

DEPARTMENT OF SOCIAL SERVICES

744 P Street, Sacramento, California 95814



August 15, 2001

ALL-COUNTY LETTER NO. 01-65

TO: ALL COUNTY WELFARE DIRECTORS
ALL IHSS PROGRAM MANAGERS**REASON FOR THIS TRANSMITTAL**

- State Law Change
 Federal Law or Regulation Change
 Court Order
 Clarification Requested by One or More Counties
 Initiated by CDSS

SUBJECT: MEDI-CAL TWO-HUNDRED AND FIFTY PERCENT (250%) WORKING DISABLED PROGRAM

The purpose of this All-County Letter (ACL) is to provide counties with instructions pertaining to the Medi-Cal 250% Working Disabled Program. The 250% Working Disabled Program was established by State legislation (Assembly Bill 155/Midgen) in 1999 and implemented by the Department of Health Services (DHS) with an effective date of April 1, 2000. The 250% Working Disabled Program provides workers with disabilities the option to obtain comprehensive Medi-Cal coverage by "buying in" through the payment of monthly premiums to DHS. Premium levels are based on income. To be eligible for this program an individual must:

- Be disabled within the meaning of the Supplemental Security Income/State Supplementary Payment (SSI/SSP) program except that the individual may be eligible to perform substantial gainful activity. (This may require the applicant to establish disability by undergoing an SSI disability evaluation);
- Be working;
- Have net earned income that is less than the federal poverty level times 250% (currently this total is \$1,790 per month for an individual and \$2,419 per month for a couple);
- Have countable resources less than or equal to \$2,000 for an individual and \$3,000 for a couple; and
- Pay monthly premiums.

250% Working Disabled Program Eligibility

The DHS is the State agency responsible for administering the 250% Working Disabled Program. Counties should direct their program eligibility questions to Vicki Partington at DHS at (916) 654-5909. The DHS issued ACL 00-16, dated March 16, 2000, providing

information and county instructions for implementing the 250% Working Disabled Program. A copy of this letter is attached for your review.

Personal Care Services Program (PCSP) recipients who are disabled and entering employment may be eligible for the 250% Working Disabled Program. They should be referred to County Medi-Cal staff for an eligibility determination. County staff will follow the basic Medi-Cal eligibility rules except where superseded by special provisions of the 250% Working Disabled Program.

Personal Care Services Program (PCSP)

Medi-Cal beneficiaries whose Medi-Cal eligibility is based on the 250% Working Disabled Program are eligible for full-scope Medi-Cal services, including zero share-of-cost PCSP services if they are assessed as having a need for PCSP services and meet the PCSP eligibility requirements (except for income and resources). The PCSP income determinations and share-of-cost calculations should be disregarded without further share-of-cost obligations. Medi-Cal coverage through the 250% Working Disabled Program does not change the scope of PCSP services or the rule that they are only covered in the recipient's home.

In-Home Supportive Services (IHSS) Residual Program

Coverage of IHSS residual program services are unaffected by 250% Working Disabled Program eligibility because IHSS residual program services are not covered Medi-Cal benefits. The IHSS residual recipients who are entering employment may benefit from the 250% Working Disabled Program for their other health care coverage needs and should be referred to Medi-Cal for an eligibility determination. However, entry into employment that produces added earned income will, more than likely, cause an increase in their IHSS share of cost. Counties need to advise these individuals that they can obtain Medi-Cal coverage of their IHSS with no share-of-cost through enrollment in the 250% Working Disabled Program were they to change their advance pay status or choose a non-spouse provider of services.

Aid Codes

The 250% Working Disabled Program eligible persons are identified in MEDS under Aid Code 6G, a full-scope Medi-Cal aid code. This code is specifically used for individuals who are qualified for the 250% Working Disabled Program and should be reflected on the MEDS screen.

The Adult Programs Systems Unit will issue instructions on the appropriate use of aid codes at a later date. In the meantime counties are to do the following:

- Set up 250% Working Disabled Program cases in aid codes 10, 20, or 60 then,
- Call the Electronic Data System (EDS) Help Desk at (916) 636-4280 to have the aid code changed to 14, 24, or 64 (which is a closed MN aid code with no share of

cost) until the 6G code is available in the Case Management, Information and Payrolling System (CMIPS).

- Keep the case in aid codes 14, 24, or 64 until the 6G code is effective in CMIPS. It is the responsibility of each county to keep track of these cases so they can be coded into CMIPS once the 6G code is effective.

NOTE: Changing an aid code from 18, 28, or 68 to 10, 20, or 60 requires additional steps as follows:

- Change the aide code from 18, 28, 68 to 10, 20, or 60 in field A3 on form SOC 293.
- Retain the share of cost date in the field I1 on the SOC 293.
- Erase all other share of cost data in fields I2 through K2, including the countable income in field I5 and the Benefit Code/Level in field J3.
- Once the aid code for the case has been changed the share of cost date in field I1 may be deleted.

Notice of Action (NOA)

The text message that will be generated by the Case Management, Information, and Payrolling System (CMIPS) when a PCSP recipient is enrolled or terminated from the 250% Working Disabled program is attached for your use. Until the enrollment code is available in CMIPS, counties will need to type the language on a blank NA 690 form. The Adult Programs Systems Unit will notify counties, via an Electronic Bulletin Board (EBB), when the NOA codes are available in CMIPS.

If you have any further questions regarding this letter, please contact your Operational and Technical Assistance Analyst at (916) 229-4000.

Sincerely,

***Original Document Signed By
Donna L. Mandelstam on 8/15/01***

DONNA L. MANDELSTAM
Deputy Director
Disability and Adult Programs Division

Attachments

- [250 Percent Working Disabled Program Procedures](#)
- [Medical Eligibility Manual/Pickle Handbook](#)
- 250 Percent Working Disabled Program County Coordinator Lists-(Updated)
- 250 Percent Working Disabled Program Interim Payment Information (MC 338)-Deleted

- Medical Notice of Action Approval for Benefits as 250 Percent Working Disabled Individual or Couple-Deleted
- Medical Notice of Action Change of Premium Payment Amount in the Percent Working Disabled Program (MC 338 E)-Deleted
- Medical Notice of Action Discontinued for Failure to Pay Full Premium in the 250 Percent Working Disabled Program (MC 338 F) Deleted
- 250 Percent Working Disabled Program Premium Payment Information (MC 338G)-Deleted
- Medical Notice of Action Application for Retroactive Eligibility for the 250 Percent Working Disabled Program (MC 338 H)-Deleted

DEPARTMENT OF HEALTH SERVICES

714/744 P Street
P.O. Box 942732
Sacramento, CA 94234-7320
(916) 657-2941



March 16, 2000

TO: All County Welfare Directors
All County Administrative Officers
All County Medi-Cal Program Specialist/Liaisons
All County Out Stationed Eligibility Workers Coordinators
All County Public Health Directors
All County Mental Health Directors

Letter No.: 00-16

MEDI-CAL ELIGIBILITY FOR THE WORKING DISABLED (250 PERCENT WORKING DISABLED PROGRAM)

Effective April 1, 2000, the 250 Percent Working Disabled program expands Medi-Cal eligibility to working disabled individuals who meet certain eligibility conditions such as having family countable income less than 250 percent of the federal poverty level (FPL).

This letter provides information and draft Procedures for implementing the new 250 Percent Working Disabled (WD) program, effective April 1, 2000. New forms have been developed for this program and are currently in process within the Department of Health Services (DHS). While these forms are under development, we have developed similar forms that are included as part of the draft Procedures and which counties may copy and use until the new forms are available from the DHS warehouse. We will let counties know when these new forms are stocked in the warehouse and are ready for ordering.

BACKGROUND

To promote self-sufficiency and encourage the disabled to seek employment opportunities without fear of losing essential health care, Section 4733 of the federal Balanced Budget Act of 1997, Public Law 105-33, established a new optional categorically needy group known as the working disabled, which allows states to provide Medicaid coverage to certain working disabled individuals.

California recently enacted legislation to adopt this federal option (Assembly Bill 155, Chapter 820, Statutes of 1999, Migden.) The State elected to impose a monthly sliding-scale premium for eligible, with a minimum payment of \$20 and a maximum payment of \$250 per month per individual. Combined monthly sliding-scale premiums ranging from \$30 to \$375 are imposed for eligible couples. DHS, not the counties, will be responsible for collection of such premiums. Share of cost Medi-Cal provisions are not applicable to the 250 Percent WD program.

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The 250 Percent WD Program establishes Medi-Cal eligibility for certain working disabled individuals such as those whose family's net nonexempt income is less than 250 percent of the FPL and whose unearned income and resources meet Supplemental Security Income and State Supplementary Payment Program (SSI/SSP) requirements. Under federal law, states were given the option of adopting more liberal income and resource methodologies than used in determining eligibility for SSI/SSP. California chose to adopt liberal provisions such as exempting all the disabled individual's disability income and all resources in the form of employer or individual retirement arrangements authorized under the Internal Revenue Code. These disregards are reflected on the 250 Percent WD income and property eligibility forms included in the draft Procedures.

ELIGIBILITY REQUIREMENTS:

1. Except for earnings, all applicants must continue to meet the federal definition of disability, as defined in federal law, and meet the nonfinancial requirements of the Medi-Cal program. Substantial gainful activity is not a consideration in determining whether disability exists.
2. Except for earnings, all applicants must meet the eligibility requirements of the SSI/SSP program, though neither prior nor current receipt of SSI/SSP is required.
3. Applicant's family's net nonexempt countable income must be less than 250 percent of the FPL. Income eligibility will primarily be based on methodology used in the SSI program, except that disability income of the applicant is exempt. In counting income, "family income" means using the following income:
 - The applicant's or beneficiary's own income, except for disability income;
 - The spouse's income, if the spouse has income above a certain SSI threshold;
and
 - The parent(s)' income, if the applicant or beneficiary is a child.
4. FPLs based on 250 percent FPL

Effective April 1, 2000, 250 Percent of the FPL for a single individual is \$1,740 per month and \$2,344 per month for two persons. (The FPLs generally increase each April 1. Counties are notified by DHS when these FPLs increase.)

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If the applicant is a single individual or is married but spousal deeming does not apply, 250 percent of the FPL for one person is used. If a couple is applying or the applicant is married and spousal deeming applies, 250 percent of the FPL for two persons is used.

The FPL limit is not increased by children living in the home. Instructions about how to determine whether spousal deeming applies are in Section VI B 4 of the Procedures relating to determining whether net nonexempt family income is less than 250 percent of the FPL.

5. All beneficiaries must pay a monthly premium, based on countable income, ranging from \$20 to \$250 for an eligible individual or from \$30 to \$375 for an eligible couple. Note: If the otherwise eligible individual or couple fails to pay full premiums for two consecutive months, he or she will be discontinued by DHS with a timely notice of action from the 250 Percent WD program.

AID CODE:

Eligible for the 250 Percent WD program are identified under Aid Code 6G. This is a full-scope aid code. There is no other aid codes for this program.

ALIENS:

Aliens who are or would be limited to restricted services under a regular Medi-Cal program (such as the Medically Needy program) are ineligible under federal requirements for the SSI/SSP program. Restricted-scope aliens therefore are ineligible for the 250 Percent WD program since one of the 250 Percent WD program's eligibility requirements is that except for earnings, the individual must be eligible for SSI/SSP.

Aliens listed below who are or could be receiving full-scope services under regular Medi-Cal are not eligible for the 250 Percent WD program unless they are lawfully residing in the United States and were receiving SSI on August 22, 1996. These aliens who were on SSI on August 22, 1996, meet the SSI alien status requirement and must continue to be evaluated for the 250 Percent WD program:

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- Voluntary Departure (INS Section 242(b))
- Order of Supervision (INA Section 242)
- Registry Alien (INA Section 249)
- Indefinite Stay of Deportation
- Suspension of Deportation (INA Section 244)
- In United States with Permission of INS
- Deferred Action Status
- Indefinite Voluntary Departure
- Extended Voluntary Departure
- Stay of Deportation (INA Section 106)
- Immediate Relative Petition
- Application for Adjustment Status
- Lawful Temporary Resident

OVERVIEW:

County Responsibilities:

Counties will determine eligibility and the amount of the premium and report this information to the Medi-Cal Eligibility Data System (MEDS). The amount of the premium is reported in the share of cost field.

DHS will notify the county by a worker alert whenever an individual in that county is discontinued by DHS for failure to pay full premiums for two consecutive months. The county must conduct an immediate redetermination as to whether the individual is eligible for any other Medi-Cal program and if eligible, report that information to MEDS. Neither Ramos nor Edwards will apply.

DHS Responsibilities:

DHS is automating to the maximum extent possible the premium payment system.

Third Party Liability Branch (TPLB):

TPLB will be responsible for collecting the required premium payments and reporting this information to MEDS.

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Information Technology Services Division (ITSD):

ITSD will ensure that data changes are made to MEDS so that MEDS tracks the premium payments; sends invoices to those reported eligible by the county; discontinues (with timely notice) those eligible who have failed to pay full premiums for two consecutive months and informs the county by a worker alert when this occurs.

Medi-Cal Eligibility Branch (MEB):

MEB will develop and submit the State Plan Amendment to the Health Care Financing Administration, prepare regulations, ensure that procedures are maintained, and revise forms as necessary.

INTERIM PROCEDURES:

Aid Code 6G will be effective mid-March 2000, after MEDS Renewal is run. The automated premium payment collection system is not expected to be effective until summer 2000. Until such time as that system is implemented, counties will need to assist DHS by providing 6G eligible with the following:

1. The 250 Percent Working Disabled Program Interim Premium Payment Information Notice (See Enclosure 1) which explains about the premiums and related requirements; how the interim premium collection process will operate; and the interim instructions about making these payment payments.
2. At least four of the following envelopes that have preprinted invoices with blank fields, so beneficiaries can return their payments to DHS. (DHS will be sending counties a supply of preaddressed, postage-paid envelopes, with each envelope having an invoice preprinted on it.) Each invoice is to cover one month of eligibility. Counties must complete one invoice with the following information for each month through July 2000, beginning with the month of approval: the month for which a premium is due, the amount of the premium, and whether the month is one of the three retroactive months of eligibility as provided under Title 22, California Code of Regulations, Section 50710. Neither retroactive nor ongoing eligibility can begin earlier than April 2000.

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We have developed an interim notice of action for approvals. (See Enclosure 2.) Counties may copy and use this notice until full implementation, when counties will be given a different notice of action to use for approvals. All counties must be sure to reproduce the notice with the NA BACK 9 on the back.

WORKING DISABLED PROGRAM COUNTY COORDINATOR:

Each county needs to provide MEB in DHS with the name, phone number, and address of the individual who can be contacted when issues arise about this program or to whom information can be sent. This county coordinator information can be e-mailed to Mr. Terry Durham, MEB, at Tdurham@dhs.ca.gov or faxed to him at (916) 657-3224. The county coordinator is also responsible for ensuring that any premium payments misdirected to the county are expeditiously mailed to DHS at:

Department of Health Services
Recovery Section
P.O. Box 225
Dept 155
Sacramento, CA 95812-0225

All eligibility questions regarding the 250 Percent WD program should be directed to Mr. Terry Durham (916) 657-2701. Beginning April 1, 2000, questions relating to the collection of premiums should be directed to the DHS Premium Collection Unit at (916) 322-0019.

Sincerely,

ORIGINAL SIGNED BY

Angeline Mrva, Chief
Medi-Cal Eligibility Branch

Enclosures

DEPARTMENT OF SOCIAL SERVICES

744 P Street, Sacramento, California 95814

**ATTACHMENT I****MEDI-CAL TWO-HUNDRED AND FIFTY PERCENT (250%) WORKING DISABLED PROGRAM****CMIPS NOA – Form NA 690 Automated Notice of Action text**

The following is the text message that is to be generated by CMIPS whenever a PCSP recipient is enrolled in or is terminated from the 250% Working Disabled program.

Enrollment: Code 541

Effective _____ you will no longer have an IHSS/PCSP share-of-cost.

You have been approved for the Medi-Cal 250% Working Disabled Program because you currently meet all eligibility requirements of W&I Code §14007.9. You receive your supportive services under the Personal Care Service Program (PCSP) W&I Code §12300(f) and §14132.95. PCSP is a Medi-Cal benefit. This means that your share of cost for PCSP is zero (\$0.00).

You must maintain your eligibility for the Medi-Cal 250% Working Disabled Program in order to receive zero share-of-cost PCSP. You must notify your county social worker when your provider, PCSP service needs, or 250% Working Disabled Program eligibility status changes.

Eligibility Termination: Code 542

Effective _____ you must pay your IHSS/PCSP share-of-cost calculated at the top of this form in accordance with W&I Code §14005.7 or §12304.5. You have been determined ineligible for the 250% Working Disabled Program W&I Code §14007.9. To continue to receive supportive services you must pay your IHSS/PCSP share-of-cost.