

Office of the Director

1215 O St.

Sacramento, California 95814

[www.dsh.ca.gov](http://www.dsh.ca.gov)

DSH 10268E (12/2022)



## **Attachment 1 Financial Assistance Program Application Countable and Non-Countable Income**

The income sources listed below are taken from the list of Medicaid (Medi-Cal in California) income and deduction types as of September 2020. This is not an inclusive list of all income and deduction types. For the full list, please visit the California Department of Health Care Services at:

<https://www.dhcs.ca.gov/services/medi-cal/eligibility/Documents/Co-OPS-Sup/Income-and-Deductions-Chart06252021.pdf>

### **Countable Income Examples**

1. Employment – wages, salary, back pay, differential pay (count taxable portion)
2. Other earned income from W2 (count taxable portion)
3. Social Security benefits, including Social Security Disability Income (count gross)
4. Unemployment compensation, state or federal (count taxable portion)
5. Disability income – taxed (count taxable portion)
6. Mortgage interest (count gross)
7. Government cost of living allowances (count taxable portion)
8. Independent contractor, gig work (count taxable portion)
9. Individual Retirement Account (IRA) distributions, 1099-R (count taxable portion)
10. Interest income (taxable and non-taxable), 1099-R (count gross)
11. Tips (count taxable portion)
12. Cancellation of debt (count taxable portion in month received)
13. Utility rebates (count taxable portion)
14. Railroad retirement benefits (count gross)
15. Gambling winnings, lottery, raffles, W2-G (count taxable portion)
16. Blood, plasma, sperm, egg, embryo, or compensation received for body parts (count taxable portion)
17. Health savings account (count taxable portion)
18. Medical savings account (Archer-Medicare) (count taxable portion)
19. Severance pay, sick pay, vacation, annual leave, and paid holidays (count taxable portion)
20. State Disability Insurance (SDI) when paid as substitute for unemployment insurance benefits, 1099-G (count taxable portion)

### **Non-Countable Income Examples**

1. Federal income tax return
2. Roth IRA, 401k, 403(b) qualified distribution
3. Supplemental Security Income (SSI)/State Supplementary Payment (SSP) program benefits
4. Veterans Administration (VA) aid and attendance benefits paid to veteran or their families
5. Gifts/cash contributions
6. Economic stimulus payments (federal)
7. Disability income – untaxed (untaxed private disability income insurance-premiums not paid by employer), Pubs 525 and 907
8. County General Assistance cash grant
9. CalFRESH benefits
10. Emergency Financial Aid grants
11. Needs based assistance
12. Earned income tax credit
13. Housing and Urban Development Section 8 rental vouchers or benefits
14. Long term care benefits – non-taxable amount, 1099LTC
15. Mortgage assistance payments under Section 235 of the National Housing Act
16. One-time federal stimulus tax payments (i.e., recovery rebate)
17. State Disability Insurance (SDI) – California, that is not paid as a substitute for unemployment insurance.
18. State tax return (if state taxes were deducted on prior year Federal Income Tax return, the state refund would be countable)
19. Weatherization, home energy assistance, emergency repair or replacement of heating/cooling unit
20. Workers' compensation paid to the worker or their survivors