

ABD FPL Worksheet **Eligible Couples - Not living in Board & Care**

The steps numbered below correspond to the steps listed on the blank worksheet. The Aged, Blind & Disabled Federal Poverty Level (ABD FPL) Medi-Cal program follows SSI income rules but follows Medi-Cal Medically Needy rules when determining eligibility.¹

To be eligible for the ABD FPL program, you cannot exceed the allowable income and asset limits set by the state. There are income and asset exclusions and deductions. For instance, you can deduct any health plan monthly premiums, such as a dental, health or vision policy. However, unlike the Medi-Cal medically needy programs, you cannot “spend down” excess income on medical expenses to qualify for the ABD FPL program.

Step 1:

Enter the combined total of both spouses’ unearned income before any deductions for health insurance premiums or tax withholding. Unearned income includes pensions, state disability insurance and unemployment benefits.

TIP: If you receive Social Security benefits from which Medicare premiums are deducted, then Medi-Cal will pay your Medicare premium directly that month when you meet any of the following:

- You are eligible for the ABD FPL program.
- You are eligible for any other Medi-Cal program without a share of cost.
- You are eligible for Medi-Cal with a share of cost but you meet your share of cost for that month.

Step 2:

Deduct the \$20 unearned income deduction.

Step 3:

Enter the balance, if any. This balance is the total countable unearned income.

Step 4:

Enter the combined total of both spouses' gross earned income before any deductions. Earned income includes any income on which Social Security taxes are paid or are payable, honoraria, and book royalties. Remember, if the ineligible spouse provides IHSS services to the applicant, then the IHSS provider income is not counted. Also, gross income *does not* include earned income put into a cafeteria plan for child care or medical expenses, because that income is not subject to Social Security taxes.²

TIP: If you are self-employed, your gross earned income means your adjusted gross income – that is, your gross income receipts less IRS allowable deductions.³

Step 5:

Deduct \$20 now if you did not deduct it in Step 2. The \$20 deduction can only be used once.

Step 6:

Deduct the \$65 earned income work incentive deduction.

Step 7:

Deduct any Impairment Related Work Expenses or IRWEs from the applicant's earnings. You are eligible to take this deduction if you are under age 65. If you are age 65 or older, you can take this deduction if you qualified for Medi-Cal or other benefits on the basis of disability before you were 65.

TIP: IRWEs are out-of-pocket expenses you have both because you work and you have a disability. Examples include attendant care for help before, after and during work; transportation when you cannot use or reliably use public transportation because of your disability. IRWEs also include out-of-pocket medical expenses needed to work even if you would have the same expenses if you were not working.

Step 8:

Enter the subtotal after deducting the unused portion of the \$20 any income deduction (Step 5), the \$65 earned income deduction (Step 6), and any IRWE deductions from the gross earned income (Step 7).

Step 9:

Deduct 50% of the subtotal entered at Step 8. This is an additional work incentive deduction.

Step 10:

Enter the balance after deducting the amount in Step 9 from the amount in Step 8. This is your total countable earned income. The amounts in Steps 9 and 10 should be the same.

TIP: For example, if your family's only income is you earning \$500 from teaching and your spouse earning \$500 from working at a store then your combined earned income is \$1000 per month. If you have an IRWE that costs you \$50 per month, then your math for Step 4 through Step 10 looks like this:

Step 4: \$1000
Step 5: $\$1000 - \20 (any income deduction) = \$980
Step 6: $\$980 - \65 (earned income deduction) = \$915
Step 7: $\$915 - \50 (IRWE) = \$865
Step 8: \$865
Step 9: $\$865 / 2 = \432.50
Step 10: \$432.50 (total countable income)

Step 11:

Add together your total countable unearned income (Step 3) and your total countable earned income (Step 10).

Step 12:

Deduct any monthly health insurance premium payments, such as Medi-Gap, dental or vision insurance. This includes Medicare Part B premiums.⁴

Step 13:

If there are any other people in the Medi-Cal Family Budget Unit (MFBU) that are not applying or eligible for Medi-Cal, including children in the family, deduct a maintenance need allowance (MNL) using the figures in the Maintenance Need Allowance below. For the MNL deduction for one adult and one child, (Note: a person is a child if they are under 18, or, if 18, 19 or 20, if they are full-time students), deduct \$750 which is listed below as 2*.

*Maintenance Need Allowances – Maintenance Need Level (MNL)
(unchanged since July 1, 1989):*

1 - \$600, 2* - \$750, 2 adults - \$934, 3 - \$934, 4 - \$1100, 5 - \$1259, 6 - \$1,417, 7 - \$1,550, 8 - \$1,692

Step 14

The remainder, after deducting the MNL for any adults or children in the MFBU that are not applying for or eligible for Medi-Cal, is the couple's countable income for purposes of determining eligibility under the ABD FPL program.

TIP: If the couple's countable income is too high to qualify for the ABD FPL program as a couple, then one spouse can apply for the ABD FPL program and the other spouse can apply for the ABD MN program or another Medi-Cal program. Look at Worksheet #3 for an individual with an "ineligible" spouse.

Blank ABD FPL Worksheet for Couples

Step 1.	Total unearned income from both spouses before any Medicare or other deductions		
Step 2.	Less \$20 any income deduction	- 20.00	
Step 3.	Total countable unearned income for couple		
Step 4.	Gross earned income from both spouses before any deductions		
Step 5.	Less balance of the \$20 any income deduction from step (2) above, if any	-	
Step 6.	Less \$65 earned income deduction	- 65.00	
Step 7.	Less any Impairment Related Work Expenses	-	
Step 8.	Subtotal		
Step 9.	Less 50% of the subtotal in step (5) as an additional work incentive deduction	-	
Step 10.	Total Countable Earned Income for couple		
Step 11.	Add together the total countable unearned income (step 3) and total countable earned income (step 10) for total countable income.		
Step 12.	Deduct any health insurance premium payments including Medicare premiums ⁵		
Step 13.	Deduct the applicable MNL based on the number of children in family		
Step 14.	Income counted for determining eligibility of couple seeking A&D FPL Medi-Cal		

Is the amount in Step 14 equal to or less than \$2,004? That amount is 138% of the FPL. If yes, then you qualify for Medi-Cal with no share of cost. If your income is above the couple ceiling (income limit), see the coversheet on alternatives for those whose countable income is above the ABD FPL ceiling.

¹ Cal.Welf. & Inst.Code § 14005.40. All County Wide Directors Letter (ACWDL) 00-57, 00-68, 01-18, 02-38, 21-06. - [\(Return to Main Document\)](#)

² 20 CFR § 416.1110(a); Social Security Program Operations Manual System (POMS) SI 00820.100-C.1.- [\(Return to Main Document\)](#)

³ You estimate what your current monthly income is based on last year's income tax return and the comparison between last year's adjusted gross income and last year's gross receipts. If last year your adjusted gross income was 50% of your gross receipts (i.e., \$20,000 based on receipts of \$40,000), Social Security in determining your income this year will presume that this year your monthly adjusted gross income would be 50% of your total receipts. - [\(Return to Main Document\)](#)

⁴ Additional information may be found on the California Department of Health Care Services (DHCS) All-County Welfare Director Letter (ACWDL) 01-18; MC 176 AD Aged / Disabled FPL group spreadsheet (Revised 10/2020). - [\(Return to Main Document\)](#)

⁵ The Medi-Cal program will pay for your Medicare Part B premium directly if you qualify. You will then get your full Social Security check without any deduction for Medicare. - [\(Return to Main Document\)](#)