



TOBY DOUGLAS
DIRECTOR

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



EDMUND G. BROWN JR.
GOVERNOR

November 21, 2013

Ms. Cindy Mann, Director
Center for Medicaid and State Operations
Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop S2-26-12
Mailstop 323H.01
200 Independence Avenue, SW
Washington, DC 20201

Dear Ms. Mann:

This letter is to formally request federal approval to employ an asset evaluation for new adult group enrollees that access long term services and supports (LTSS) under California's Alternative Benefit Plan (ABP). In addition, the Department also requests guidance regarding the application of requirements under Section 1917 of the Social Security Act when LTSS benefits are available to new adult group enrollees exempt from mandatory enrollment in the expansion ABP.

Pursuant to California's special session legislation implementing the Affordable Care Act's Medicaid expansion, Welfare and Institutions Code §14132.02(b) provides that LTSS benefits are to be included under the ABP for those individuals "who meet the asset requirements imposed under the Medi-Cal program for receipt of such services." This component is operative only to the extent federal approval is obtained. LTSS benefits are identified using the federal definition at 42 CFR §435.603(j)(4). Accordingly, the Department seeks approval to retain existing asset requirements for receipt of relevant LTSS services through the expansion ABP.

Apart from the availability to impose an asset evaluation, Welfare and Institutions Code §14132.02(a) also provides for receipt of LTSS benefits through the ABP when required by Section 1937(a)(2) of the Social Security Act. This portion speaks to those enrollees exempt from mandatory enrollment in ABP coverage, including the "medically frail." New adult group enrollees who meet the conditions for an exemption under 42 CFR §440.315 must be given the option to receive ABP coverage consisting of all benefits available under the State plan, which will include certain LTSS benefits. For those exempt new adult group enrollees opting into the "state plan ABP," the Department requests guidance regarding the applicability of Section 1917 of the Social Security Act when this segment of the new adult group is accessing LTSS.

Given the impending January 1, 2014, effective date for the Medi-Cal expansion, the Department asks for resolution of the above requests as soon as possible.

Sincerely,

Toby Douglas
Director