

DEPARTMENT OF SOCIAL SERVICES

744 P Street, Sacramento, California 95814



January 24, 2001

ALL-COUNTY LETTER NO. 10-01

TO: ALL COUNTY WELFARE DIRECTORS
ALL IHSS PROGRAM MANAGERS

REASON FOR THIS TRANSMITTAL

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

**SUBJECT: AGED AND DISABLED FEDERAL POVERTY LEVEL (A&D FPL)
PROGRAM FOR IN-HOME SUPPORTIVE SERVICES/PERSONAL
CARE SERVICES PROGRAM (IHSS/PCSP) RECIPIENTS**

REFERENCES: Department of Health Services (DHS) All-County Letter (ACL) No. 00-57 dated November 14, 2000 and ACL No. 00-68 dated December 29, 2000

Assembly Bill (AB) 2877, Chapter 93, Statutes of 2000, added Section 14005.40 to the Welfare and Institutions Code. This bill authorized funding and directed the DHS to implement a Medi-Cal benefit with no share-of-cost for qualified medically needy, aged and disabled persons. This new eligibility category is called the Aged & Disabled Federal Poverty Level Program.

The purpose of this ACL is to inform counties of this change in statute and to provide IHSS/PCSP instructions for implementing the A&D FPL Program, which is to be implemented January 1, 2001. IHSS/PCSP recipients must be PCSP eligible to participate in the A&D FPL Program.

Background

DHS' ACL 00-57 and 00-68 provided A&D FPL implementation guidance to county Medi-Cal administrators for their Medi-Cal recipients. IHSS/PCSP recipients who are receiving PCSP benefits with income at or below the Federal Poverty Level (FPL) (plus a disregard amount) must be evaluated for zero share-of-cost benefits under the A&D FPL Program. The majority of aged and disabled PCSP recipients with a share-of-cost can benefit from this change, which will change the recipient's share-of-cost from current levels to zero (\$0.00). There is no partial reduction of share-of-cost for recipients. Recipients who meet all the A&D FPL eligibility criteria will have their share-of-cost reduced to zero. If the recipient does not meet all the eligibility criteria, the A&D FPL Program does not apply.

Although the DHS' ACLs provided guidance for Medi-Cal eligibility and program administration, there are some differences with implementing the program for IHSS/PCSP.

ELIGIBILITY

PCSP eligible recipients must be evaluated to determine Medi-Cal A&D FPL financial eligibility. The eligibility criteria are:

1. Aged or disabled recipients and those identified by Case Management Information and Payrolling System (CMIPS) aid codes as 18 and 68. The disabled category also includes disabled minors.
2. Blind recipients receiving Title II Social Security disability benefits based on blindness are eligible under the disabled category. Blind recipients have CMIPS aid code 28.
3. Blind recipients who are aged (65 & older) are eligible under the aged category (even with CMIPS aid code 28).
4. Blind recipients who are not aged, and who are not receiving Title II benefits based on blindness, or do not possess a valid Disability Certification must obtain a Disability Certification from the State Programs-Disability and Adult Programs Division (SP-DAPD). A blind designation alone is not sufficient for the A&D FPL Program; recipients must be certified as disabled.
5. PCSP eligible recipients must have at least one IHSS provider who is an authorized PCSP provider to be eligible for the A&D FPL Program. Spouses of recipients and parents of recipients who are minor children are not authorized PCSP providers.

The A&D FPL Program financial eligibility determination must be done using the attached form MC 176, the Aged & Disabled Federal Poverty Level Program Financial Eligibility Form. Using the IHSS eligibility and share-of-cost determinations with associated SSI/SSP benefits does not meet all A&D FPL eligibility guidelines.

A&D FPL financial eligibility must be evaluated for:

1. Recipients not initially processed with the automated CMIPS procedure (see below).
2. Newly enrolled PCSP recipients who were added between December 15, 2000 and January 15, 2001 who may have been omitted from the processing procedures and any subsequent lists.
3. PCSP recipients at annual case renewal/reassessment.
4. Changes in recipients' PCSP or A&D FPL Program eligibility.
5. Changes in Federal Poverty Levels.

EFFECTIVE INCOME LIMIT

Beginning January 1, 2001, **eligible** recipients must meet the following effective income limits as calculated **using form MC 176**.

Single Individuals: **Effective Income Limit - \$926.00**
(100% of the FPL [\$696.00] and a \$230 disregard)

Couples: **Effective Income Limit - \$1248.00**
(100% of the FPL [\$938.00] and a \$310 disregard)

The January 1, 2001 Retirement Survivors and Disability Insurance (RSDI) Cost-of-Living Adjustment (COLA) for 2001 is to be disregarded for the purposes of A&D FPL eligibility determination until the new 2001 FPL change takes effect in the spring. The above Effective Income Limits reflect year 2000 levels, which shall be applied in determining eligibility for current PCSP cases and new intake cases. Once the 2001 FPL rates are published, the A&D FPL eligibility assessments will use the 2001 RSDI rates together with the 2001 FPL Effective Income Limit.

CMIPS AUTOMATED A&D FPL IMPLEMENTATION

To meet the January 1, 2001 implementation requirement and to reduce county case workload, a one-time CMIPS programming change has been performed. This procedure changed the current share-of-cost to zero (\$0.00) for a majority of PCSP recipients who qualified for no share-of-cost Medi-Cal under the A&D FPL Program based on countable income as listed in the December 2000 CMIPS database records. Strict screening requirements were used to convert recipients who had:

1. At least one authorized PCSP provider, **and**
2. An "E" or "I" status **and**
3. To recipients who were identified as either:
 - A. Aged or disabled, aid code of 18 or 68, with a system code Link 1 (individual) and having countable income of \$926.00 or less, **or**
 - B. Blind recipients who are 65 and older, aid code 28, with a system code Link 1 (individual), and having countable income of \$926.00 or less.

Counties have been provided with reports listing all recipients whose share-of-cost was changed to zero. A manual A&D FPL eligibility determination using form MC 176 must be completed on all automated share-of-cost changes within one year or if changes in a recipient's eligibility status occur.

A&D FPL MANUAL PROCESSING PROCEDURES

All CMIPS aid code 18, 28, and 68 recipients who do not have their share-of-cost changed must be evaluated manually by January 31, 2001, using form MC 176.

Questions on completing MC 176 should be referred to county Medi-Cal eligibility staff, since A&D FPL eligibility is a Medi-Cal function. Lists have been provided to the counties to evaluate the remaining recipients who include:

1. Minors with CMIPS aid codes 28 or 68.
2. Married couples with CMIPS aid codes 18, 28, and 68.
3. Eligible individuals not included in the automated CMIPS procedure due to income above the A&D FPL Effective Income Limit. The MC 176 procedure allows several additional deductions in determining countable income, so recipients near the Effective Income Limit should be manually evaluated.
4. Blind recipients who are not aged but are receiving Title II disability benefits based on blindness.
5. Blind recipients who are not aged, and are not receiving Title II disability benefits based on blindness or do not possess a valid Disability Certification. If the recipient meets A&D FPL financial eligibility criteria, they must be referred to the State Programs-Disability and Adult Programs Division (SP-DAPD) to determine if they are eligible for a Disability Certification.

PCSP eligibles who previously were denied PCSP benefits because their potential share-of-cost was greater than their assessed needs can receive PCSP benefits if they qualify for the A&D FPL Program, since their share-of-cost would be zero. (As a matter of practice, counties should always take and process a Medi-Cal application, or refer the applicant to county Medi-Cal eligibility staff whether or not the individual qualifies for PCSP if the individual is not already enrolled in the Medi-Cal program). This takes effect January 1, 2001, and applies to new cases.

A&D FPL Program Manual Enrollment

If a completed MC 176 indicates eligibility for the PCSP recipient, the following CMIPS entries should be completed:

1. Insert the effective share-of-cost date in the "I1" field of the SOC 293 screen. The format is mm/dd/yyyy.
2. Insert the Indicator Code letter "E" in the "I1" field, immediately to the right of the share-of-cost effective date of the SOC 293 screen. This code marks the CMIPS case file as an A&D zero share-of-cost case.
3. CMIPS will automatically change the share-of-cost in field "M6" of the SOC 293 screen from the current value to zero (\$0.00).
4. Change the Notice of Action (NOA) "M" code to "C" in the CMIPS "ZZ1" field of the SOC 293 screen, to indicate that the NOA should be returned to the county.

5. Insert the NOA code "530" in the CMIPS "ZZ2" field of the SOC 293 screen. This code will generate CMIPS form NA 690 NOA notifying the recipient that they have been made eligible for the A&D FPL Program and that their share-of-cost has been changed to zero (\$0.00) with an effective date. The counties should mail this notification together with a copy of enclosure (2), which is a generic A&D FPL Program information bulletin.
6. Check the provider's code on the "H4" field of the SOC 293 (appears to the right of "H4" on the printout). If the provider is a one-to-one (1:1) provider, CMIPS will automatically update the "F" line segment fields of the SOC 311 screen with the recipient's "M" segment line information and automatically zero (\$0.00) the share-of-cost. If there is more than one provider, the field printing to the right of "H4" will be blank on the SOC 293. Update each provider's SOC 311 with the "F2" (begin date), "F4" (number of hours), and a zero (\$0.00) share-of-cost.
7. Annotate the manual case file to document the change of share-of-cost to zero due to the A&D FPL Program.

A&D FPL Program Eligibility Termination

If a change in eligibility status renders the recipient ineligible for the A&D FPL Program:

1. Insert the effective share-of-cost date in the "I1" field of the SOC 293 screen. The format is mm/dd/yyyy.
2. Insert the Indicator Code letter "D" in the "I1" field, immediately to the right of the share-of-cost effective date of the SOC 293 screen. This code marks the CMIPS case file as a normal share-of-cost case.
3. Change the NOA "M" code to "C" in the CMIPS "ZZ1" field of the SOC 293 screen, to indicate that the NOA should be returned to the county.
4. Insert the NOA code "531" in the CMIPS "ZZ2" field of the SOC 293 screen. This code will generate the CMIPS form NA 690 NOA notifying the recipient that he/she has been removed from the A&D FPL Program and that their share-of-cost has been changed to the calculated share-of-cost with an effective date. Write the specific reason for the eligibility termination on the NA 690 NOA before mailing the form.
5. Check the provider's code on the "H4" field of the SOC 293 (appears to the right of "H4" on the printout). If the provider is a one-to-one (1:1) provider, CMIPS will automatically update the "F" line segment fields of SOC 311 screen after the recipient screen is updated. If there is more than one provider, the field printing to the right of the "H4" field will be blank on the SOC 293. End the current segment on the SOC 311 "F3" field with the appropriate end date. On the next segment line, "G", create a new segment with a beginning date in the "G2" field which matches the recipient's updated share-of-cost date and beginning date from the SOC 293. Leave the end date "G3" field blank if appropriate, add the number of hours for the provider in the "G4" field and add the share-of-cost amount in the "G5" field. CMIPS will automatically change the segments around to reflect the proper chronological order and will display the most current segment first on the "F" line.

6. Annotate the manual case file to document the change back to the calculated share-of-cost from zero due to the disenrollment from the A&D FPL Program.

CMIPS AID CODES

DHS is instructing the counties to change their Medi-Cal aid codes to indicate a no share-of-cost status. **CMIPS aid codes should not be changed at this time.** PCSP recipients with CMIPS aid codes 18, 28 and 68 (affected by the A&D FPL Program) will continue to be eligible for managed care services through Medi-Cal.

CMIPS aid codes for the A&D FPL Program will be changed, at a later date, to comply with the Medi-Cal Eligibility Data System (MEDS) FPL aid codes.

SHARE OF COST DETERMINATION (Income Eligible (IE) to PCSP)

The A&D FPL Program affects the prospective IE to PCSP conversion process authorized by AB 2779 (effective April 1, 1999) because it reduces to zero the Medi-Cal share-of-cost for many income eligible PCSP recipients.

A future CDSS ACL will be released to provide guidance in completing the Medi-Cal share-of-cost calculation and the IHSS/PCSP share-of-cost process for each PCSP case. This process compares the two SOCs and assigns the lower share-of-cost as the recipient's share-of-cost for PCSP. The ACL will provide instructions on tracking and reporting the buy-out component of the share-of-cost offset.

FEDERAL POVERTY LEVEL UPDATE SCHEDULE

Counties must be cognizant of the complication for calculating countable income. AB 2877, Chapter 93, Statutes of 2000, added section Section 14005.40 to the Welfare and Institutions Code to state that:

“For purposes of calculating income under this section during any calendar year, increases in Social Security benefit payments under Title II of the federal Social Security Act (42 U.S.C. Sec. 401et seq.) arising from cost-of-living adjustments shall be disregarded commencing in the month that these Social Security benefit payments are increased by the cost-of-living adjustment through the month before the month in which a change in the federal poverty level requires the department to modify the income standard described in subdivision (c).”

This means that the income eligibility criteria for the A&D FPL Program which commences January 1, 2001, must use the Social Security rates in effect December 2000 until the change in the FPL for 2001 is published and put into effect. This has

historically occurred in March/April. Following the release of the new 2001 FPL, eligibility for existing recipients of the FLP zero share-of-cost program must be recertified. For successive years this process will occur only once a year when FPL changes.

Questions regarding this program implementation should be referred to the IHSS/PCSP Operations and Technical Assistance Unit at (916) 229-4000.

Sincerely,

*Original Signed By
Donna L. Mandelstam on 1/24/01*

DONNA L. MANDELSTAM
Deputy Director
Disability and Adult Programs Division

Attachments

DEPARTMENT OF SOCIAL SERVICES

744 P Street, Sacramento, California 95814

**ATTACHMENT 1****IMPORTANT NOTICE****Medi-Cal Aged and Disabled Federal Poverty Level Program**

Dear IHSS/PCSP Recipient:

You **may** be eligible to receive your Medi-Cal services, including In-Home Supportive Services (IHSS), under a new Medi-Cal program called the Aged and Disabled Federal Poverty Level Program (A&D FPL). This new program may reduce your Medi-Cal share-of-cost payment to zero. This new program was created by Assembly Bill 2877, Chapter 93, Statutes of 2000, which added Section 14005.40 to the Welfare and Institutions Code, to be implemented January 1, 2001.

Wait for a Notice of Action

A Notice of Action (NOA) will be sent to you by mid-January, 2001 informing that either:

1. The current information in your case file qualifies you for the Aged and Disabled Federal Poverty Level Program and that your share-of-cost payment has been adjusted to zero.

or

2. You did not meet the Medi-Cal Aged and Disabled Federal Poverty Level Program eligibility requirements at this time. You must pay a Medi-Cal share-of-cost to your provider. You will receive a second NOA with your new 2001 Medi-Cal share-of-cost amount.

What do you have to do?

Until you receive your IHSS/PCSP Notice of Action in mid-January 2001, do not pay your provider your share-of-cost payment. Show your provider this notice.

If you met all the eligibility requirements of the Medi-Cal Aged and Disabled Federal Poverty Level Program, your Medi-Cal share-of-cost payment will change to zero (\$0.00). Your provider will be paid in full by the Medi-Cal program.

If you did not meet the eligibility requirements of the Medi-Cal Aged and Disabled Federal Poverty Level Program, a second notice will advise you of your new Medi-Cal share-of-cost.

If you have any questions, please contact your social worker at the county IHSS office.

DEPARTMENT OF SOCIAL SERVICES

744 P Street, Sacramento, California 95814

**ATTACHMENT 2****INFORMATION SHEET****Medi-Cal Aged and Disabled Federal Poverty Level Program**

Dear IHSS/PCSP Recipient:

The Aged and Disabled Federal Poverty Level Program is a Medi-Cal benefit that can reduce your current share-of-cost payment to zero if you meet all eligibility requirements. This program is available to Personal Care Services Program (PCSP) recipients who meet the following basic requirements:

1. Aged (65 years of age or older).
2. Disabled (no age requirement).
3. Have at least one IHSS provider who is an authorized PCSP provider. Spouses of recipients and parents of recipients who are minor children are not authorized PCSP providers.
4. Pay or would pay a share-of-cost for PCSP services.
5. Have a countable income below a certain limit (varies with individuals, couples or part of a family unit).
6. Must be PCSP eligible. If you are receiving advance pay you are not PCSP eligible and not eligible for the Aged and Disabled Federal Poverty Level Program.

The county's IHSS worker must determine your actual eligibility for this program. Alternatively, a Medi-Cal intake worker can also determine your A&D FPL eligibility. If you are found eligible, you will receive an In-Home Supportive Services **Notice of Action** that will provide you with information of the change in your share-of-cost payment from your current level to zero (\$0.00).

The change was added by Assembly Bill 2877, Chapter 93, Statutes of 2000, which added Section 14005.40 Welfare and Institutions Code.

Any changes in your financial status must be reported immediately to your county social worker.

If you have any questions, please contact your county social worker.

DEPARTMENT OF SOCIAL SERVICES

744 P Street, Sacramento, California 95814

**ATTACHMENT 2 SPANISH****ADJUNTO 2B****Programa de Medi-Cal de Ancianos y Desabilitados
del Nivel Federal de Pobreza
Hoja de Informacion**

Apreciable Recipiente de IHSS/PCSP:

El Programa de Ancianos y Desabilitados del Nivel Federal de Pobreza es un beneficio de Medi-Cal que puede reducir su prevaleciente pago de su parte de costo a cero, si usted reúne todos los requisitos de elegibilidad. Este programa está disponible para recipientes del Programa de Servicios de Cuidado Personal (PCSP) los cuales reúnen los siguientes requerimientos básicos:

1. Edad (65 años de edad o mayor).
2. Desabilitado (no hay requerimientos de edad).
3. Tener cuando menos un proveedor de IHSS el cual sea proveedor autorizado de PCSP. Esposos de recipientes y padres de recipientes los cuales son niños menores de edad no están autorizados como proveedores de PCSP.
4. Paga o pagaría una parte de costo por los servicios de PCSP.
5. Tener un ingreso calculado abajo de cierto límite (varea según cada persona, pareja o parte de una unidad familiar).
6. Tiene que ser elegible para PCSP. Si usted está recibiendo el pago adelantado, usted no es elegible para PCSP y no es elegible para El Programa de Ancianos y Desabilitados del Nivel Federal de Pobreza.

El/la trabajador(a) de IHSS del condado tiene que determinar su elegibilidad real para este programa. Alternativamente, el trabajador inicial de Medi-Cal también puede determinar su elegibilidad de A&D FPL. Si usted es hallado elegible, usted recibirá una noticia de acción de Servicios De Apoyo En El Hogar el cual le proveerá información del cambio de pago de su parte de costo de su nivel prevaleciente a cero (\$0.00).

El cambio fue añadido por el Proyecto de ley de la Asamblea 2877, Capítulo 93, Estatuto del 2000, el cual añadió la Sección 14005.40 del Código de Bienestar y Instituciones.

Cualquier cambio en su posición financiera tiene que ser reportado inmediatamente a su trabajadora social del condado.

Si usted tiene cualquier pregunta, por favor comuníquese con su trabajadora social del condado.

DEPARTMENT OF SOCIAL SERVICES

744 P Street, Sacramento, California 95814

**ATTACHMENT 3**

MEDI-CAL AGED & DISABLED FEDERAL POVERTY LEVEL 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 A&D FPL program.

Enrollment: Code 530

You have been approved for the Medi-Cal Aged & Disabled Federal Poverty Level (A&D FPL) program because you currently meet all eligibility requirements of W&I Code §14005.40. Disregard the share-of-cost amount on the top of this form. Your Medi-Cal share-of-cost payment for PCSP services has been reduced to zero (\$0.00) effective _____. Your county social worker can provide you with additional information. Notify your county social worker when your provider, services, or eligibility status changes.

Eligibility Termination: Code 531

Effective _____, you must pay your IHSS/PCSP provider the share-of-cost calculated at the top of this form in accordance with W&I Code §14005.70. Your eligibility for the Medi-Cal Aged & Disabled Federal Poverty Level (A&D FPL) program of W&I Code §14005.40 will stop because you do not meet the following A&D FPL eligibility requirement(s).

Verify your income amounts and contact your county social worker within 10 days if you have any questions.

Non-Eligibility: Code 529

You are not eligible for the Medi-Cal Aged & Disabled Federal Poverty Level (A&D FPL) program of W&I Code §14005.40 at this time because you do not meet the following A&D FPL eligibility requirement(s):

You will receive a second NOA shortly letting you know your new monthly Medi-Cal share-of-cost. Contact your county social worker if you have any questions.

ATTACHMENT 4

**AGED & DISABLED FEDERAL POVERTY LEVEL PROGRAM
FINANCIAL ELIGIBILITY FORM**

CASE NAME	COUNTY DISTRICT	COUNTY USE
APPLICANT'S NAME (If different from above)	CASE #	EFFECTIVE ELIG. DATE FOR THIS BUDGET Month _____ Year _____
NAME ADDITIONAL MFBU MEMBER (SPOUSE)	NAME OF ADDITIONAL MFBU MEMBER (CHILD)	OTHER COVERAGE

NEW APP. REDETERMINATION CHANGE RETRO ELIG. CORRECTION

PART A Is the applicant(s)/beneficiary(ies) aged or disabled per Title 22, Sections 50221, 50223, & 50167:
 Yes, then go to Part B No: Do not complete this form; if not aged refer for disability determination

PART B INCOME ELIGIBILITY DETERMINATION

I UNEARNED INCOME

	Elig. Individual	Elig. Spouse/Child/Parent	Inelig. Family Membr #1	Inelig. Family Membr #2
1 OASDI	\$ _____	\$ _____	\$ _____	\$ _____
2 PROPERTY NET INCOME	\$ _____	\$ _____	\$ _____	\$ _____
3 IN-KIND INCOME	\$ _____	\$ _____	\$ _____	\$ _____
4 OTHER INCOME (Include Source of Other Income)	\$ _____ Source: _____	\$ _____ Source: _____	\$ _____ Source: _____	\$ _____ Source: _____
5 OTHER INCOME (Include Source of Other Income)	\$ _____ Source: _____	\$ _____ Source: _____	\$ _____ Source: _____	\$ _____ Source: _____
6 TOTAL INCOME INDIVIDUAL UNEARNED INCOME (ADD 1 THRU 5 IN EACH COLUMN)	Total of Above Boxes: \$ _____	Total of Above Boxes: \$ _____	Total of Above Boxes: \$ _____	Total of Above Boxes: \$ _____
7 COMBINED UNEARNED INCOME (Add Totals From Row 6)	TOTAL OF BOXES IN ROW 6: \$ _____			
8 SUBTRACT \$20 (Any Income Deduction)				- \$20
9 REMAINING UNEARNED INCOME			\$ _____	

II EARNED INCOME

	Elig. Individual	Elig. Spouse/Child/Parent	Inelig. Family Membr #1	Inelig. Family Membr #2
10 GROSS EARNED INCOME	\$ _____	\$ _____	\$ _____	\$ _____
11 COMBINED EARNED INCOME (Add Amounts In Row 10)		\$ _____		
12 \$ 65 EARNED INCOME DEDUCTION PLUS \$ _____ FROM UNUSED \$20 DEDUCTION		- \$ _____		
13 REMAINING EARNED INCOME (Subtract line 12 from Line 11)		= _____		
14 50% EARNED INCOME DEDUCTION (Divide line 13 by 2)		\$ _____		

III NET NONEXEMPT INCOME AND ELIGIBILITY DETERMINATION

15 TOTAL EARNED AND UNEARNED INCOME (Add lines 9 and 14)	\$ _____		
16 DISREGARD FOR QUALIFIED INDIVIDUALS OR QUALIFIED COUPLES	- \$ _____		
17 HEALTH INSURANCE PREMIUMS	- \$ _____		
18 AGED & DISABLED MEDICALLY NEEDY DEDUCTIONS: SPECIFY _____	- \$ _____		
19 Deduction for Allocation to Ineligible Fam. Mbrs (= MNL for number of Ineligible Family Members)	- \$ _____		
20 NET NONEXEMPT INCOME (Line 15 – Lines 16 thru 19)	= \$ _____		
21 PROGRAM INCOME LIMIT (100% FPL For Number of Individuals Being Evaluated For Eligibility)	\$ _____		
22 ELIGIBLE IF LINE 20 AMT IS LESS THAN OR EQUAL TO LINE 21 AMT		ELIGIBLE	NOT ELIGIBLE
23 NOTE: If ineligible, assess for eligibility for other Medi-Cal programs			

DEPARTMENT OF HEALTH SERVICES

714/744 P Street
P.O. Box 942732
Sacramento, CA 94234-7320
(916) 657-0258



November 14, 2000

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

Letter No. 00-57

AGED AND DISABLED FEDERAL POVERTY LEVEL (A&D FPL) PROGRAM

The Governor's budget authorized funds for an A&D FPL Program which when implemented will provide no share-of-cost Medi-Cal to approximately 52,800 individuals. The effective date of this program is January 1, 2001. Given the importance of this program to many aged and disabled individuals, we are asking counties to make implementation of the A&D FPL program a top priority.

THE BASICS

- Qualified individuals/couples need to be aged or disabled and not in Long-Term Care.
- Eligibility of qualified individuals will be determined using the income and property medically needy rules.
- Qualified single individuals will have an effective income limit of \$926 (100 percent of poverty \$696 for one and a \$230 disregard) and qualified couples will have an effective income limit of \$1,248 (100 percent of poverty \$938 for two and a \$310 disregard).
- If qualified individuals have other family members applying for Medi-Cal benefits, qualified members will be ineligible member(s) of the other family member's Medi-Cal Family Budget Unit (MFBU). All ineligible family member's income will be used and be considered a part of the MFBU for purposes of determining the maintenance need size.
- Blind applicants or beneficiaries will need to be referred to the Disability Evaluation Division in order to determine if they meet disability criteria.
- January Social Security Cost-of-Living Allowance increases should be temporarily disregarded until the effective FPL increases are issued (generally in April).
- Disabled individuals in the A&D FPL program are not subject to an age limitation and as such children who are disabled need to be evaluated for this program.

FORMS

- Computations are to be completed using a Financial Eligibility Work Sheet-Federal Poverty Level Program (Enclosure 1) which is based on Part E & F of the Pickle

All County Welfare Directors
All County Administrative Officers
All County Medi-Cal Program Specialists/Liaisons
All County Outstationed Eligibility Workers Coordinators
All County Public Health Directors
All County Mental Health Directors
Page 2

Eligibility Worksheet (DHS 7021). The form for manual computation is enclosed and an automated version (Excel spreadsheet) can be obtained by contacting Craig Yagi at Cyagi@dhs.ca.gov.

- Suggested language for approval and denial notices of action (Enclosure 2).

AID CODES

- 1H – full-scope FPL aged individuals
- 6H – full-scope FPL disabled individuals
- 1U - restricted FPL aged individuals
- 6U - restricted FPL disabled individuals

IMPLEMENTATION

Counties must identify individuals in Aid Codes 17, 27, and 67 with a share of cost between \$1 and \$326. These potentially eligible beneficiaries must be evaluated for the A&D FPL program before the end of January 2001. It is also likely as beneficiaries become aware of the A&D FPL program, direct contacts with eligibility workers will be made. Counties should promptly process said requests. Furthermore, counties must ensure that intake units are aware of this new program and apply these procedures to January 2001 applications.

If you have any questions or concerns regarding this All County Letter (ACL), please E-mail Mr. Craig Yagi of my staff at Cyagi@dhs.ca.gov, or fax it to (916) 657-3224. We will be addressing these questions and concerns on a subsequent ACL.

Sincerely,

ORIGINAL SIGNED BY

Glenda Arellano
Acting Chief
Medi-Cal Eligibility Branch

Enclosures

AGED & DISABLED FEDERAL POVERTY LEVEL PROGRAM FINANCIAL ELIGIBILITY FORM

CASE NAME	COUNTY DISTRICT	COUNTY USE
APPLICANT'S NAME (If different from above)	CASE #	EFFECTIVE ELIG. DATE FOR THIS BUDGET Month: _____ Year: _____
NAME ADDITIONAL MFBU MEMBER (SPOUSE)	NAME OF ADDITIONAL MFBU MEMBER (CHILD)	OTHER COVERAGE

NEW APP.
 REDETERMINATION
 CHANGE
 RETRO ELIG.
 CORRECTION

PART A Is the applicant(s)/beneficiary(ies) aged or disabled per Title 22, Sections 50221, 50223, & 50167:
 Yes, then go to Part B
 No: Do not complete this form; if not aged refer for disability determination

PART B INCOME ELIGIBILITY DETERMINATION

I UNEARNED INCOME

	Elig. Individual	Elig. Spouse/Child/Parent	Inelig. Family Membr #1	Inelig. Family Membr #2
1 OASDI	\$ _____	\$ _____	\$ _____	\$ _____
2 PROPERTY NET INCOME	\$ _____	\$ _____	\$ _____	\$ _____
3 IN-KIND INCOME	\$ _____	\$ _____	\$ _____	\$ _____
4 OTHER INCOME (Include Source of Other Income)	\$ _____ Source: _____	\$ _____ Source: _____	\$ _____ Source: _____	\$ _____ Source: _____
5 OTHER INCOME (Include Source of Other Income)	\$ _____ Source: _____	\$ _____ Source: _____	\$ _____ Source: _____	\$ _____ Source: _____
6 TOTAL INCOME INDIVIDUAL UNEARNED INCOME (ADD 1 THRU 5 IN EACH COLUMN)	Total of Above Boxes: \$ _____	Total of Above Boxes: \$ _____	Total of Above Boxes: \$ _____	Total of Above Boxes: \$ _____
7 COMBINED UNEARNED INCOME (Add Totals From Row 6)	TOTAL OF BOXES IN ROW 6: \$ _____			
8 SUBTRACT \$20 (Any Income Deduction)	- \$20			
9 REMAINING UNEARNED INCOME	\$ _____			

II EARNED INCOME

	Elig. Individual	Elig. Spouse/Child/Parent	Inelig. Family Membr #1	Inelig. Family Membr #2
10 GROSS EARNED INCOME	\$ _____	\$ _____	\$ _____	\$ _____
11 COMBINED EARNED INCOME (Add Amounts In Row 10)	\$ _____			
12 \$ 65 EARNED INCOME DEDUCTION PLUS \$ _____ FROM UNUSED \$20 DEDUCTION	- \$ _____			
13 REMAINING EARNED INCOME (Subtract line 12 from Line 11)	= _____			
14 50% EARNED INCOME DEDUCTION (Divide line 13 by 2)	\$ _____			

III NET NONEXEMPT INCOME AND ELIGIBILITY DETERMINATION

15 TOTAL EARNED AND UNEARNED INCOME (Add lines 9 and 14)	\$ _____			
16 DISREGARD FOR QUALIFIED INDIVIDUALS OR QUALIFIED COUPLES	- \$ _____			
17 HEALTH INSURANCE PREMIUMS	- \$ _____			
18 AGED & DISABLED MEDICALLY NEEDY DEDUCTIONS: SPECIFY	- \$ _____			
19 Deduction for Allocation to Ineligible Fam. Mbrs (= MNL for number of Ineligible Family Members)	- \$ _____			
20 NET NONEXEMPT INCOME (Line 15 - Lines 16 thru 19)	= \$ _____			
21 PROGRAM INCOME LIMIT (100% FPL For Number of Individuals Being Evaluated For Eligibility)	\$ _____			
22 ELIGIBLE IF LINE 20 AMT IS LESS THAN OR EQUAL TO LINE 21 AMT	<input type="checkbox"/> ELIGIBLE <input type="checkbox"/> NOT ELIGIBLE			
23 NOTE: If ineligible, assess for eligibility for other Medi-Cal programs				

Enclosure 2

You will receive a separate Notice of Action if another application has been made for other family members.

AGED AND DISABLED POVERTY LEVEL PROGRAM
(Zero Share-of-Cost Program)
Notice of Action

Approval Language

Your application dated ___/___/___ for the Aged and Disabled Federal Poverty Level Program has been approved effective ___/___/___

Denial Language

Your application dated ___/___/___ for the Aged and Disabled Federal Poverty Level Program has been denied because:

___ Your net countable income exceeds the Aged and Disabled Federal Poverty Level Program income limits.

___ You do not meet the medically needy program requirement because:

Discontinued Language

Your eligibility for the Aged and Disabled Federal Poverty Level Program will stop as of ___/___/___ because:

Your income exceeds the Aged and Disabled Federal Poverty Level Program limit.

You no longer meet other medically needy program requirements because:

DEPARTMENT OF HEALTH SERVICES

714/744 P Street
P.O. Box 942732
Sacramento, CA 94234-7320
(916) 657-0258



December 29, 2000

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

Letter No.: 00-68

FOLLOW-UP INFORMATION TO ALL COUNTY WELFARE DIRECTORS LETTER
NO: 00-57, AGED AND DISABLED FEDERAL POVERTY LEVEL (A&D FPL)
PROGRAM

The aid codes for this program will not be available on our Medi-Cal Eligibility Database System (MEDS) until February Month of Eligibility. Therefore, counties should put eligible individuals and couples for this program in no share-of-cost (SOC) aid codes such as 14, 24, and 64. Counties are asked to input the correct aid codes at renewal time, and when new FPL income limits are used or anytime the case file is updated.

Individuals in Aid Code 58 who qualify for the A&D FPL program should stay in this aid code but without a SOC.

Referral of Blind Applicants - Individuals who are receiving Title II benefits, **DO NOT** need an additional disability referral to State Programs-Disability Adult Program Division (SP-DAPD). The criteria for determination of blindness under the Title II program meet the definition of disability.

However, the criteria for determination of blindness under Title XVI or XIX are not the same as the Title II program; therefore, individuals who were determined to be blind by Supplemental Security Income/State Supplemental Program or SP-DAPD may not necessarily meet the definition of disability. As a result, individuals who were found blind by SSI/SSP or SP-DAPD and are applying for the A&D FPL program must be referred to SP-DAPD to be evaluated for disability before benefits under the A&D FPL program can be granted.

When counties make a disability referral to SP-DAPD on a blind individual, a full disability packet must be submitted. In Item 10 of the MC221, Disability Determination and Transmittal form, counties should state: "Referral is for the A&D FPL program. Applicants currently blind need to be evaluated for disability." If no comment is stated in Item 10, SP-DAPD may return the referral without an evaluation.

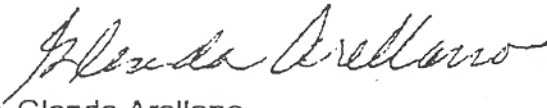
All County Welfare Directors
All County Administrative Officers
All County Medi-Cal Program Specialist/Liaisons
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Page 2

When SP-DAPD completes an evaluation on a blind applicant applying for the A&D FPL program, and determines that the applicant is also disabled because he or she meets the Title II definition of blindness, the MC221 will state "This applicant's impairment meets the SSA definition of disability."

In-Home Supportive Services/Personal Care Services Program (PCSP), program managers will be provided instructions on processing PCSP recipients eligible for the A&D FPL program. The Department of Social Services plans to release an All County Welfare Directors Letter (ACWDL) that will provide them instructions for their cases.

If you have any questions regarding this ACWDL, please contact Mr. Craig Yagi at (916) 657-1182.

Sincerely,



Glenda Arellano
Acting Chief
Medi-Cal Eligibility Branch