STATE OF CALIFORNIA—HEALTH AND HUMAN SERVICES AGENCY

GRAY DAVIS, Governor

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

December 3, 1999

TO: All County Welfare Directors
All County Administrative Officers
All County Medi-Cal Program Specialist/Liaisons
All County Outstationed Eligibility Workers Coordinators
All County Public Health Directors
All County Mental Health Directors

Letter No.: 99-67

250 PERCENT PROGRAM FOR THE WORKING DISABLED

The purpose of this letter is to notify counties about the new upcoming 250 percent program effective April 1, 2000. Section 4733 of the federal Balanced Budget Act of 1997, Public Law 105-33 created a new optional categorically needy group for employed disabled individuals whose net family income is below 250 percent of the federally poverty level (FPL). Recently enacted state legislation (Assembly Bill 155, Chapter 820, Statutes 1999) signed by Governor Davis on October 8, 1999, allowed California to adopt this federal option that expands Medi-Cal eligibility to certain disabled employed individuals.

The new option provides an opportunity for working disabled persons to buy into the Medi-Cal program by paying monthly premiums on a sliding scale based on countable income, with a minimum premium of $20 per month and a maximum premium of $250 per month. The State is responsible for the collection of such premiums. Beneficiaries who default on premium payments are subject to discontinuance from the 250 percent program.

ELIGIBILITY OVERVIEW:

To be eligible for the 250 percent program, an individual must, (without regard to ability to perform substantial gainful activity (i.e., even if the individual has earnings over $700 per month)

1. Continue to meet the federal definition of disability as defined in federal law for Social Security disability programs;

2. Except for earnings, be eligible to receive Supplemental Security Income/State Supplementary Program (SSI/SSP) disability benefits; and

3. Have net family income less than 250 percent of the FPL.

Under the federal option for determining eligibility for the 250 percent program, States were given the option of adopting more liberal income and resource methodologies than used in the SSI/SSP program. California adopted more liberal provisions such as exempting all the disabled individual's state, federal and private disability income. Also, resources in the form of employer or individual retirement arrangements authorized under the Internal Revenue Code are exempted for this individual. These disregards will be reflected on the income and property eligibility forms when developed.

Aid Codes:

Established aid codes developed for the 250 percent program are 6G and 6H. Aid Code 6G will be used for beneficiaries who are entitled to full-scope Medi-Cal benefits and Aid Code 6H will provide Medi-Cal benefits restricted to emergency and pregnancy services only (e.g., for working undocumented aliens). The Medi-Cal Eligibility Data Systems edits for these Aid Codes will be the same as those for Aid Code 64 established for the disabled. Individuals who qualify for the 250 percent program will have a zero share of cost (SOC). The provider message for Aid Code 6G will read "Medi-Cal eligible for full-scope services with no SOC." The provider message for Aid Code 6H will read "Medi-Cal eligible for emergency services only with no SOC."

County Responsibility:

Counties will be responsible for determining eligibility for the 250 percent program by using eligibility criteria based at a minimum on the SSI/SSP methodology. Spousal deeming would apply as it does to SSI/SSP. The SSI/SSP methodology has been used in several established programs such as Pickle, Qualified Medi-Cal Beneficiaries (QMB) determinations (the second step in the QMB evaluation) and the Tuberculosis Program.

Procedures, regulations, forms, and requirements for implementation will be sent to counties as they are developed.

All questions regarding the 250 percent program, should be directed to Mr.Terry Durham, Policy Analyst in the Medi-Cal Eligibility Branch at (916) 657-2701.

ORIGINAL SIGNED BY

ANGELINE MRVA, Chief
Medi-Cal Eligibility Branch