STATE OF CALIFORNIA--HEALTH AND WELFARE AGENCY

PETE WILSON, Governor

DEPARTMENT OF HEALTH SERVICES
714/744 P Street
P.O. Box 942732
Sacramento, CA 94234-7320
(916) 657-2941

June 20, 1997

TO: All County Welfare Directors
All County Administrative Officers
All County Medi-Cal Program Specialists/Liaisons

Letter No. 97-27

THE SEVERELY IMPAIRED WORKING INDIVIDUAL PROGRAM

Effective approximately August 1, 1997, Medi-Cal eligibility for certain severely impaired working individuals who are terminated from the Supplemental Security Income/State Supplementary Program (SSI/SSP) for reasons other than their earnings, and who continue to be blind or disabled will be separately identified by a new aid code. We expect few individuals to be in this new aid code because most individuals will remain below the allowable SSI/SSP limits and will remain in an SSI/SSP aid code.

Background

Title XVI Section 1619(b) of the Social Security Act (an SSI provision) encourages severely disabled persons to seek and maintain employment. These provisions allow certain disabled individuals whose earnings from substantial gainful activity are too high to retain financial eligibility for SSI/SSP to remain eligible for Medicaid as deemed SSI recipients as long as their income without consideration of earnings does not exceed the SSI/SSP payment level. They are referred to as "1619(b)" recipients.

Section 1619(b) recipients appear on the Medi-Cal Eligibility Data System (MEDS) as SSI/SSP recipients, but do not receive a cash grant. They continue to be eligible for automatic Medi-Cal as long as they remain in active status on MEDS. Persons who are age 65 or over may continue to qualify under this provision as long as they remain blind or disabled.

Medi-Cal Only

Section 1905(q) of Title XIX (Medicaid) has a provision similar to Section 1619(b). Section 1619(b) eligibility confers concurrent Section 1905(q) eligibility as well. Although both sections have the same requirements, severely impaired working individuals in the past have never applied for Medi-Cal-Only. They instead chose to continue to have their eligibility determinations done by the Social Security Administration (SSA) as Section 1619(b) recipients. However, it is possible that such an individual may apply for Medi-Cal-Only even though he/she may be eligible for SSI/SSP cash-based Medi-Cal.

A new factor has entered into this determination. Section 1619(b) recipients who wish to be married and would become ineligible for Section 1619(b) or Section 1905(q) eligibility due to spousal deeming now want Section 1905(q) eligibility determined under Model Waiver provisions where spousal deeming is waived. (See Medi-Cal Eligibility Procedures Section 19-D for details about the Model Waiver). Therefore, on occasion, you may have a severely impaired working individual apply for Medi-Cal-Only because he/she is terminated from SSI/SSP for reasons such as marriage or an increase of earnings/property of their spouse, etc. These persons will identify themselves to the county eligibility worker responsible for Ramos listings.

Determining Eligibility for Severely Impaired Working Individuals

There are four basic requirements. The individual must:

1. Depend on Medicaid to continue working
2. Meet all non-disability requirements for regular SSI/SSP benefits except for earnings
3. Not have sufficient earnings to replace SSI cash benefits, Medicaid, publicly-funded personal or attendant care that would be lost due to the person's earnings and
4. Have received SSI or was eligible for1619(b) in the month before the Medi-Cal Only determination/eligibility is initially established.

The following describes how to determine whether these requirements are met. If an individual requests Model Waiver criteria be applied because he/she has a spouse with excess income or property, counties must determine Medi-Cal eligibility using a combination of eligibility criteria from the Model Waiver program and the SSI/Medi-Cal programs. If an individual has no excess spousal income or property and has not previously been receiving SSI/SSP cash-based Medi-Cal, no waiver is required.

1. To determine whether a person needs Medicaid to continue working, ask the individual the following questions: **NOTE: These questions are asked whether or not the individual is having eligibility determined under Model Waiver criteria.**

    - Have you used any medical care or services in the past 12 months that was paid for by Medi-Cal?

- Do you expect to receive any medical care or services in the next 12 months that will be paid for by Medi-Cal?

- Without Medi-Cal, would you be unable to pay your medical bills if you become ill or injured in the next 12 months?

If the person answers "yes" to the any of the above, continue to B. If not, the person is not eligible for Medi-Cal under this program.

2. To determine whether the person meets regular SSI requirements without consideration of his/her own earnings, use the income and property methodology as used in the Pickle program since the Pickle program parallels SSI rules.

NOTE: This includes spousal/parental income and resources unless Model Waiver criteria are applied. In that case neither spousal nor parental income and resources are deemed; in addition, spousal impoverishment provisions do apply as appropriate.

A. Determine whether the individual is property eligible.

B. Determine whether the person meets regular SSI income requirements. Apply the income requirements of the Pickle program except: cost of living adjustments are not disregarded and the person's own earnings are exempt. **Note: Unearned income is <u>not</u> exempt and must be less than or equal to the SSI/SSP noninstitutional payment standard for one.**

3. To determine whether the individual does not have sufficient earnings to replace SSI, Medicaid and publicly funded attendant care: Compare the individual's own net nonexempt earnings to the amount on the attached Threshold Chart. SSA has constructed the "threshold" concept to measure whether an individual has sufficient earnings to replace these benefits. Only income from the individual's own earnings is used; unearned income is not considered.

A. Compare the <u>individual's</u> total countable earned income to the SSI Threshold Amount Chart for California ($22,816.60 in 1996). This chart is published in Program Manual Operation System by the Social Security Administration. Enclosed is a copy of that chart for 1996. The 1997 chart is not available at this time. If the individual's earnings are at or below the threshold amount, he/she meets this eligibility requirement.

B. If the individual's earnings are above the threshold amount, an Individualized Threshold Calculation Worksheet must be used to determine eligibility (see enclosed). The attendant care, personal care costs and Medi-Cal expenses must be verified and the amounts entered on the worksheet. Counties should contact Margie Buzdas at (916) 657-0726 for further instructions.

C. The individual had to receive SSI or Section 1619(b) in the month before eligibility is established for this program. This information may be obtained from the MEDS INQX Title XVI SSI/SSP Information screen (SDX). The Medicaid Eligibility Information status code will show "C" for Section 1619(b) eligibility.

If an individual meets the above requirements as part of a Model Waiver determination, go to "Model Waiver Medical Determination" below. If an individual meets these requirements without application of Model Waiver criteria, go to "Aid Code 8G" section.

Model Waiver Medical Determination

Once the county has determined the individual as property/income eligible, he/she should be referred to In-Home Operations (IHO) Section for the medical determination. Please contact the eligibility liaisons at (916) 324-1020 if you have any additional questions. Upon confirmation from IHO, the person may be reported to MEDS under Aid Code 8G.

Aid Code 8G

Aid Code 8G is the new aid code for the Severely Impaired Working Individual program. This new aid code should be effective August 1, 1997. If there is a delay in implementation, counties will be notified. This aid code will be similar to Aid Code 64 for the disabled or 66 for the disabled Pickle person which are zero share of cost, provide full-scope benefits, and require no quarterly status reporting nor a face-to-face interview. These persons are also eligible for personal care services.

Notices of Action

Enclosed are the Notices of Action. These forms are available in the warehouse.

If you have any questions, please contact Margie Buzdas at (916) 657-0726.

Sincerely,

ORIGINAL SIGNED BY

Frank S. Martucci, Chief
Med-Cal Eligibility Branch

Enclosures

MEDI-CAL
NOTICE OF ACTION
APPROVAL OF BENEFITS
SEVERELY IMPAIRED WORKING INDIVIDUAL PROGRAM

(County Stamp)

Notice date: _____

Case number: _____

Worker name/number: _____

Worker telephone number: _____

This affects: _____

_____

_____

_____

Your application for Medi-Cal benefits has been approved.

☐ You are entitled to receive Medi-Cal benefits beginning the first day of _____.

You will receive your Benefits Identification Card (BIC) soon. **Do not throw this card away.** This card is good as long as you are eligible for Medi-Cal. Take this BIC to your doctor or other Medi-Cal provider when you request medical services.

Eligibility under this program is based on your medical and attendant care expenses, your health condition, your income, and other program requirements. You must let your worker know about income and other changes within ten days to see if you are still eligible under this program.

If you have any questions or if there is any information which you have not reported, please phone or write your eligibility worker right away.

The law which requires this action is Section 1905(q) of Title XIX of the Social Security Act.

PLEASE READ THE REVERSE SIDE OF THIS NOTICE

MEDI-CAL
NOTICE OF ACTION
DENIAL OR DISCONTINUANCE OF BENEFITS FOR THE SEVERELY IMPAIRED WORKING INDIVIDUAL PROGRAM

(County Stamp)

Notice date: _____

Case number: _____

Worker name/number: _____

Worker telephone number: _____

This affects: _____

_____

_____

_____

☐ Your application of _____ for benefits under the Severely Impaired Working Individual Program has been denied.

☐ You will be discontinued from the Severely Impaired Working Individual Program effective _____.

Here's why:

☐ You are no longer disabled or blind.

☐ You were not eligible for Social Security Income/State Supplemental Program (SSI/SSP) in the previous month.

☐ Your earnings are more than the allowable limit of _____ which is considered enough to replace your SSI/SSP benefits including Medi-Cal and attendant care.

☐ Your net nonexempt unearned income is above the limit. The limit is _____.

☐ Your medical care costs were not paid by Medi-Cal in the past 12 months or will not be paid by Medi-Cal in the next 12 months.

☐ Your property exceeds the established allowable limit.

Description of Property	Net Value
_____	$ _____
_____	$ _____
_____	$ _____
Total net value	$ _____
Minus property limit for _____	$ _____
Property in excess of limit	$ _____

DO NOT THROW AWAY YOUR BENEFITS IDENTIFICATION CARD (BIC) IF YOU RECEIVED ONE. You can use it again if you become eligible for Medi-Cal.

The law which requires this action is Section 1905(q) of Title XIX of the Social Security Act.

PLEASE READ THE REVERSE SIDE OF THIS NOTICE

M. CALENDAR YEAR 1996-EFFECTIVE JANUARY 1, 1996 AND CONTINUING

1. State-by-State Threshold Amounts for the Disabled

STATE	TWICE SUPP	BASE AMOUNT	MEDICAID	THRES-HOLD
ALABAMA	$0.00	$12,300.00	$3,846.00	$16,146.00
ALASKA	8,688.00	20,988.00	11,655.00	32,643.00
ARIZONA	0.00	12,300.00	0.00	12,300.00
ARKANSAS	0.00	12,300.00	6,404.00	18,704.00
CALIFORNIA	5,385.60	17,685.60	5,131.00	22,816.60
COLORADO	0.00	12,300.00	5,924.00	18,224.00
CONNECTICUT	6,648.00	18,948.00	8,865.00	27,813.00
DELAWARE	0.00	12,300.00	10,652.00	22,952.00
DISTRICT OF COLUMBIA	112.80	12,412.80	11,784.00	24,196.80
FLORIDA	0.00	12,300.00	6,201.00	18,501.00
GEORGIA	0.00	12,300.00	5,449.00	17,749.00
HAWAII	117.60	12,417.60	4,418.00	16,835.60
IDAHO	888.00	13,188.00	7,212.00	20,400.00
ILLINOIS	0.00	12,300.00	8,754.00	21,054.00
INDIANA	0.00	12,300.00	9,415.00	21,715.00
IOWA	0.00	12,300.00	7,329.00	19,629.00
KANSAS	0.00	12,300.00	6,612.00	18,912.00
KENTUCKY	0.00	12,300.00	5,346.00	17,646.00
LOUISIANA	0.00	12,300.00	4,923.00	17,223.00
MAINE	240.00	13,200.00	8,981.00	22,181.00
MARYLAND	0.00	12,300.00	9,721.00	22,021.00
MASSACHUSETTS	2,685.36	14,985.36	7,531.00	22,516.36
MICHIGAN	336.00	12,636.00	6,776.00	19,412.00
MINNESOTA	1,944.00	14,244.00	14,762.00	29,006.00
MISSISSIPPI	0.00	12,300.00	3,858.00	16,158.00
MISSOURI	0.00	12,300.00	6,866.00	19,166.00
MONTANA	0.00	12,300.00	7,172.00	19,472.00
NEBRASKA	288.00	12,588.00	8,715.00	21,303.00
NEVADA	0.00	12,300.00	3,467.00	15,767.00
NEW HAMPSHIRE	648.00	12,948.00	12,862.00	25,810.00
NEW JERSEY	750.00	13,050.00	9,882.00	22,932.00
NEW MEXICO	0.00	12,300.00	6,790.00	19,090.00
NEW YORK	2,064.00	14,364.00	14,528.00	28,892.00
NORTH CAROLINA	0.00	12,300.00	4,840.00	17,140.00
NORTH DAKOTA	0.00	12,300.00	10,890.00	23,190.00
OHIO	0.00	12,300.00	4,833.00	17,133.00
OKLAHOMA	1,296.00	13,596.00	4,503.00	18,099.00
OREGON	40.80	12,340.80	9,267.00	21,607.80
PENNSYLVANIA	657.60	12,957.60	6,113.00	19,070.60
RHODE ISLAND	1,544.40	13,844.40	6,665.00	20,509.40
SOUTH CAROLINA	0.00	12,300.00	5,675.00	17,975.00

M. CALENDAR YEAR 1996-EFFECTIVE JANUARY 1, 1996 AND CONTINUING (Cont.)

1. State-by-State Threshold Amounts for the Disabled (Cont.)

STATE	TWICE SUPP	BASE AMOUNT	MEDICAID	THRES-HOLD
SOUTH DAKOTA	360.00	12,660.00	6,795.00	19,455.00
TENNESSEE	0.00	12,300.00	4,170.00	16,470.00
TEXAS	0.00	12,300.00	6,592.00	18,892.00
UTAH	0.00	12,300.00	7,631.00	19,931.00
VERMONT	1,137.84	13,437.84	10,188.00	23,625.84
VIRGINIA	0.00	12,300.00	5,984.00	18,284.00
WASHINGTON	610.08	12,910.08	4,933.00	17,843.08
WEST VIRGINIA	0.00	12,300.00	5,778.00	18,078.00
WISCONSIN	2,010.72	14,310.72	5,760.00	20,070.72
WYOMING	232.80	12,532.80	7,898.00	20,430.80
NORTHERN MARIANA IS.	0.00	12,300.00	0.00	12,300.00

2. State-by-State Threshold Amounts for the Blind

STATE	TWICE SUPP	BASE AMOUNT	MEDICAID	THRES-HOLD
CALIFORNIA	$5,~~385.60~~ 073.60	$17,~~685.60~~ 373.60	$5,131.00	$22,~~816.60~~ 504.60
IOWA	528.00	12,828.00	7,329.00	20,157.00
MASSACHUSETTS	3,593.76	15,893.76	7,531.00	23,424.76
NEVADA	2,623.20	14,923.20	3,467.00	18,390.20
OREGON	777.60	13,077.60	9,267.00	22,344.60

☆ U.S. GOVERNMENT PRINTING OFFICE: 1997 – 417 - 627 / 40254

EXHIBITS

02302.300 INDIVIDUALIZED THRESHOLD CALCULATION WORKSHEET - EXHIBIT

Name _____ SSN _____

Individualized Calculation for Period Beginning _____ / _____
(mo) (yr)

1. a. Enter the appropriate BASE AMOUNT from the threshold chart (SI 02302.200, 3rd column) $ _____

   b. Recalculate the base amount using the State supplement rate for the individual's actual living arrangement (i.e., FBR + OS x 2 +$ 85 x 12 months) $ _____

   c. Enter the higher of a. or b. $ _____

2. a. Enter the appropriate TITLE XIX amount from the threshold chart (SI 02302.200, 4th column) $ _____

   b. Enter the individual's estimated Medicaid expenditures for the determination period per SI 02302.050 D.2 $ _____

   c. Enter the higher of a. or b. $ _____

3. Enter the annual amount of IRWE the person has $ _____

4. Enter the annual amount of BWE the person has $ _____

5. Enter the annual amount of income excluded under an approved PASS $ _____

6. Enter the value of any publicly funded attendant care the person receives per SI 02302.050 D.3 $ _____

7. Total the amounts for lines 1 - 6 $ _____

8. Enter the individual's gross earned income for the computation period $ _____

Compare lines 7 and 8. If the amounts are equal or if 7 is higher, the individual is eligible under the threshold test. If 8 is higher, the individual is not eligible under the threshold test.

KEEP THIS WORKSHEET IN THE INDIVIDUAL'S FILE