

DEPARTMENT OF ALCOHOL AND DRUG PROGRAMS

1700 K STREET
SACRAMENTO, CA 95814-4037
TDD (916) 445-1942
(916) 322-7012

**ADP BULLETIN**

 Potential Increase in the Number of Medi-Cal Beneficiaries		Issue Date: Expiration Date: August 2002	Issue No. 00-24
Deputy Director Approval Gloria J. Merk, II Program Operations Division	Function: <input type="checkbox"/> Information Management <input type="checkbox"/> Quality Assurance <input type="checkbox"/> Service Delivery <input type="checkbox"/> Fiscal <input checked="" type="checkbox"/> Administration	Supersedes Bulletin/ADP Letter No.: None	

PURPOSE

The purpose of this bulletin is to inform county administrators, Drug Medi-Cal providers, and other interested persons of several modifications to Medi-Cal that are expected to increase the number of Medi-Cal beneficiaries.

DISCUSSION

Working Disabled (WD) Program: Effective April 1, 2000, any employed disabled individual whose unearned income and resources meet the Supplemental Security Income and State Supplementary Payment (SSI/SSP) program requirements, and whose family's net non-exempt income is at or below 250 percent of the federal poverty level (FPL), may be eligible for Medi-Cal,¹ subject to the payment of sliding scale premiums.

The Department of Health Services (DHS) is responsible for collecting the sliding scale premium payments and reporting that information to DHS' Medi-Cal Eligibility Data System for tracking purposes. Share of cost Medi-Cal provisions are not applicable to the 250 Percent WD program.

There is no estimate at this time of the number of individuals potentially eligible for the WD program. Eligible persons are identified under new full-scope aid code 6G. For providers verifying the client's Medi-Cal eligibility, the point of service message for aid code 6G is: "Recipient Medi-Cal Eligible with No Share of Cost."

¹ Aliens limited to restricted Medi-Cal (emergency or pregnancy-related) services are not eligible for Medi-Cal under this program since they are ineligible for SSI/SSP.

Unemployed Parent and Section 1931(b) 2 Program Changes: Recently, DHS expanded the definition of the unemployed parent to include families with a total net nonexempt earned income of not more than 100 percent of the FPL. In addition, the income eligibility computation for the Section 1931(b) program was modified resulting in an advantage to some families. The effective date for these changes was March 1, 2000.

These changes will provide for a large expansion of the Medi-Cal program that will cover approximately 250,000 adults who are currently either on Medi-Cal with a share of cost, or have only applied for Medi-Cal coverage for their children. Additionally, this expansion covers an unknown number of families who have not applied for Medi-Cal. It is expected that these changes will significantly reduce the number of uninsured adults in California, and substantially reduce the number of medically indigent adults who are currently only eligible for county medical services.

REFERENCES

AB 155, (Chapter 820, Statutes of 1999)

AB 1107 (Chapter 146, Statutes of 1999)

SB 708 (Chapter 148, Statutes of 1999)

DHS All County Welfare Directors Letter (ACWDL) Number 00-16, March 16, 2000

DHS ACWDL Number 00-04, January 14, 2000

DHS ACWDL Number 99-54, October 14, 1999

HISTORY

Working Disabled (WD) Program: 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. California recently enacted legislation (AB 155) to adopt this federal option.

Unemployed Parent and Section 1931(b) Program Changes: AB 1107 adds Section 14008.85 to the Welfare and Institutions Code (WIC) allowing a parent to be considered an unemployed parent for purposes of establishing eligibility based upon the deprivation of a child³ if: 1) the parent works less than 100 hours per month; or 2) the

² The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (Public Law 104-193) establishes a new mandatory coverage group at Section 1931(b) of the Social Security Act [Title 42, U.S.C., Section 1396u-1(b)]. Section 1931(b) requires that Medicaid be provided to low-income families who meet the provisions of the July 16, 1996 Aid to Families with Dependent Children State Plan requirements for income, resources and deprivation, subject to modification at State option.

³ A child is considered "deprived" if he/she has one parent who is absent, deceased, unemployed, or incapacitated. A deprived child whose family meets all other eligibility criteria is eligible for Medi-Cal, and his/her parent(s) is also eligible. A child who is not deprived may also be eligible for Medi-Cal; however, his/her parent(s) is not eligible [unless the parent(s) is aged (65 or older), blind or disabled]. These modifications to the unemployed parent deprivation rule result in additional unemployed parents of deprived children to be eligible for Medi-Cal.

family's maximum net nonexempt earned income is no more than 100 percent of the FPL, or 3) the parent is considered unemployed under the terms of an existing federal waiver of the 100-hour rule for the 1931(b) program. SB 708 amended Section 14005.30 of the WIC allowing the most beneficial income computations for recipients, and made other small corrections.

Effective April 1, 2000, 250 percent of the FPL is \$1,740 for a single individual and \$2,344 for two persons.

Effective April 1, 2000, 100 percent of the FPL is \$696 per month for a single individual, \$938 for two persons, \$1,180 for three persons, etc.

QUESTIONS/MAINTENANCE

It is planned that the Department of Alcohol and Drug Programs, Office of Applied Research and Analysis, will monitor the data for potential increases in DMC costs related to these changes in Medi-Cal.

You may contact Marie Leonard, Associate Governmental Program Analyst, Program Operations Division, Program and Fiscal Policy Branch, at (916) 322-0495, if you have any questions about these changes. Fiscal questions may be directed to the county analysts in the Fiscal Management Branch. The public line is (916) 323-2043.

EXHIBITS:

None

DISTRIBUTION

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