

# Medi-Cal Program Guide Letter #616

September 13, 2007

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**Subject** Income and Property Exemptions for In-Home Caregiver wages, Restaurant Meals Allowances and Advance Payments for purchase of In-Home Care Services.

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**Effective Date** Upon receipt

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**Reference** ACWDL 07-02

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**Purpose** The purpose of this letter is to provide instructions regarding the treatment of:

- In-home caregiver wages received by a spouse or parent for care of a spouse or minor child in receipt of any federal, state, or local government in-home services program.
- Payments received by an in-home care recipient from the California Department of Social Services (CDSS) for the purpose of obtaining in-home care services.

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**Background** Medi-Cal Program Guide Letter 580 provided staff with information and instructions on the three in-home services programs currently available, which are In-Home Support Services (IHSS) Plus Waiver, Personal Care Services Program (PCSP), and IHSS Residual. The letter also informed staff that payments made under the IHSS Plus Waiver are exempt as income and property for Medi-Cal eligibility and SOC purposes. The income and property exemptions included in-home caregiver wages that are paid to a spouse or parent and restaurant meal allowances and advance payments received by an IHSS Plus Waiver recipient.

This letter expands the aforementioned income and property exemption to encompass payments made under any federal, state, or local in-home services government program, including payments made under the IHSS Residual program. The exemption does not apply to payments made under PCSP since the program requires such services to be rendered by someone other than a parent or spouse.

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### **In-home Caregiver Wages**

Effective January 01, 2005, in-home caregiver wages paid to a household member shall be exempt as income and property when **both** of the following conditions are met:

- The caregiver is being paid for providing in-home care to his/her spouse or minor child living in the home; AND
- The spouse or minor child is receiving those in-home services through any federal, state or local government programs.

For the purpose of this income and property exemption, the definition of a minor child is up to age 21.

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### **In-home Care Services Payments**

Effective January 01, 2005, payments made by the CDSS to an in-home care recipient for the purpose of obtaining in-home care services, including restaurant meal allowances, shall be exempt as income and property.

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### **Required Action**

Upon receipt of this letter, workers are required to exempt in-home caregiver wages and in-home care services payments meeting conditions detailed in this letter as income and property for Medi-Cal purposes.

If a worker becomes aware of an individual who has been adversely affected by the delay of these instructions, he/she must recalculate the share of cost for any month beginning January 01, 2005 and rescind any discontinuance or denial as appropriate.

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### **Automation Impact**

In-home caregiver wages paid to a parent or spouse of an IHSS Residual recipient shall be recorded in CalWIN via the '**Collect Earned Income Detail**' window. Information relating to employment shall be entered as usual with the follow exception:

- On the '**Collect Earned Income Detail**' window, select either 'IHSS wages to parent/spouse of Residual recipient-New Affid' or 'IHSS wages to parent/spouse of Residual recipient-Old/No Affid' from the 'Type' drop-down menu as appropriate.
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**Automation Impact**  
(continued)

Payments made by the CDSS to an in-home care recipient for the purpose of obtaining in-home care services, including restaurant meal allowances, shall be recorded in CaWIN using the 'Collect Unearned Income Detail' window.

When completing the 'Collect Unearned Income Detail' window, worker will click the 'Type' drop down menu and select either 'IHSS Advance pay to Residual recipient-New Affid' or 'IHSS Advance pay to Residual recipient-Old/No Affid' as appropriate.

**Forms Impact** None

**Quality Assurance Impact**

Effective with November 2007 review month, Quality Assurance will cite the appropriate error on any case that does not comply with the requirements outlined in this letter.

**Summary of Changes**

Article	Changes
Article 10, Section 2	Included exceptions to income received for providing IHSS services
Article 10, Section 3	Included in-home caregiver wages and in-home care services payments as exempt income when certain conditions are met.
Article 9, Section 6	Included in-home caregiver wages and in-home care services payments as exempt property when certain conditions are met.

**Filing Instruction**

Step	Action
Remove	Article 9, Section 6, Pages i-ii, 19-20
	Article 10, Section 2, Pages 1-2
	Article 10, Section 3, Pages i-ii, 13-14
Replace	Article 9, Section 6, Pages i-ii, 19-20
	Article 10, Section 2, Pages 1-2
	Article 10, Section 3, Pages i-ii, 13-15

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**Manager  
Approval**



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Medi-Cal, General Relief and CAPI Program Administration  
Strategic Planning and Operational Support  
TO GS 091407 ADV "YES"

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