State of California—Health and Human Services Agency
Department of Health Care Services

DAVID MAXWELL-JOLLY
Director

ARNOLD SCHWARZENEGGER
Governor

DATE: June 22, 2009

MMCD All-Plan Letter 09-010

TO: ALL MEDI-CAL MANAGED CARE HEALTH PLANS

SUBJECT: AID CODE 2H

This All-Plan Letter serves to provide information to Medi-Cal managed care plans regarding a new aid code, 2H. Aid code 2H is derived from existing aid code 20, which is currently included in Medi-Cal managed care contracts. The Department of Health Care Services (DHCS) is in the process of updating its system to activate this new aid code for managed care effective July 1, 2009.

Aid code 2H is a new aid code for a new program called the Federal Poverty Level for the Blind program. This program will cover blind individuals pursuant to Title XVI who have not yet or cannot meet the Title II criteria for disability based upon blindness. This program will replicate the eligibility criteria for the Aged and Disabled Federal Poverty Level (A&D FPL) program, except that linkage is based on blindness.

The purpose for the new program is to mitigate the affect of the 2.3 percent reduction to the payment standards for the Supplemental Security Income/State Supplementary Payment (SSI/SSP). Under the maintenance of effort provisions of the American Recovery and Reinvestment Act (ARRA), the Medi-Cal program cannot employ a more restrictive standard, methodology, or procedure than that which was in effect on July 1, 2008, unless otherwise required by federal law. Blind individuals who might otherwise have qualified for no cost, full scope Medi-Cal automatically through their receipt of SSI/SSP would, in violation of ARRA provisions, lose that eligibility. These beneficiaries would eventually only be eligible for Medi-Cal with a share-of-cost if this program were not created.

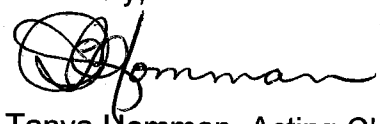
The addition of this aid code will have a neutral revenue effect on managed care health plans as the affected population is currently served in the Medi-Cal managed care program under existing aid codes.

Medi-Cal Managed Care Division
1501 Capitol Avenue, P.O. Box 997413, MS 4400
Phone (916) 449-5000 Fax (916) 449-5005
Internet Address: www.DHCS.ca.gov

DHCS and the California Medical Assistance Commission will be providing managed care plans with contract amendments that include this new aid code as soon as possible.

If you have any questions or require additional information, please contact your Contract Manager.

Sincerely,



Tanya Homman, Acting Chief
Medi-Cal Managed Care Division