

**DEPARTMENT OF SOCIAL SERVICES**

744 P Street, MS 19-96, Sacramento, CA 95814



October 27, 2003

ALL-COUNTY INFORMATION NOTICE NO. I-76-03

TO: ALL COUNTY WELFARE DIRECTORS  
ALL IHSS PROGRAM MANAGERSReason 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: CURRENT STATUS OF THE CONVERSION ACTIVITIES FOR THE PERSONAL CARE SERVICES PROGRAM (PCSP) ELIGIBILITY FOR SHARE-OF-COST (SOC) OF IN-HOME SUPPORTIVE SERVICES (IHSS) RECIPIENTS**

This All-County Information Notice (ACIN) provides counties with a chronology of program information and documents associated with the shift of Income Eligibles to the Medi-Cal Personal Care Services Program (IE2PCSP), as well as a status of this program change. The attached list provides county IHSS staff that have arrived since 1999 the references for previously released documents concerning the IE2PCSP expansion. The IE2PCSP expansion provides income eligible, aged, blind, and disabled medically needy individuals with the PCSP benefit. IE2PCSP was authorized by Assembly Bill (AB) 2779 (Chapter 329 Statutes of 1998). The IE2PCSP conversion was partially implemented in April of 1999.

**Anticipated Future Activities**

The California Department of Social Services (CDSS) is coordinating with the California Department of Health Services (DHS) to develop further instructions.

Welfare and Institutions Code §14005.40, created the Aged and Disabled Federal Poverty Level (A&D FPL) Program. The A&D FPL Program eliminated the Medi-Cal share-of-cost (SOC) for the majority of income eligible PCSP recipients after January 1, 2001. Even though such individuals will have no SOC as of January 1, 2001, CDSS has previously notified counties that records nevertheless need to be maintained to determine the respective supplemental payment from April 1, 1999 through the month the recipient is converted to no SOC under the A&D FPL program.

As of January 1, 2001, some 4,380 Medi-Cal eligible recipients with a SOC remained ineligible for A&D FPL and continued to receive services with a SOC. Further instructions will need to be issued on the method to use to process these recipients. Likewise, new applicants that are not eligible for A&D FPL and have a SOC remain subject to future IE2PCSP instructions. Counties need to maintain the records for these recipients in anticipation of such future instructions.

Questions regarding this letter can be directed to the Adult Programs Branch, Operations and Technical Assistance Unit at (916) 229-4582.

Sincerely,

***Original Signed By***  
***Donna L. Mandelstam on 10/27/03***  
DONNA L. MANDELSTAM  
Deputy Director  
Disability and Adult Programs Division

Attachment

c: CWDA

## CHRONOLOGY OF THE CONVERSION OF IHSS INCOME ELIGIBLES TO PESONAL CARE SERVICES

Date	Item	Substance
February 26, 1999	<b>California Department of Social Services (CDSS) All IHSS Program Managers Letter</b>	<ul style="list-style-type: none"> <li>• This letter explained of AB 2779 changes and the Personal Care Services Program (PCSP) eligibility criteria for recipients.</li> <li>• Provided a list of recipients that were potentially PCSP eligible.</li> </ul>
February 26, 1999	<b>CDSS CMIPS Electronic Bulletin Board (EBB) message 99004</b>	<ul style="list-style-type: none"> <li>• This message provided an explanation of recipient PCSP eligibility criteria (as above).</li> <li>• Instructions were provided on how to begin claiming for federal financial participation (FFP) and administrative costs.</li> <li>• Notice was provided of a mailing to recipients in the first week of March 1999.</li> <li>• The counties were provided with tasks to perform in order to report FFP.</li> <li>• The counties were notified that CDSS would begin claiming FFP for PCSP share-of-cost (SOC) cases beginning with the 1<sup>st</sup> pay period in April of 1999 as required by AB 2779.</li> </ul>
March 10, 1999	<b>CDSS CMIPS EBB message 99007</b>	<ul style="list-style-type: none"> <li>• The counties were notified that a mass mailing to recipients was completed on March 8, 1999.</li> <li>• An error on the recipient letter was noted and the letter explained the location of the report indicator that was "P" for parent.</li> </ul>
March 19, 1999	<b>CDSS All IHSS Program Managers Letter</b>	<ul style="list-style-type: none"> <li>• The counties were informed that county third party contract and homemaker mode recipients had not been included in the first report sent to counties and that this information was being forwarded to counties.</li> <li>• Counties were instructed to process these cases.</li> </ul>

March 22, 1999	<b>CDSS CMIPS EBB message 99008</b>	<ul style="list-style-type: none"> <li>• This EBB repeated the instructions included in the March 19, 1999 All Program Managers Letter.</li> </ul>
March 29, 1999	<b>DHS ACWDL 99-13</b>	<ul style="list-style-type: none"> <li>• This ACWDL discussed the PCSP changes, necessary programming modifications and interim steps required in order to partially implement AB 2779 as of April 1, 1999.</li> </ul>
April 1999	<b>CDSS Adult Programs Branch State Report</b>	<ul style="list-style-type: none"> <li>• The State Report advised counties that the conversion of recipients on the March 8, 1999 list was to be completed by April 1, 1999 in order to partially implement AB 2779 and begin obtaining FFP.</li> </ul>
April 19, 1999	<b>CDSS All-County Letter (ACL) 99-25</b>	<ul style="list-style-type: none"> <li>• This ACL provided a detailed explanation of what AB 2779 had changed.</li> <li>• The ACL informed the counties of their responsibility to facilitate FFP claiming. Ad hoc reports from CMIPS were sent to counties of recipients who were presumably eligible. Counties were instructed to: <ul style="list-style-type: none"> <li>• Validate whether the recipient has been or would be disabled for 12 months;</li> <li>• Obtain a signed provider, PCSP enrollment State of California form (SOC form) 426; and</li> <li>• Key the provider eligibility flag to Y on the PELG screen when the SOC form 426 was signed.</li> </ul> </li> <li>• Counties were informed about the following: <ul style="list-style-type: none"> <li><u>Claiming procedures:</u> <ul style="list-style-type: none"> <li>• The claiming of FFP for PCSP cases was to start upon the first pay period in April of 1999.</li> <li>• Counties were also allowed to claim administrative costs associated with the conversion costs.</li> </ul> </li> <li><u>Recipient notification:</u> <ul style="list-style-type: none"> <li>• Counties were informed that potentially eligible recipients received an information letter along with an SOC form 426 for</li> </ul> </li> </ul> </li> </ul>

<p>April 22, 1999</p>	<ul style="list-style-type: none"> <li>• <b>CDSS IHSS Program Managers Letter</b></li> </ul>	<p>the provider to sign, as well as a Medi-Cal Recovery For The Personal Care Services Program Form (SOC form 445).</p> <p><u>Recipient cooperation:</u></p> <ul style="list-style-type: none"> <li>• Welfare and Institutions Code (WIC) 12300 (f), WIC 14132.95 (a) and (p) and MPP 30-757.1 were discussed.</li> <li>• A PCSP eligible recipient will not be able to refuse PCSP and still receive ancillary services from the IHSS residual program.</li> <li>• Instructions were provided as to what counties should do if the recipient refuses to cooperate.</li> </ul> <p><u>Underpayments:</u></p> <ul style="list-style-type: none"> <li>• This ACL recognized that some Non-Severely Impaired (NSI) residual recipients whose hours are less than the NSI level (195 or less) might increase to as high as 283 hours after conversion. A future DHS ACL that was to explain the processing of this underpayment has not yet been released.</li> <li>• DHS was to remain responsible for calculating the Medi-Cal SOC retroactively for both new applicants and cases converted to PCSP.</li> <li>• Attached to the ACL was: <ul style="list-style-type: none"> <li>• An Explanation Letter for the Recipient,</li> <li>• a PCSP provider enrollment form (SOC form 426), and</li> <li>• text from MPP 30-757.1 and the WIC.</li> </ul> </li> <li>• Counties were informed that beginning with May of 1999, a Residual SOC to PCSP Monthly Report was to be sent to counties.</li> <li>• The list was to contain new recipients, recipients with non-PCSP providers, recipients with protective supervision, and unmet need hours.</li> <li>• The list was not published as frequently as planned.</li> </ul>
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August 2, 1999	<b>CDSS IHSS Program Managers Letter</b>	<ul style="list-style-type: none"> <li>• Counties were again reminded to flag the PCSP cases in order to obtain FFP.</li> </ul>
October 7, 1999	<b>CDSS ACL 99-86: Manual Processing for IE to PCSP</b>	<ul style="list-style-type: none"> <li>• Instructions were provided for converting recipients with Unmet Needs and Protective Supervision.</li> <li>• The counties were instructed to manually track the increase in hours for service and manually process the additional payments for services to providers.</li> <li>• The ACL recognized that some NSI residual recipients whose hours were less than or equal to the NSI level (195 or less) might increase to as high as 283 hours after conversion.</li> <li>• Counties were advised of the following: <ul style="list-style-type: none"> <li><u>Supplemental payments:</u> <ul style="list-style-type: none"> <li>• Effective 11/01/99, counties were required to issue supplemental payments manually to individual providers and contract agencies for authorized services they delivered to recipients because of the IE2PCSP conversion. Counties were allowed discretion in developing processes to issue payments.</li> </ul> </li> <li><u>Minimum Requirements:</u> <ul style="list-style-type: none"> <li>• Obtain signed timesheets verifying that authorized hours in excess of the IHSS NSI maximum of 195 were performed.</li> <li>• Generate appropriate NOAs.</li> <li>• Track by recipient, the authorized hours and the payment to providers.</li> <li>• Process Individual Provider payments using the SOC form 312. Reporting was through a Special Pre-Authorized Transaction.</li> </ul> </li> <li><u>Reports Identifying the impacted recipients:</u> <ul style="list-style-type: none"> <li>• A modified PCSP 101 Report provided counties with lists of recipients that were potentially eligible for additional hours of service when they converted to PCSP.</li> <li>• For Individual Provider mode cases, the CMIPS PCSP SOC Residual Report identified IE NSI IHSS recipients with an</li> </ul> </li> </ul> </li> </ul>

<p>December 1, 1999</p>	<p><b>All-County Information Notice (ACIN) I-90-99</b></p>	<p>unmet need and those NSI recipients authorized to receive protective supervision</p> <ul style="list-style-type: none"> <li>• For contract cases, the CMIPS HIHJ595F Contractor Payment Authorization Alpha Listing identified both NSI and SI IE with unmet need because of dollar caps and having authorizations within \$5 of the dollar cap.</li> <li>• For mixed mode cases, a report identified NSI and SI recipients having an unmet need.</li> </ul> <ul style="list-style-type: none"> <li>• The county action that was required with regard to each type of service delivery mode was provided.</li> <li>• Suggested NOA language was included in the ACL as an attachment.</li> </ul>
<p>December 27, 1999</p>	<p><b>CDSS ACWDL 99-77</b></p>	<ul style="list-style-type: none"> <li>• This document announced changes in the Medi-Cal Eligibility Data Systems (MEDS) system screens that were made to accommodate planned system changes for the IE2PCSP shift.</li> <li>• Counties not having a MEDS interface were instructed to use CMIPS to transmit IHSS information to MEDS were instructed to begin making the changes to accommodate the IE2PCSP expansion.</li> <li>• The letter advised counties of the need to transmit the new PCSP aid codes and SOC data to MEDS.</li> <li>• Aid codes, 1F, 2F and 6F, were made effective March 1, 2000. County EDP systems needed to be programmed to send IHSS SOC information to MEDS.</li> <li>• DHS noted that counties were expected to benefit in the amount of \$18.5 million per year in county matching funds reductions due to increased FFP.</li> </ul>
<p>January 31, 2000</p>	<p><b>CDSS CMIPS EBB message 00-04</b></p>	<ul style="list-style-type: none"> <li>• Notice given to counties that the CMIPS processing changes to allow the receipt of up to 283 hours per month of services was completed and effective 2/1/00.</li> </ul>

<p>March 01, 2000</p>	<p><b>CDSS CMIPS EBB message 00-10</b></p>	<ul style="list-style-type: none"> <li>• The cases with unmet need were recalculated.</li> <li>• The Notice of Exception Report listed recipients with multiple providers and mixed mode cases.</li> <li>• Counties were informed that aid codes 14, 24, 64 could be updated manually with the “May be PCSP” soft edit.</li> <li>• Counties were informed that in the February 11, 2000 phase only converted IP mode cases.</li> <li>• This EBB announced that additional changes were being made to allow contract care and homemaker mode cases to have 283 hours.</li> </ul>
<p>July 21, 2000</p>	<p><b>Report and Job IHZLPCPR</b></p>	<ul style="list-style-type: none"> <li>• CDSS proposed that DHS and CDSS develop a protocol for a tape match between CMIPS and MEDS.</li> <li>• The tape match was performed on April 29, 2002. It indicated that only 4% of the cases eligible for PCSP that require a Medi-Cal SOC have a Medi-Cal SOC on MEDS.</li> <li>• A non-random sample of cases that had both a Medi-Cal and IHSS SOC indicated to anticipate that the Medi-Cal SOC would be less than the IHSS SOC in approximately 8% of the cases.</li> <li>• An exception list identified the recipients not found in the MEDS database.</li> <li>• Counties were informed that Medi-Cal eligibility determinations would be required from April 1, 1999. A Medi-Cal eligibility determination and calculation of the Medi-Cal SOC would be required for each individual on the exception list.</li> <li>• Each county would need to develop a protocol for the return of the Medi-Cal SOC to the county IHSS office for each recipient on the exception list.</li> </ul>
<p>November 14, 2000</p>	<p><b>CDSS ACWDL 00-57</b></p>	<ul style="list-style-type: none"> <li>• Counties were notified that the A&amp;D FPL Program was implemented on January 1, 2001.</li> <li>• Individual recipients who were eligible for services with a SOC of</li> </ul>



<p>March 28, 2001</p>	<p><b>CDSS ACIN I-24-01</b></p>	<p>\$234 or less received eligibility without a SOC through the A&amp;D FPL Program.</p> <ul style="list-style-type: none"> <li>• As a result of the A&amp;D FPL program most of the IE2PCSP population has their Medi-Cal SOC eliminated.</li> <li>• For individuals made eligible for A&amp;D FPL, the IE2PCSP SOC comparison need only be determined between April 1, 1999 and January 1, 2001. A 2001 estimate indicated that 4,380 recipients remained with a SOC with 3,333 individuals in this population.</li> <li>• This ACIN provided a status on the conversion activities for the IE2PCSP shift in light of the implementation of the A&amp;D FPL program.</li> <li>• This ACIN again reminded counties that an entry of “Y” in the PCSP field on line “ZZ” of the RELC screen and an entry of “Y” in the “PCSP” field at line H2 of the PELG screen was necessary to identify a PCSP recipient receiving services from a PCSP provider. FFP has been claimed for services provided to recipients who were identified in this manner.</li> <li>• The SOC computations and comparisons necessary to determine the “buy out” amount owed the federal government remain to be performed by the counties.</li> </ul>
<p>February 14, 2002</p>	<p><b>CDSS ACL 02-18</b></p>	<ul style="list-style-type: none"> <li>• This ACL provided instructions to counties for converting IE IHSS Recipients to the PCSP for the Period from April 1, 1999 through December 31, 2000.</li> <li>• The methodology to use when comparing the IHSS and Medi-Cal SOC was provided.</li> </ul>
<p>September 16, 2002</p>	<p><b>Draft CDSS ACIN</b></p>	<ul style="list-style-type: none"> <li>• This ACIN answers forty-one questions raised by the counties in response to ACL 02-18.</li> <li>• This ACIN has been submitted to DHS and awaits their approval.</li> </ul>

September 17, 2002	<b>CDSS Draft ACL</b>	<ul style="list-style-type: none"> <li>• This letter will inform counties of CMIPS programming changes that have been completed to allow two Special Transactions (SPECTRANS) to process the “buy out” and “reimbursement” determinations between April 1, 1999 and December 31, 2000. This ACL provides specific instructions for entering data into the SPECTRANS.</li> <li>• One SPECTRANS reports the SOC difference when the Medi-Cal SOC is more than the IHSS SOC. In this situation, a “buy out” is paid to the federal government.</li> <li>• The second SPECTRANS provides the information required to issue retroactive reimbursements to recipients where their IHSS SOC was greater than the Medi-Cal SOC. Unlike the “buy out,” reimbursement recipients are receiving a payment that may affect eligibility and a Notice of Action (NOA) is to be issued.</li> <li>• This ACL awaits approval from DHS.</li> </ul>
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