependent, and regardless of marital status, is considered to be a child.
- If a child under 18 years of age is claimed as a tax dependent by absent parents, parental responsibility is limited to the actual parental contributions from the absent parent, which must be counted as available to the child.
- Emancipation status has no bearing on any Medi-Cal determination.
- A deprived child who is living away from home and does not plan to return to the parent's home state cannot provide linkage to parents even if he/she is claimed as a tax dependent. However, if the deprived child intends to return to his/her parent's home, linkage can be established for the parents.
- Tax dependency must be explored for the following:
  - Any persons 18 to 21 years of age, living away from home.
  - Any persons under 18 years of age living away from home.
  - Minor parents, living away from home.
  - Children living with a caretaker relative or legal guardian.
- Tax dependency requirements DO NOT apply to any child applying for Medi-Cal under Minor Consent Services.

### Determining Maintenance Need Level

To determine a Maintenance Need level when a family includes a tax dependent child(ren) living away from home, use the following steps:

- Determine the maintenance need for the parent's household.
- Determine the maintenance need for the child's household.
- Add the two or more maintenance needs. This is the total maintenance need for the entire MFBU.



Example #1

A family is composed of mother, father, son and daughter at home and one child living separately who is claimed as a tax dependent by the parents. The maintenance need is computed as follows:

Maintenance Need for 4	= 1100	
Maintenance Need for 1	= <u>600</u>	
	1700	combined maintenance need for single MFBU.

Example #2

A family is composed of a mother, son and daughter at home and two children, each in his/her own housing, and living separately from the rest of the family. Both of these children are claimed as tax dependents by their mother.

Maintenance Need for 3	= 934	
Maintenance Need for 1	= 600	
Maintenance Need for 1	= 600	
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	2134	combined maintenance need for single MFBU.

**19.5.1 Individuals 18-21 Years of Age**

**Living at Home**

Any person 18 to 21 years of age (not blind or disabled) living at home is considered a child in the MFBU, regardless of marital status or tax dependency status (or whether or not they have been emancipated).

- The parent(s) with whom the child lives is the responsible relative.
- The child must be included in the parent's MFBU.

In a situation where an 18-21 year old lives with one parent but is claimed by the absent parent for income tax purposes, both parents are responsible relatives.

- The absent parent must be included as an ineligible member of the MFBU and his/her income and property considered in the eligibility determination.

- The parent, who is applying for the child and who states that the child is claimed as a tax dependent by the absent parent, must be able to give the Eligibility Worker (EW) enough information for the EW to contact the absent parent to obtain information required to determine eligibility.

If the absent parent has remarried and wishes to apply for their present family:

- That parent would be a member of both their present family's MFBU and the former family's MFBU.
- The absent parent's income would be counted in both MFBU's.
- Eligibility would need to be determined for individuals in each MFBU according to current regulations.

### **Living Away from Home**

A unmarried/married, divorced or separated individual 18-21 years of age living away from home and claimed as a tax dependent by a parent(s) is considered a child. The claiming parent(s) is the responsible relative. The child is ineligible to receive MC on his/her own case. Advise the child that the parent(s) must apply for MC for him/her.



#### **Exception:**

The child may have an MC case in California if parents live out of state. The parent(s) and any siblings would be ineligible members in the child's MFBU.

### **Parent Lives in California**

A child 18-21 years of age determined to be claimed a tax dependent by his/her parent, must be included in the claiming parent's MFBU. There is one MFBU, even though the child and parent live apart.

The county of responsibility for determining MC for a family which includes a child 18-21 years of age living away from home, who is claimed by the parent as a tax dependent, will be:

- The county in which the family's residence is located.
- The county of the child's physical presence if the family's residence is unclear.

### **Parent Lives Out of California**

If the parent(s) of an 18-21 year old tax dependent child lives in another State, the MC application is processed by the county where the child resides.

Advise the child whose parent(s) live out of state that the application documents can be forwarded to the parent if they wish to pursue the request for MC. When the application is submitted:

- The parent(s) must respond within the time limits required by the application or redetermination process.
- If the parent(s) does not respond in time, the application must be denied or MC discontinued, unless good cause for the delay exists.



**Note:**

The unmarried/married, divorced or separated individual 18-21 years of age living away from home and not claimed as a tax dependent by parent(s) is considered an adult. The individual's MC application is processed as requested.

## 19.5.2 Individuals Under 18 Years of Age

### Living at Home

Any individual under 18 years of age living at home is considered a child in the MFBU.

- The parent(s) with whom the child lives is the responsible relative.
- The child must be included in the parent's MFBU.

### Living Away from Home

An individual under 18 years of age living away from home and handling all of his/her financial affairs (whether or not claimed as a tax dependent) is considered an adult.

- He/she will be in his/her own MFBU.
- Parental responsibility does not apply, even if claimed as a tax dependent by parents. Only actual parental contributions are included as available income.

An individual under 18 years of age living away from home, with a parent, caretaker relative or legal guardian handling some or all of the minor's financial affairs is considered a child.

- The individual who is handling the child's financial affairs must apply for MC on the child's behalf.
- There is no parental responsibility when a caretaker relative claims a child as a tax dependent. Parental responsibility only extends to the parent (natural or adoptive) of the child.

## 19.6 Charts

### Unmarried Individuals Under 21

Table 19-1:

Living Situation	Age	Claimed as a Tax Dependent by Parent(s)?		Who Applies for Medi-Cal?	Status	
		Yes	No		Adult	Child
Independent living situation, away from parent's home; unmarried.	18-21 year old		X	18-21 year old	X	
		X		Parent		X
	Under 18 year old handling all own financial affairs.		X	Under 18 year old	X	
		X		Under 18 year old	X	
		Under 18 year old with a parent, caretaker relative or legal guardian handling some or all child's financial affairs.		X	Parent, caretaker relative or legal guardian. If they will not and public agency refuses, under 18 year old may apply.	
X			Same as above		X	
Attending school away from parent's home; unmarried.	18-21 year old who returns home when not in school and considers the parent's home his home.	X		Parent		X
			X	Parent		X
	18-21 year old who handles his own financial affairs and considers himself to be living on his own.	X		Parent		X
			X	18-21 year old	X	
	Under 18 year old handling all his own financial affairs.	X		Under 18 year old	X	
			X	Under 18 year old	X	
	Under 18 year old with parent handling his financial affairs.	X		Parent		X
			X	Parent		X
Living at home; unmarried.	18-21 year old	X		Parent		X
			X	Parent		X
	Under 18 year old	X		Parent		X
			X	Parent		X

**Married, Divorced or Separated Individuals Under 21**

**Table 19-2:**

Living Situation	Age	Claimed as a Tax Dependent by Parent(s)?		Who Applies for Medi-Cal?	Status	
		Yes	No		Adult	Child
Independent living situation, away from parent's home; married, divorced or separated.	18-21 year old		X	18-21 year old	X	
		X		Parent		X
	Under 18 year old handling ALL own financial affairs		X	Under 18 year old	X	
		X		Under 18 year old	X	
Attending school away from parent's home; married, divorced or separated.	18-21 year old who returns home when not in school and considers the parent's home his home.	X		Parent		X
			X	18-21 year old	X	
	18-21 year old who handles his own financial affairs and considers himself to be living on his own.	X		Parent		X
			X	18-21 year old	X	
	Under 18 year old handling ALL own financial affairs	X		Under 18 year old	X	
			X	Under 18 year old	X	
Living at home; married, divorced or separated.	18-21 year old	X		Parent		X
			X	Parent		X
	Under 18 year old	X		Parent		X
			X	Parent		X

**19.7 Common-Law Marriage**

Although California does not recognize Common-Law Marriage, for the purposes of MC, any out-of-state marriage between individuals is valid as long as it is valid where it was contracted or performed. In cases in which there was no formal marriage, it may be that a common-law marriage was established in another state. For the purpose of MC eligibility, common-law marriages are treated the same way as regular marriages. Common-Law Marriages can be verified by any formal documentation or by sworn statement.

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## 19.8 Same-Sex Spouses and Registered Domestic Partners

In 2015, the U.S. Supreme Court held that same-sex marriages are valid, regardless if State law recognizes them. Effective June 26, 2013, all same-sex couples are treated the same as opposite-sex couples for Non-MAGI MC eligibility.

**Note:**

This decision does not affect the policy for Registered Domestic Partners (RDPs).

### Registered Domestic Partners

Effective January 1, 2005, AB 205 extended the rights and responsibilities of a spouse under state law to RDPs. AB 205 also extended these rights and responsibilities to a member of a legal union validly formed in another jurisdiction that is equivalent to a California RDP.

A Registered Domestic Partnership exists when:

- Two individuals of the same sex complete a notarized Declaration of Domestic Partnership that is signed by both partners and filed with the Secretary of State
- Two individuals of the opposite sex complete a notarized Declaration of Domestic Partnership that is signed by both partners and filed with the Secretary of State AND one or both of the individuals is over age 62.
- A legal union between two individuals of the same sex, other than a marriage that was validly formed in another state, is also valid in California if it is substantially equivalent to a registered domestic partnership as defined by AB 205.

**Note:**

For MC purposes, domestic partners are not required to verify their status. They only need to indicate on the application that they are domestic partners and then sign under penalty of perjury.

### Eligibility for Medi-Cal

Federal law does not recognize RDP relationships, however, RDP rights and responsibilities under AB 205 apply for State-only funded MC programs that are not based on federal law.

RDPs are not eligible for federal MC benefits unless:

- They are a natural or adoptive parent of a child in the MFBU
- The name of both RDPs appear on the child's birth certificate
- They can establish eligibility linkage on their own behalf (e.g., by being aged, blind, disabled, pregnant, etc).

The RDP may be eligible for certain state-funded MC programs because he/she is treated as a spouse under state law. These state only programs include:

- Dialysis Program - Dialysis and supplemental dialysis-related services (Aid Code 71)
- Total Parenteral Nutrition (TPN) Program - TPN only services of the Special Treatment Program (Aid Code 73)
- The Medically Indigent Adults in Long-Term Care (LTC) program - LTC for individuals who have no linkage to federal programs (Aid Code 53)
- Minor Consent program - Confidential services for individuals under 21 who meet the definition of a child. (Aid Codes 7M, 7N, 7P, 7R)
- State-funded Breast and Cervical Cancer Treatment Program (BCCTP) - Breast cancer treatment for 18 months; cervical cancer treatment for 24 months for those individuals not eligible for the federal BCCTP.

If the RDPs have a mutual child (a natural/adopted child of one RDP that has been adopted by the other RDP), or the name of both RDPs appear on the child's birth certificate, treat both parents as unmarried parents of the child when determining MC.

California RDPs have the same rights, protections and benefits, and are subject to the same responsibilities, obligations and duties under law granted to and imposed upon spouses in civil marriages.

Each RDP must establish his/her own federal MC eligibility without considering the presence of the other RDP. If no federal eligibility exists, treat the RDPs as spouses for purposes of determining eligibility for one of the State-only programs described above.

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## 19.9 Caretaker Relative Rules and Requirements

The following rules apply to caretaker relatives:

- Only one non-parent caretaker relative may be linked to a child. If there is more than one child in the household and they are not siblings, each caretaker may be linked to a different child. The caretakers would be in separate budget units with their related child. The spouse for spouse responsibility rule does not apply.
- A caretaker relative is not required to be in the MFBU if he/she is not requesting MC benefits for himself/herself.
- A caretaker relative with his/her own deprived child and a related child may choose to be linked to either his/her own child or the related child.
- If a relative of a child had his/her marriage annulled, the former spouse of the relative cannot be considered a caretaker relative
- Caretaker relatives of children receiving Public Assistance (e.g., CalWORKs, Foster Care, SSI) has AFDC-MN linkage and may qualify for MC benefits for themselves, if otherwise eligible.

Children who are receiving PA are not in the MFBU with the caretaker relative. For the MN program, children under 21 living in the home with the senior parent is considered a child. Therefore, a senior parent has MN linkage if the minor parent and the minor parent's child are receiving CalWORKs. [\[Refer to MN/MI Section\]](#)

### 19.9.1 Relationship to Child

The caretaker relative must be related to the applicant or eligible child by any of the following relationships:

- Biological Relatives
  - Parent (1st degree)
  - Grandparent or sibling (2nd degree)
  - Great grandparent, uncle or aunt, niece or nephew (3rd degree)
  - Great-great grandparent, great uncle or aunt, or first cousin (4th degree)
  - Great-great-great grandparent, great-great uncle or aunt, or first cousin, once removed (5th degree).
- Step Relatives
  - Stepfather
  - Stepmother
  - Stepbrother/sister
- Spouses of Relatives
  - Spouses of any person named above, even after the marriage has been terminated by death or divorce.



- Adoptive Relatives
  - A person who legally adopts the child, or that person's relatives, as specified above.

When a child has been relinquished, adopted or parental rights are terminated, use the “AFDC Caretaker Relative Documentation Chart” (SCD 1383) to determine if appropriate caretaker relative relationship exists.



**Reminder:**

A relative may be the caretaker relative only if the child's parent is not living in the home.

## 19.10 Joint Custody Rules

Periods of time spent in the home of the parent who is not the caretaker parent will be considered temporary absences. The EW must see a copy of the divorce decree to verify custody time periods.

When a child stays for alternate periods of one month or less with each of his/her parents who are separated or divorced, the following rules apply:

- The parent with whom the child stays for the majority of the time is the caretaker relative in most instances. The temporary absence of the parent or the child from the home does not affect this determination.
- The parent with whom the child stays for less than the majority of the time may be the caretaker relative, if that person can establish that he/she has majority responsibility for care and control of the child.

When the child spends an equal amount of time with each parent and each parent exercises an equal share of care and control responsibilities, the parent who applies for aid will be the caretaker relative, provided that the child's other parent is not currently applying for or receiving aid for the child.

When both parents exercise equal day-to-day care and control responsibilities, and both have applied for aid for the child, the caretaker parent must be determined in the following order:

**Table 19-3:**

IF...	THEN the caretaker parent must be...
There is a court order,	The parent designated as the primary caretaker for purposes of public assistance.
No court order designation exists and only one parent would be eligible for aid,	The parent who would be eligible.

Table 19-3:

IF...	THEN the caretaker parent must be...
No court order designation exists and both would be eligible,	designated by the parents.
The parents cannot agree on the designation of a caretaker,	The parent who first applied for aid for the child.

**Note:**

The parent who has been determined to be the caretaker parent of a child who stays with the other parent for alternating periods of one month or less must remain the caretaker parent during the period when the child is with the other parent.

### 19.10.1 Alternating Periods of One Month or More

When a child stays for alternating periods of one month or more with different individuals who are not living together, the caretaker parent must be determined as follows:

- The individual who applies for aid and meets the requirements of a caretaker parent, or
- When more than one person applies for aid and could meet the requirements of a caretaker parent, the caretaker parent must be the individual with whom the child stays on the first of each month for which aid is provided.

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## 19.11 MFBU Determinations

All family members living in the home, other than those specified in the exceptions outlined in Section 24.8.4 below, must be included in the MFBU, whether or not they are eligible for, or request to receive MC.

## 19.11.1 MFBU Composition Examples

**Table 19-4: Family Composition Examples**

Family Composition	No. of MFBUs	Who Is Included In Each MFBU
Individual adult	1	Individual adult
Individual and spouse	1	Individual and spouse
Parent(s) and children	1	Parent(s) and children
Both unmarried parents and mutual children	1	Both unmarried parents and mutual children
Both unmarried parents, mutual children and separate children of either/both parents	1	Both unmarried parents, mutual children, separate children. EXCEPTION: When all the mutual children are excluded, each unmarried parent and that unmarried parent's separate children shall be in a separate MFBU = 2 MFBUs
Parent, spouse, mutual children	1	Parent, spouse, mutual children
Parent, spouse, mutual children and/or separate child of either or both parents	1	Parent, spouse, mutual children, separate children or the parent and the separate children of that parent if the conditions under <a href="#">[Refer to "Stepparents," page 19-27]</a> are met.
Sibling children if all other family members are PA or Other PA	1	Sibling children
Sibling children, with a caretaker relative other than a natural/adoptive parent.	1 OR 2	Sibling children and caretaker relative, if latter chooses to be included in children's MFBU. There would be an AFDC-MN linkage for the caretaker relative [one case, child(ren's) mother's name].  Two MFBUs: <ul style="list-style-type: none"> <li>• Sibling children (separate case)</li> <li>• Caretaker relative with other linkage, (separate case)</li> </ul> If the caretaker relative chooses to be in his/her own MFBU, there is NO AFDC-MN linkage for the caretaker relative. <b>Exception:</b> The caretaker relative of a PA or SSI child retains AFDC-MN linkage.
Sibling children, non parent caretaker relative, caretaker relative's spouse and/or children (spouse has no linkage)	2	Two MFBUs: <ul style="list-style-type: none"> <li>• Caretaker; related sibling children</li> <li>• Caretaker relative and caretaker's spouse as ineligible members; their eligible children</li> </ul>
Minor married child (living with parents), her spouse, their children, minor child's parent(s) and or spouse and children.	3	Three MFBUs: <ul style="list-style-type: none"> <li>• Minor married child as eligible; minor child's spouse and children as ineligible; minor parent's parent(s) and /or spouse and children as ineligible</li> <li>• Minor parent as ineligible; spouse and children as eligible</li> <li>• Minor parent's parent(s) as eligible; minor child as ineligible</li> </ul>

## 19.11.2 Ineligible Members

### Ineligible members of an MFBU include:

- Individuals who refuse to apply for a Social Security number (SSN).

**Note:**

Undocumented individuals are not required to possess or apply for a SSN as a condition of eligibility.

- Individuals who refuse to apply for medicare.
- Individuals who refuse to apply for and accept unconditionally available income.
- Individuals who are eligible for Edwards, Four Month Continuing or Transitional Medi-Cal.
- Married or unmarried minor parent(s) living with parents when minor parent's children need MC [Refer to [“MFBU determination When the Child Lives at Home,” page 19-23](#).]

**Note:**

A minor parent who applies for Minor Consent Services is eligible for Medi-Cal in his/her own MFBU.

- Parent of the separate children in stepparent cases in which only the one parent's separate children request MC. [Refer to [“Stepparents,” page 19-27](#).]
- Parents who reside outside California who claim their California resident children as tax dependents.
- A married child living with his/her own parents, whether claimed by parents as tax dependents or not is considered to be a child and must not be included in his/her own MFBU as an adult. The married child is in one MFBU as the only eligible member. The married child's spouse and children and the married child's parent(s) must be included in the same MFBU as ineligible (IE) members.
- If a married child's parent(s) want MC, a separate MFBU would include the married child's parents as eligible members, and the married minor parent child as an IE member.
- If a married child's spouse and children want MC, their MFBU would include the married child's spouse and children as eligible members and the married child as an ineligible (IE) member because he/she is financially responsible for his/her spouse and children. [Refer to [“Income In-Kind,” page 20-38](#)]
- Individuals unable to meet the basic eligibility criteria for any MC programs.
- A parent or a spouse who chooses to be aided with his/her related child in the MN program is also an ineligible member in his/her spouse/children's MN/MI MFBU.

- A parent or caretaker relative who refuses to assign to the state all rights to medical support and payments for medical care from any third party.
- A parent or caretaker relative who refuses, without good cause, to
  - Cooperate in establishing paternity for a child under eighteen years of age born out of wedlock for whom MC is requested, and/or
  - Obtain medical support and payments, and/or
  - Identify and provide any information concerning any third party who is or may be liable to pay for medical care or support.
- Individuals who are eligible, but refuse MC; their income and property must be included in the eligibility determination.

### **The following applies to ineligible members of an MFBU:**

- Property is included in determining eligibility.
- Income is used in determining SOC.
- Maintenance need for the MFBU includes all ineligible members.
- Medical expenses of ineligible members can be used to meet the SOC for the MFBU.
- Ineligible Members who are receiving MC under any of the following aid types may also use their non MC covered health care costs to help meet the SOC for the MFBU:

Edwards, Aid Code 38.

Four-Month Continuing Eligibles, Aid Code 54.

Transitional Medi-Cal Eligibles, Aid Codes 39, 3T, 59, 5T.

- Ineligible members do not receive MC cards.



#### **Note:**

Ineligible child(ren) cannot establish AFDC-MN linkage for the MFBU.

### **19.11.3 Excluded Members**

Excluded members of an MFBU may include the following:

- Any child, other than an unborn, who either:
  - Chooses not to receive Medi-Cal, or
  - Refuses to provide information about his/her property and/or income.

- Members of a stepparent unit (other than the parent) when only the separate children of one parent want Medi-Cal.

An excluded person cannot be included in the MFBU. If an excluded person later wishes to apply for Medi-Cal, he/she can only be added the month of request and up to 3 months Retro.

A client receiving SSI benefits cannot be included in the MFBU.

### **Rules Applied to Excluded Members**

The following rules apply to individuals who are excluded from an MFBU:

- Property is not included in determining eligibility for the MFBU.
- Income is not used in determining the SOC for MFBU.
- The maintenance need or the property limit for the MFBU does not include these individuals.
- Medical expenses of excluded members cannot be used to meet the SOC for the MFBU.
- Excluded members do not receive MC cards.
- Applications cannot be made separately, unless for Minor Consent Services.
- Excluded child(ren) cannot provide AFDC linkage for the MFBU.

### **Adding Excluded Individuals to the MFBU**

If MC is later requested for an excluded person, s/he can be added to the MFBU the month of request and up to three months Retro.

#### **19.11.4 Unmarried Pregnant Women**

An unmarried pregnant woman (including Minor Consent applicants) may choose to apply for MC only for herself, even though the unmarried father is residing in the home.

- When Continued Eligibility (CE) rules apply, the unmarried father must be added to the MFBU when the child is age one unless he is requesting MC for himself and/or his other mutual or separate children.

- The unmarried father may choose to be included in an MFBU with the unborn and mother. He may receive MC if he has linkage.

**Note:**

EWs must evaluate AFDC-MN linkage for the unmarried pregnant woman whenever possible before establishing MI. [Refer to “Infants, Children, and Pregnant Individuals,” page 29-1]

- The unmarried pregnant woman may choose to exclude:
  - Her other mutual child(ren).

If other mutual child(ren) are included, then the father must also be in the MFBU.

- Her separate child(ren).

### 19.11.5 MFBU determination When the Child Lives at Home

The minor child living at home is included in the parent's MFBU with the following exceptions:

- A child applying only for Minor Consent Services is not included in the parent's MFBU.
- An excluded child is not included in the parent's MFBU.
- A blind or disabled MN person who is 18-21 years of age living in the home is considered an adult.

The minor living with CalWORKs (cash) parents will be set up in his/her own MFBU. The AFDC parents are receiving PA, and not considered part of the family composition.

**Example:**

A 19 year old living with CalWORKs parents would be an MFBU of one. Only the 19 year old's income and resources are included in eligibility and SOC determination. He/she maintains AFDC linkage. MC is set up in the parent's case.

### 19.11.6 MFBU Determinations when an Unmarried Minor Parent Lives in the Home of Senior Parent(s)

#### MFBU Rules for Unmarried Pregnant Minor

Minor parent cases are three generation households. The senior parents are financially responsible for the minor parent but not for his/her child (their grandchild).

A minor parent may be included in the senior parent(s) MFBU.

If the senior parent(s) have knowledge of the pregnancy and are applying for or receiving MC, the minor's unborn can be included in the senior parent(s)' MFBU at their request, in addition to an MFBU which includes the unborn's parent(s).

- Once the minor's child is born, the child must be placed in his/her own MFBU apart from the grandparents the month following the month of delivery (establish a separate case in the minor mother's name). This will insure that the grandparent's income and property do not affect the child's eligibility and SOC.
- The minor parent is an ineligible member of the newborn's MFBU because she is financially responsible for her children.
- The minor mother will have her MC eligibility determined in the senior parent's MFBU once the 60 day Postpartum period has passed.

The minor mother's eligibility and SOC during the 60-day postpartum period are not affected.

A minor parent may be in his/her own MFBU under the Minor Consent Program. When the minor requests only minor consent services, the unborn is not added to the senior parent's MC case. The unborn can establish linkage for the unmarried father if he is also in the home and applying for MC.

### Unmarried Minor Parent's Child(ren)

The child(ren) (with the exception of unborns) are in their own MFBU which:

- Includes the minor parent as an ineligible person.
- May include the second unmarried parent if in the home as an eligible member.
- May include the separate children of either unmarried parent as eligible members.



#### Example:

The family consists of unmarried minor parents who live with the minor mother's parents. They have one mutual child and the minor mother has a separate child. There are two MFBU's:

1. Unmarried minor mother parent as an ineligible member with the second unmarried parent, mutual children and separate child as eligible members.
2. Unmarried minor mother parent, the unmarried minor parent's parent(s) and his/her spouse and/or children as eligible members.

### Property and Income for Unmarried Minors

The property and income of the unmarried minor parent is used in both the senior parent(s)' and minor parent(s)' MFBU. *Sneede v. Kizer* rules may apply if there is excess property or a SOC.

The parent(s) of the minor are responsible relatives. Do not count income in-kind to the minor parent when determining the SOC for the MFBU which includes his/her children. Income in-kind may apply to others in this MFBU.



**Table 58: MFBU- Unmarried Minor Parent(s) Living in the Home**

Family Composition	No. of MFBUs	Who is Included in Each MFBU
Unmarried minor parent Unmarried minor parent's children Senior parent(s) and his/her spouse and/or children.	2	1. Unmarried minor parent as an ineligible member, minor parent's children. 2. Unmarried minor parent, the senior parent(s) and his/her spouse and/or child(ren). **
Unmarried minor parent Second parent Their mutual children Separate children of either or both, Senior parent(s) and his/her spouse and/or children.	2	1. Unmarried minor parent as an ineligible member, second parent, separate children of either parents, and their mutual children. 2. Unmarried minor parent, the senior parent(s) and his/her spouse and/or child(ren). **
** The unmarried minor's unborn can also be included in the senior parent's MFBU at their request when the senior parent(s) are aware of the pregnancy. Once the child is born, a separate MFBU (and separate case) must be established the month following the month of delivery.		

### 19.11.7 MFBU Determination When a Married Minor Child (Parent or not) Lives in the Home of Senior Parent(s)

Table 59: MFBU- Married Minor Child

Family Composition	No. of MFBU's	Who is Included in Each MFBU
Married minor child Minor child's spouse Their mutual children (if any) Separate children of either or both (if any) Minor child's parent(s) and his/her spouse and/or children.	3	1. <u>Eligible Members</u> : Married minor child <u>Ineligible Members</u> : Married minor child's spouse and children, and senior parents.*  2. <u>Eligible Members</u> : Married minor child's spouse and child(ren) <u>Ineligible Members</u> : Married minor child.*  3. <u>Eligible Members</u> : Married minor's parent(s) and that person's spouse <u>Ineligible Members</u> : Married minor child. **
Married minor child (no spouse in the home), his/her children and minor child's parent(s) and his/her spouse and/or children.	2	1. <u>Eligible Members</u> : Married minor child and his/her parent(s) and his/her spouse and/or children.  2. <u>Eligible Members</u> : Married minor child's children. <u>Ineligible Members</u> : Married minor parent.
** The Minor's unborn can also be included in the senior parent's MFBU at their request when the senior parent(s) are aware of the pregnancy. Once the child is born, a separate MFBU (and separate case) must be established the month following the month of delivery.		

### 19.11.8 Children in Foster Care or Eligible for Adoption Assistance

Children in Foster Care:

- Must be eligible for MC:
  - On the basis of the information provided by the public agency on the MC 250.
  - Without considering the property or income of the child or the child's parents.
- Must be eligible under the MI program.
- Must be in his/her own MFBU.

Children eligible for the Adoption Assistance Program are eligible for MC under the MI program in his/her own MFBU.

## MFBU Chart — Foster Care/ Eligible for Adoption Assistance

Table 19-5:

Family Composition	No. of MFBUs	Who Is Included In Each MFBU
Child in foster care	1	Child
Two sibling children in foster care	2	Each sibling child is in his/her own MFBU, even if placed in the same foster home
Child detained or placed by a court or court designated agency.	1	Child
Child not living with a parent or another caretaker relative, and for whom a public agency is assuming financial responsibility in whole or in part	1	Child
Child not living with a parent or another caretaker relative when parents or public agencies have been contacted to determine whether they will accept legal responsibility for the child	1	Child

## 19.12 Stepparents

A stepparent is a person who is married to the natural or adoptive parent of a child and who is not the other parent of that child. The term stepparent applies equally to either sex. A stepparent case is one in which:

- MC is requested for only the separate chil(dren) of one parent, and
- The child(ren)'s parent is an ineligible member of the MFBU.

If any member of the Stepparent Unit (stepparent, parent, mutual children and/or stepparent's separate children) wants MC, a stepparent case cannot be established. The entire family must apply for MC as a single MFBU. *Sneede v. Kizer* rules apply if there is excess property or a SOC.

If the stepparent refuses to cooperate or does not wish to be aided, his/her spouse would be an ineligible member of the MFBU with hi/her separate children. If the mutual children or the stepparent's separate children want to be aided, the stepparent must be included, otherwise there is no eligibility for either the mutual or the stepparent's separate children.

### 19.12.1 Establishing the Stepparent MFBU

When a Stepparent Case is established the MFBU consists of the separate child(ren) of either parent, and the parent as an Ineligible Member.

All other members of the family are considered excluded from the MFBU.

## 19.12.2 Stepparent Budget Computation

The budget is determined in CalWIN, but during system outages, the MC 176 W.1 can be used to establish the budget. These regulations apply when only the separate child(ren) of one parent want MC.

### Stepparent Case Property Determination

Property is determined as follows:

- Include the separate child(ren)'s net nonexempt property.
- Include only the parent's separate property and his/her share of community property, after allowing equal allocations to his/her spouse and to any of the parent's other children.
- Presume equal ownership of property if property is jointly owned with other members of the MFBU unless the client indicates other ownership and provides verification.

**Note:**

Affidavits alone are NOT sufficient evidence. This rule also applies when property is owned jointly with individuals outside of the MFBU.

### Stepparent Case Income Determination

Income is determined as follows:

- Use only the separate child(ren)'s own net nonexempt income.
- Use the balance of the ineligible natural or adoptive parent's income which is available to the members of the MFBU.
- The ineligible parent is allowed appropriate income exemptions and deductions including a parental needs deduction, and then net nonexempt income is equally allocated to:
  - (1) His/her excluded spouse, and
  - (2) All of his/her natural/adoptive children in the household who are both in and out of the MFBU.
- The amount allocated to non-MFBU members is then deducted from the ineligible parent's gross income (as are other appropriate deductions and exemptions) and the balance of the income is available to the MFBU.
- Do not use income belonging to the stepparent or to other children in the family.

## Unearned Income In-Kind for a Stepparent Case

When a stepparent is not in the MFBU, but is providing a full item of need, the EW must determine the value of income in kind based upon the number of stepchildren in the MFBU. The value of income in kind is equally allocated to only the stepchildren. This is considered to be the child's own income. There is no in kind income to a spouse.



### Example:

Sally and Sam are married; they have a mutual child and Sally has two separate children. They want MC for Sally's two separate children only. Sam pays all of the bills for the entire household. The MFBU consists of Sally as an ineligible parent and her two separate children. The EW determines that the income in kind for two is \$475 and will budget \$237.50 as income in kind for each child (\$475 divided by two). No income in kind is budgeted for Sam's wife, Sally.

### 19.12.3 Stepparent Determination When Parent is on PA

If the separate child(ren)'s parent is on PA (e.g., AFDC, SSI):

- The MFBU includes only the separate child(ren).
- Use only the child(ren)'s separate property and income.

## 19.13 Adult/Child Status Chart

Table 19-6: Individuals Under Age 21 Living in Parent’s Home

Living Situation	Age	Status		Who Completes Statement of Facts	Whose Income and Property is Counted	Contact with Parent
		Adult	Child			
1. Any living situation, claimed as tax dependent by parent.	18-to-21-year-old.		X	Parent.	Parent’s, 18-to-21 year-old’s other MFBU member’s.	Yes
	Under 18.	[Determine in accordance with numbers 2 through 6, below.]				
2. Independent living situation	18-to-21-year-old.	X		18-to-21-year-old.	18-to-21-year-old’s. <sup>2</sup>	No
	14-to-18-year-old handling <i>all</i> of his/her own financial affairs.	X		14-to-18-year-old	14-to-18-year-old’s. <sup>2</sup>	No
	14-to-18-year-old with a parent, caretaker relative, or legal guardian handling some or all of his/her financial affairs.		X	Parent, caretaker relative, or guardian. If they will not and public agency also refuses, 14-to-18-year-old may complete.	14-to-18-year-old’s.	No
	Under 14.		X	Parent or legal guardian. If they will not and public agency also refuses, child may complete.	Under 14-year-old’s.	No
3. Living on the parents property in a building would be considered the parent’s “other real property” for Medi-Cal purposes.	18-21-year-old not receiving any financial support from parents.	X		18-21-year-old.	18-to-21-year-old’s.	No
	18-21-year-old receiving financial support from parents.		X	Parent	Parent’s, 18-to-21-year-old’s, other MFBU member’s.	Yes
	14-to-18-year-old.		X	Parent	Parent’s, 14-to-18-year-old’s, other MFBU member’s.	Yes
	Under 14.		X	Parent	Parent’s, under 14-year-old’s, other MFBU member’s.	Yes

**Table 19-6: Individuals Under Age 21 Living in Parent’s Home**

Living Situation	Age	Status		Who Completes Statement of Facts	Whose Income and Property is Counted	Contact with Parent
		Adult	Child			
4. Attending school away from parent’s home.	18-to-21-year-old who always returns home when not in school or considers the parent’s home his/her home. <sup>3</sup>		X	Parent.	Parent’s, 18-to-21-year-old’s, other MFBU members	Yes
	18-to-21-year-old who handles his/her own financial affairs and considers himself/herself to be living on his/her own and returns home only for visits. <sup>3</sup>	X		18-to-21-year-old.	18-to-21-year-old’s.	No.
	14-to-18-year-old handling <i>all</i> his/her own financial affairs.	Determine as in 4.A and B.				
	14-to-18-year-old with parent handling his/her financial affairs.		X	Parent.	Parent’s, 14-to-18-year-old’s, other MFBU member’s.	Yes
	Under 14.		X	Parent	Parent’s, under 14-year-old’s, other MFBU member.	Yes
5. Out-of-home care (nonmedical) public agency assuming financial responsibility in whole or part (Aid Code 45) <sup>4,5</sup>	Under 21		X	Public agency assuming financial responsibility.	N/A-assumption that public agency has made needy determination (form MC 250).	No
6. Out-of-home care (nonmedical) including custodial care in the state hospital.	18-to-21-year-old.	Determine in accordance with 1 or 2, above.				
	Under 18.	Determine in accordance with 2, above.				

**Table 19-6: Individuals Under Age 21 Living in Parent’s Home**

Living Situation	Age	Status		Who Completes Statement of Facts	Whose Income and Property is Counted	Contact with Parent
		Adult	Child			
7. Long-term care (LTC).	Disabled, 18-to-21-year-old.	X		18-to-21-year-old.	18-to-21-year-old’s.	No
	Disabled, under 18.		X	Parent or person or agency responsible for child. <sup>6</sup>	Disabled child’s.	yes
	Living with parents prior to LTC status, not disabled. <sup>7</sup>		X	Parent.	Parent’s, LTC child’s, other MFBU member’s.	Yes
	Independent living, attending school, out-of-home care prior to LTC status, not disabled. <sup>7</sup>	Determine as in 1 through 4, above.				No
	Aid Code 45 or in foster care prior to LTC status, not disabled. <sup>8</sup>		X	Person or agency responsible for child.	Child’s <sup>8</sup>	No



**Table 19-6: Individuals Under Age 21 Living in Parent’s Home**

Living Situation	Age	Status		Who Completes Statement of Facts	Whose Income and Property is Counted	Contact with Parent
		Adult	Child			
<ol style="list-style-type: none"> <li>1. Except for minor consent cases, contact with parents is not precluded where it is necessary to verify information provided by the child, and a release of information is obtained.</li> <li>2. The source of the 14-to-18-year-old’s income does not affect his/her status as an adult. It may be a contribution from a parent, earnings, or income from any other source so long as the 14-to-18-year-old controls it and how it is spent. If the 14-to-18-year-old’s only income is income in kind from a friend or nonrelative, the 14-to-18-year-old could still be considered an adult.</li> <li>3. Generally, an 18-to-21-year-old away from home to attend school would be considered to be living in the parent’s home if either of the following are true:               <ol style="list-style-type: none"> <li>a. The 18-to-21-year-old always resumes living in the parent’s home when not in school.</li> <li>b. The 18-to-21-year-old considered the parent’s home as his/her home when not in school.</li> </ol>               These are general criteria, not an all-inclusive list. Each 18-to-21-year-old’s circumstances should be evaluated separately. The fact that the parents provide the 18-to-21-year-old with some financial support should not be a deciding factor in determining the 18-to-21-year-old’s home.             </li> <li>4. The basic questions in determining whether a child is eligible for MC under Aid Code 45 is whether a public agency is assuming financial responsibility for the child’s care in whole or in part. The agency must be assuming the responsibility to see that the child’s care is paid for. This responsibility must exist even when the child’s own income is used to pay for a part of the care. The amount contributed to the child’s care by the public agency does not have to be any certain amount, but it is not sufficient that the public agency be contributing a set amount that has no relation to the cost of care. In addition, the agency that is providing the financial support must have responsibility for the child’s placement. Receipt of a cash grant or other income from a public source is not sufficient to make a child an Aid Code 45.</li> <li>5. Included in this category are children detained or placed under Welfare and Institutions Code, Section 300 or 601. These sections allow the court to detain or place a child when that child is not adequately being cared for or when the child cannot be controlled at home.</li> <li>6. If the disabled child was 14 to 18 years old and met the criteria in 2B of this chart prior to LTC status, the disabled 14-to-18-year-old would complete Statement of Facts. Likewise, if the conditions of 2B are not met and no person or agency will accept responsibility or the child is under 14 and no person or agency will accept responsibility, the child may complete the Statement of Facts.</li> <li>7. A child who was AFDC-MN prior to LTC status retains this linkage as he/she is still considered to be living in the parent’s home.</li> <li>8. These children would lose their status as Aid Code 45 and would be MI children, Aid Code 82 or 83, with one exception. If the public agency which assumes financial responsibility for the Aid Code 45 child continues to pay for his/her person (nonmedical) needs in whole or in part, the child would continue to be considered an Aid Code 45 child and the MC 250 would be the appropriate Statement of Facts.</li> </ol>						

### 19.13.1 Sneed Requirements for MFBU Determinations

The *Sneed* lawsuit requires the following:

- A child’s own income or property are not considered available to anyone but themselves.
- A stepparent’s income and property are not considered available to his or her spouse’s separate children.
- An unmarried individual’s income and property are not considered available to his or her partner, nor to the partner’s separate children.

- Caretaker relatives are not responsible for their related children. A caretaker relative's income and property are not considered available to anyone but him or herself.

As a result of the *Sneede* lawsuit, for financial responsibility purposes, the following individuals must not be included in a single MFBU, when their inclusion results in a SOC or excess property:

- Family members on the basis of a stepparent relationship
- Children who have their own nonexempt income or property
- Unmarried parents.
- Caretaker relatives.