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.

To be eligible for the ABD FPL program, as under the Federal Poverty Level programs for children and pregnant women, you cannot exceed the allowable income limits set by the state. You cannot “spend down” excess income on medical expenses to qualify as you can under the medically needy programs. However, there are exclusions and deductions, for instance, you can deduct any health plan premiums, such as a dental, health or vision policy.

**Step 1:**
Enter the combined total of the 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 either or both receive Social Security benefits from which Medicare premiums are deducted, the Medi-Cal program counts the amount of Social Security benefits *before* any Medicare premium deduction.

However, if you are eligible for:
- a zero share of cost Medi-Cal program (for example, ABD FPL or Pickle) or
- a Medi-Cal share of cost program and you meet your share of cost for that month, then Medi-Cal will pay your Medicare premium directly in 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 the spouses’ gross earned income before any
deductions. If the ineligible spouse also provides IHSS services to the applicant, that income is not counted. 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. Earned income includes any income on which Social Security taxes are paid or are payable, honoraria, and book royalties.

**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.

**Step 5:**
Deduct the balance of the $20 (if you did not already use it as an unearned income deduction) any income deduction. Look at Step 2 to see if the $20 deduction was unused. 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 combined earned income is $1000 per month and you have an IRWE that costs you $50 per month (Note: in this example, you have $0 unearned income), 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 and your total countable earned income.

Step 12:
Deduct any health insurance premium payments paid including Medi-Gap, dental or vision insurance. Do not deduct Medicare Part B premiums.

TIP: Additional information may be found on the Department of Health Care Services (DHCS) All-County Letter (ACL) 01-18; MC 176 Aged/Disabled FPL group spreadsheet (10-17-00)

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 -
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 they can apply for the ABD FPL program separately or one individual can apply for the ABD FPL program and the other individual may apply for the ABD MN program or another Medi-Cal program. Look at Worksheet #3 for an individual with an “ineligible” spouse.

Authority: Welfare & Institutions Code § 14005.40; DHS ACLs Nos. 00-57, 00-68, 01-18, 02-38.
Blank ABD FPL Worksheet for Couples

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

Is the amount in Step 14 equal to or less than $1,747? That amount is 100% of the FPL ($1,437 in 2020) for a couple plus $310. 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.