

DEPARTMENT OF SOCIAL SERVICES
744 P Street, Sacramento, CA 95814



April 8, 1993

ALL-COUNTY LETTER NO. 93-25

TO: ALL-COUNTY WELFARE DIRECTORS

REASON FOR THIS TRANSMITTAL

- State Law Change
- Federal Law or Regulation Change
- Court Order or Settlement Agreement
- Clarification Requested by One or More Counties
- Initiated by SDSS

SUBJECT: CALCULATION OF PARENT TO CHILD DEEMED INCOME IN THE IN-HOME SUPPORTIVE SERVICES (IHSS) PROGRAM

REFERENCE: ALL-COUNTY LETTER (ACL) NO. 92-109

The purpose of this letter is to inform Counties of a change in the procedure used in calculating deemed parental income which is used in determining the share of cost for income-eligible children (under age 18) in the IHSS Program. This change is based on a revision to Section 416.1165(d) of Title 20 of the Code of Federal Regulations (20 CFR) as published in the Federal Register October 27, 1992, to be effective November 1, 1992.

Background

Prior to this Federal rule change there were three different formulas used in accordance with 20 CFR 416.1165 to calculate the amount of income to be deemed to a child from his or her parent(s) living in the same household. The particular method used depended on whether the parents' income was earned, unearned, or a combination of the two. The use of three formulas resulted in some anomalies such as a decrease in a child's share of cost when parental unearned income actually increased.

IHSS Change Description

There is now just one method for determining parental deemed income. It is the same method previously used when the parent(s) had both earned and unearned income. This eliminates the anomalies mentioned above. This change should not adversely affect any IHSS recipients. It should produce a reduced share of cost for income-eligible children whose parent(s) have only, or primarily, earned income. Other cases will not be affected.

We are developing new income eligibility worksheets (SOC 294C) to accommodate this change, and will distribute them as soon as they are available. In the interim, you may still use the current version by simply crossing through items A6 and A7 (see attachment).

Effective Date

The change being implemented by this letter is effective November 1, 1992. Changes have been made to CMIPS to incorporate this new formula. Affected cases, in which the share of cost is system generated, should reflect a revised share of cost automatically recalculated under the new rules as of January 1, 1993. Any minor child's case entered into CMIPS after December 16, 1992 that included time periods after November 1, 1992 are also calculated with the correct formula. Ongoing cases are to be reviewed for applicability of this change on a flow basis, but no later than the time of the next reassessment. Affected recipients shall be issued a refund equal to any excess share of cost paid from November 1, 1992 until the share of cost was recomputed under the new rules.

CMIPS

1. A listing of potentially impacted cases will be provided to help identify which cases are affected. There are very few.
2. Compute the dollar amount of the excess share of cost charged to the child IHSS recipient and complete an underpayment notice of action for the recipient. The notice of action message you may use could read:

"Effective November 1, 1992 the way money deemed from a parent to a minor child IHSS recipient was changed by a federal regulation. This change results in a smaller share of cost which you must pay for In-Home Supportive Services. You will receive a refund of \$_____ for the months of _____, _____, and _____.

3. Complete an SOC 312 by year for refunds (underpayments) due to the recipient. Use an adjustment transaction and enter:
 - Type: C
 - Reason: 02
 - Warrant: 000000
 - Pay period: Encompass one calendar year only for each underpayment
 - SOC: Totals encompass one calendar year only for each underpayment
4. Correct the provider share of cost information on the SOC 311 beginning with the same month as you have changed the recipient SOC 293.

If you have any questions regarding this letter, please contact Marshall Browne at (916) 657-2200. CMIPS questions should be directed to Roberta Christensen at (916) 657-2155.



FRED MILLER

Deputy Director
Adult Services Division

IHSS INCOME ELIGIBILITY – CHILD

Name _____ Case No. _____ Month _____

PARENT

RECIPIENT

A. Income deemed to a blind or disabled child living at home who is under 18 or 18 – 21 and in school.

	Unearned	Earned
Income of parent and parent's spouse where neither is aged, blind or disabled.		
1. Gross income	\$	\$
2. Allowance for children not blind or disabled		
a. Children's needs		
b. Children's income	\$	\$
c. Net needs (a minus b)	\$	\$
d. Total allowance (add A2c's)	\$	
3. Remaining unearned income (A1 minus A2d)	\$	
4. Unmet children's needs (If A2d is greater than A1 unearned, enter the difference)		\$
5. Remaining earned income (A1 minus A4)		\$
6. If remaining income is EARNED only:		
a. \$85 exclusion		\$ 85
b. Allowance for parent and spouse (1) (2)		\$
c. Total exclusions (A6a plus A6b)		\$
d. Income deemed to child (A5 minus A6c)		\$
7. If remaining income is UNEARNED only:		
a. Any income exclusion	\$ 20	
b. Allowance for parent and spouse (1) (2)	\$	
c. Total exclusions (A7a plus A7b)	\$	
d. Income deemed to child (A3 minus A7c)	\$	
8. If income is UNEARNED and EARNED:		
a. Any income exclusion	\$ 20	
b. Net unearned income (A3 minus A8a)	\$	
c. Unused \$20 exclusion (If A8a is greater than A3, enter the difference)		\$
d. Earned income exclusion		\$ 65
e. Total exclusions (A8c plus A8d)		\$
f. Earned income (A5 minus A8e)		\$
g. Net earned income (A8f X ½)		\$
h. Total income (A8b plus A8g)	\$	
i. Allowance for parent and spouse (1) (2)	\$	
j. Income deemed to child (A8h minus A8i)	\$	
<input type="checkbox"/> Income of parent(s) where one or both are aged, blind or disabled.		
Parent(s) income in excess of SSI/SSP payment (from SOC 294A C)	\$	

B. IHSS share of cost computation for blind or disabled child who is under 18 or 18 – 21, in school and living at home.

	Unearned	Earned
1. Income deemed to child (from A6d, A7d, A8j or A9)**	\$	
2. Unearned income (list) (Do not show exempt income)		
a.	\$	
b.	\$	
c.	\$	
3. Total unearned income (B1 plus B2)	\$	
4. Any income exclusion	\$ 20	
5. Net unearned income (B3 minus B4)	\$	
6. Earned income (Do not show exempt income)		\$
7. Unused \$20 exclusion (If B4 is greater than B3, enter the difference)		
8. Earned income exclusion		\$ 65
9. Total exclusions (B7 plus B8)		\$
10. Remaining earned income (B6 minus B9)		\$
11. Net earned income (B10 X ½)		\$
12. Other earned income deductions		\$
13. Total net earned income (B11 minus B12)		\$
14. Total countable income (B5 plus B13)	\$	
15. SSI/SSP payment level	\$	
16. IHSS share of cost (B14 minus B15)	\$	

** Note: If more than 1 eligible child, divide deernable income equally among them, except that if one child has excess income, it is deemed to other eligible children.

Worker _____

Date _____