

# Family Cost Share Examples

A family's annual adjusted gross income is the "adjusted gross income" calculation on the most recent (prior year) federal income tax form(s) (typically Form 1040, 1040A, 1040EZ or an efile tax form).

Location of Adjusted Gross Income on Form 1040 and 1040A:

Department of the Treasury—Internal Revenue Service  
**1040 U.S. Individual Income Tax Return 2008** (1040) IRS Use Only—Do not write or stamp in this space.

For the year Jan. 1-Dec. 31, 2008, or other tax year beginning 2008, ending 2008.OMB No. 1545-0047

**Label** (See instructions on page 14). Use the IRS label. Otherwise, please print or type.

**Presidential Election Campaign:** Check here if you, or your spouse if filing jointly, want \$3 to go to this fund (see page 14).  You  Spouse

**Filing Status:** 1  Single, 2  Married filing jointly (even if only one has income), 3  Married filing separately. Enter spouse's SSN above and full name here, 4  Head of household (with qualifying person) (see page 15). If the qualifying person is a child but not your dependent, enter this child's name here, 5  Qualifying widow(er) with dependent child (see page 19).

**Exemptions:** 6a  Yourself. If someone can claim you as a dependent, do not check box 6a. 6b  Spouse. 6c **Dependents:** (1) First name, Last name, (2) Dependent's social security number, (3) Dependent's relationship to you, (4) If a qualifying child for credit (see page 17). **Exemptions on file:**  I lived with you,  I did not live with you due to divorce or separation (see page 19). Dependents on file not entered above.

**Income:** 7 Wages, salaries, tips, etc. Attach Form(s) W-2. 8a Taxable interest. Attach Schedule B if required. 8b Tax-exempt interest. Do not include on line 8a. 9a Ordinary dividends. Attach Schedule D if required. 9b Qualified dividends (see page 21). 10 Taxable refunds, credits, or offsets of state and local income taxes (see page 22). 11 Alimony received. 12 Business income or loss. Attach Schedule C or C-EZ. 13 Capital gain or (loss). Attach Schedule D if required. If not required, check here . 14 Other gains or (losses). Attach Form 4797. 15a IRA distributions. 15b Taxable amount (see page 22). 16a Pensions and annuities. 16b Taxable amount (see page 24). 17 Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E. 18 Farm income or (loss). Attach Schedule F. 19 Unemployment compensation. 20a Social security benefits. 20b Taxable amount (see page 26). 21 Other income. List type and amount (see page 26). 22 Add the amounts in the far right column for lines 7 through 21. This is your total income.

**Adjusted Gross Income:** 23 Educator expenses (see page 25). 24 Certain business expenses of reservists, performing artists, and fee-basis government officials. Attach Form 2106 or 2106-EZ. 25 Health savings account deductions. Attach Forms 5550. 26 Moving expenses. Attach Form 3903. 27 One-half of self-employment tax. Attach Schedule SE. 28 Self-employed SEP, SIMPLE, and qualified plans. 29 Self-employed health insurance deduction (see page 29). 30 Penalty on early withdrawal of savings. 31a Alimony paid. b Recipient's SSN. 32 IRA deduction (see page 30). 33 Student loan interest deduction (see page 33). 34 Tuition and fees deduction. Attach Form 9917. 35 Domestic production activities deduction. Attach Form 4696. 36 Add lines 23 through 31a and 32 through 35. 37 Subtract line 36 from line 35. This is your adjusted gross income.

For Disclosure, Privacy Act, and Paperwork Reduction Act Notice, see page 69. Cat. No. 104002 Form 1040 (2008)

Department of the Treasury—Internal Revenue Service  
**1040A U.S. Individual Income Tax Return 2008** (1040A) IRS Use Only—Do not write or stamp in this space.

For the year Jan. 1-Dec. 31, 2008, or other tax year beginning 2008, ending 2008.OMB No. 1545-0047

**Label** (See page 17). Use the IRS label. Otherwise, please print or type.

**Presidential Election Campaign:** Check here if you, or your spouse if filing jointly, want \$3 to go to this fund (see page 17).  You  Spouse

**Filing Status:** 1  Single, 2  Married filing jointly (even if only one has income), 3  Married filing separately. Enter spouse's SSN above and full name here, 4  Head of household (with qualifying person) (see page 16). If the qualifying person is a child but not your dependent, enter this child's name here, 5  Qualifying widow(er) with dependent child (see page 19).

**Exemptions:** 6a  Yourself. If someone can claim you as a dependent, do not check box 6a. 6b  Spouse. 6c **Dependents:** (1) First name, Last name, (2) Dependent's social security number, (3) Dependent's relationship to you, (4) If a qualifying child for credit (see page 25). **Exemptions on file:**  I lived with you,  I did not live with you due to divorce or separation (see page 25). Dependents on file not entered above.

**Income:** 7 Wages, salaries, tips, etc. Attach Form(s) W-2. 8a Taxable interest. Attach Schedule 1 if required. 8b Tax-exempt interest. Do not include on line 8a. 9a Ordinary dividends. Attach Schedule 1 if required. 9b Qualified dividends (see page 24). 10 Capital gain distributions (see page 24). 11a IRA distributions. 11a Taxable amount (see page 24). 11b Taxable amount (see page 24). 12a Pensions and annuities. 12a Taxable amount (see page 25). 12b Taxable amount (see page 25). 13 Unemployment compensation and Alaska Permanent Fund dividends. 14a Social security benefits. 14b Taxable amount (see page 27). 14b Taxable amount (see page 27).

**Adjusted Gross Income:** 15 Add lines 7 through 14b (for right column). This is your total income. 16 Educator expenses (see page 29). 17 IRA deduction (see page 29). 18 Student loan interest deduction (see page 31). 19 Tuition and fees deduction. Attach Form 9917. 20 Add lines 16 through 19. These are your total adjustments. 21 Subtract line 20 from line 15. This is your adjusted gross income.

For Disclosure, Privacy Act, and Paperwork Reduction Act Notice, see page 78. Cat. No. 1040A (2008) Form 1040A (2008)

**Example One: The Sampson Family**

**Family Demographics:**

<b>Mother</b>	<b>Father</b>	<b>Child</b>	<b>Siblings</b>	<b>Others</b>
Mary	Frank	Harry	None	None
Age 34	Age 39	Age 6 months	N.A.	N.A.
Administrative Assistant	Attorney			

**Child status:** Harry was born after a difficult pregnancy during which Mary had to leave her job and be on bed rest for 3 months. Harry was born 4 months premature and was low birth weight. He suffered a stroke during the birth process and was hospitalized for 3 weeks before going home. He was just referred to EI by his pediatrician because his gross and fine motor skills are lagging; his parents are also moderately worried.

**Family Adjusted Gross Income: \$74,871**

**Family Resources/Considerations:** Family has full health benefits through Frank's law firm, with a \$10,000 family deductible and 20% co-pays. They are still paying their share of hospital costs for Harry's delivery and have another \$3,500 to pay, which they pay at \$200.00/month now and will be paid off within 18 months.

The family is concerned that using their insurance to support physical therapy services would be a problem for Frank's employer as this is a small firm which is self-insured. He is new to the company and would like to stay on good footing with his employer. They want to better understand the cost implications for them first without using their health insurance right now.

**IFSP Information:**

Developmental Services (formerly called Special Instruction)	Physical Therapy Consult to Developmental Services provider	Physical Therapy
1.5 hours/month	1 hour/month	1.5 hours every other month
\$165/month	\$150/month	\$112.50/month

**Total monthly IFSP Service Cost: \$427.50**

**Direct monthly cost to family if not accessing Family Cost Share process: \$427.50**

**Sampson FCS Assignment:** The family documented their concerns that accessing their health insurance may be problematic for them at this point in time, due primarily to the self-insured status of the employer and also the potential for expanded use for medical purposes as Harry gets older. The documentation for FCS was completed. They are placed on the Family Cost Share (FCS) Scale according to their Adjusted Gross Income.

FCS Option 1:

Federal Adjusted Gross Family Income		Monthly Family Cost Participation by Family Size			
		3 or fewer	4	5	6 or more
\$0	\$45,000	\$0	\$0	\$0	\$0
\$45,001	\$55,000	\$0	\$0	\$0	\$0
\$55,001	\$65,000	\$66	\$50	\$40	\$26
\$65,001	\$75,000	\$90	\$68	\$54	\$36
\$75,001	\$85,000	\$120	\$90	\$72	\$48
\$85,001	\$95,000	\$152	\$114	\$91	\$61
\$95,001	\$105,000	\$190	\$143	\$114	\$76
\$105,001	\$125,000	\$276	\$207	\$166	\$110
\$125,001	\$145,000	\$378	\$284	\$227	\$151
\$145,001	\$165,000	\$496	\$372	\$298	\$198
\$165,001	\$185,000	\$630	\$473	\$378	\$252
\$185,001	\$215,000	\$818	\$614	\$491	\$327
\$215,001	\$245,000	\$1,030	\$773	\$618	\$412
\$245,001	\$285,000	\$1,312	\$984	\$787	\$525
\$285,001	\$325,000	\$1,756	\$1,317	\$1,054	\$702
\$325,001	\$365,000	\$2,118	\$1,589	\$1,271	\$847
\$365,001	or more	\$2,430	\$1,823	\$1,458	\$972

Using Option A, even if the Sampson family claimed the hospital delivery charges that they are paying (\$200/month x 12 months = \$2400) as an extraordinary expense, the fee assignment of \$90/month wouldn't change.

FCS Option 2:

Federal Adjusted Gross Family Income		Monthly Family Cost Participation by Family Size						
		2	3	4	5	6	7	8 or more
\$0	\$41,207	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$41,208	\$44,628	\$95	\$0	\$0	\$0	\$0	\$0	\$0
\$44,629	\$48,051	\$109	\$0	\$0	\$0	\$0	\$0	\$0
\$48,052	\$51,473	\$125	\$0	\$0	\$0	\$0	\$0	\$0
\$51,474	\$54,896	\$144	\$95	\$0	\$0	\$0	\$0	\$0
\$54,897	\$58,318	\$166	\$109	\$0	\$0	\$0	\$0	\$0
\$58,319	\$61,741	\$190	\$125	\$0	\$0	\$0	\$0	\$0
\$61,742	\$68,586	\$219	\$144	\$95	\$0	\$0	\$0	\$0
\$68,587	\$72,008	\$252	\$166	\$109	\$0	\$0	\$0	\$0
\$72,009	\$75,431	\$289	\$190	\$125	\$95	\$0	\$0	\$0
\$75,432	\$78,853	\$333	\$190	\$125	\$95	\$0	\$0	\$0
\$78,854	\$82,276	\$383	\$219	\$144	\$109	\$0	\$0	\$0
\$82,277	\$86,021	\$442	\$219	\$166	\$125	\$95	\$0	\$0
\$86,022	\$90,313	\$502	\$252	\$190	\$125	\$95	\$0	\$0
\$90,314	\$94,606	\$527	\$289	\$190	\$144	\$109	\$95	\$0
\$94,607	\$98,898	\$552	\$333	\$219	\$144	\$125	\$95	\$0
\$98,899	\$103,191	\$577	\$383	\$219	\$166	\$125	\$109	\$0
\$103,192	\$108,618	\$602	\$442	\$252	\$190	\$144	\$109	\$95

Under Option 2, the Sampson family is assigned a monthly fee of \$190. Again, even an adjustment of \$2,400 for the hospital delivery charges wouldn't have changed their fee assignment on Option 2.

**Example Two: The Potter Family**

**Family Demographics:**

Mother	Father	Child	Siblings	Others
Cindy	Ben	Charlie	Mary (3 years)	
Age 36	Age 41	13 months	Ben Jr. (5 years)	
Homemaker	Gas Station owner			

**Child Status:** Charlie was born full term without any incidents. His siblings, Mary and Ben, are quite healthy and on target in their development. At 8 months of age, Charlie had a fairly significant seizure not related to fever or other childhood illness. As a precaution, Charlie's pediatrician has placed him on seizure medications for the time being. He was just referred to the Infant & Toddler Connection of Virginia by his family, at the doctor's suggestion, because he seems to be demonstrating tone differences, particularly on the left side. The eligibility determination team determined that Charlie has a developmental delay meeting the eligibility criteria with definite signs of left hemiplegia.

**Family Income: \$61,275**

**Family Resources/Considerations:** The Potter family has catastrophic health insurance through a policy purchased through the gas station business, which has a \$25,000 family deductible. There is no drug prescription program with this policy so the family is paying for Charlie's medication in full. The adults and other children in this family are healthy, with

prevention care being the norm. Cindy will stay home with the children; Ben works long hours due to the recession and difficulty in finding reliable employees. Cindy's mother lives in town and is often able to help her with the children, although her own health is failing. None of these children are eligible for Medicaid or FAMIS due to the family income.

**IFSP Information:**

Developmental Services	Physical Therapy	Occupational Therapy
1 ½ hours/month	1 ½ hours every other month	1 ½ hours every other month
\$165.00/month	\$112.50/month	\$112.50/month

**Total Monthly Direct IFSP Cost: \$390.00**

**Direct monthly cost to family if not accessing Family Cost Share process: \$390.00**

**FCS Assignment:** Charlie's seizure medications cost \$175.00/month. The family's insurance won't pay for early intervention/therapy services due to its catastrophic limitations. The family's adjusted gross income would be changed to \$59,175 after consideration of Charlie's medications at \$175/month. Under Option 1, their cost share would be \$40.00, Option 2 would be -0-.

**Example Three: The Hollis Family**

**Family Demographics:**

Mother	Father	Child	Siblings
Jean	Paul	Elizabeth (14 mos)	Judith (age 12)
39	51	Evan (14 mos)	Sam (age 10)
Teacher	Teacher		Gary (age 6)

**Child Status:** The Hollis twins were both one month premature but came home from the hospital after 3 weeks and, while healthy, are demonstrating overall developmental delays. Evan appears to be more delayed of the two, with possibly some vision problems.

**Family Income: \$116,500**

**Family Resources/Considerations:** The family has health insurance through their employment with the local school district, which requires a \$20 co-payment for services and also has a service cap of 25 units (1 hour per unit) of service for specialty services in a calendar year. Both parents work the school calendar and the twins are cared for in a neighborhood family child care home. After this school year, they plan to have the children attend a child care center which is located closer to the schools they teach in, and is where Paul's children from his first marriage attend their after-school program. The costs for child care will increase by 1/3 for each child once this change of placement happens.

**IFSP Information:**

**Elizabeth**

Developmental Services	Physical Therapy
1 ½ hour/month	1 hour every other month
\$165/month	\$75.00/month

**Total IFSP Monthly Cost: \$240.00**

**Direct monthly cost to family if not accessing Family Cost Share process: \$175.00**

[ \$165.00 + \$10/month co-pay = \$175 per month ]

**Evan**

Developmental Services	Physical Therapy	Occupational Therapy	Speech Therapy
1 ½ hours/month	1 hour twice a month	1 hour twice a month	1 hour/month
\$165/month	\$300/month	\$300/month	\$150/month

**Total IFSP Monthly Cost: \$915.00**

**Direct monthly cost to family if not accessing Family Cost Share process: \$265.00**

[ \$165 + \$40/month co-pay + \$40/month co-pay + \$20/month co-pay = \$265 ]

**FCS Assignment:**

The frequency of therapy services is below the calendar insurance cap. For the purposes of the assignment of FCS, we will use Evan's IFSP costs as they are the higher of the two. Families with more than one child in the Infant & Toddler Connection of Virginia are only assigned cost participation for one child. On Option 1, the family cost share would be \$110 and in Option 2 their cost share would be \$125.

**Example Four: The O'Rourke Family**

**Family Demographics:**

<b>Mother</b>	<b>Child</b>	<b>Siblings</b>
Amy	Drew	Liza
43	Age 18 months	Age 3 months
Bank V- President		

**Child Status:** Drew was referred to the Infant & Toddler Connection of Virginia by his pediatrician because of concerns about his language development. His mother is a single parent. Amy just returned to work from maternity stay while Drew and Liza stay with her mother during the day. The eligibility team determined that Drew was eligible based on a delay in communication development, though he appears to be at age level in all other areas of development.

**Family Income: \$89,420**

**Family Resources/Considerations:** Amy has insurance for her family through the bank, with \$35 dollar co-pays for services.

**IFSP Information:**

Speech Language
1 hour twice a month
\$300/month

**Total IFSP Monthly Cost: \$300**

**Direct monthly cost to family if not accessing Family Cost Share process: \$70**

[ $\$35 \text{ co-pay} \times 2 \text{ visits} = \$70/\text{month}$ ]

**FCS Assignment:** Amy consents to the use of her private insurance to support therapy costs. Based on her income and family size, Amy will have a \$152 monthly cap using Option 1 or \$252 using option 2. In either case, her direct monthly cost is lower than her monthly cap, so she will pay \$70/month as long as the services on the IFSP remain the same.