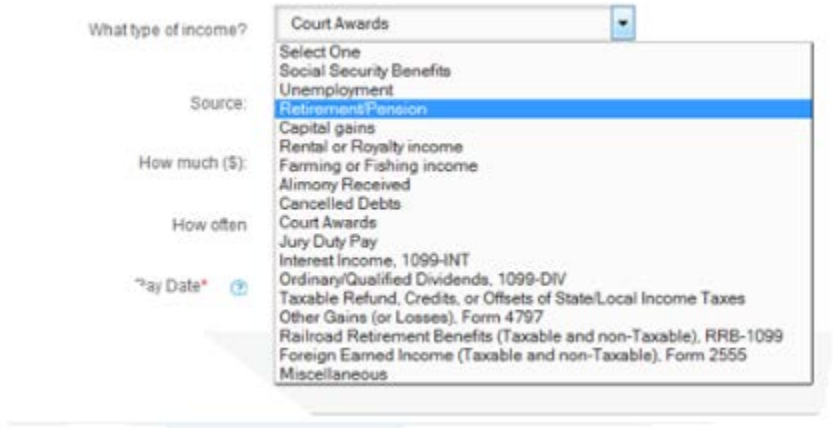
Lump Sum Payments-Results

Scenario	Outcome
An applicant received a SSDI lump sum award of $14,000 in January 2015, and will get monthly payments of about $1300 month. What happens if the person applies for coverage through CalHEERS in January 2015? For 2015 MAGI-Medi-Cal, is the $14k included with the monthly payments?	The lump sum was counted as income only in the month received. CalHEERS denied eligibility to all MAGI-based Medi-Cal programs in the initial month. The individual was determined eligible for a MAGI- based Medi-Cal program in the subsequent month. Eligibility Determination: Correct
An applicant sells his home and gets the proceeds from the sale of the home ($300,000) in the month of application for Medi-Cal through CalHEERS. He is otherwise income eligible for Medi-Cal. Will the income be treated as a lump sum payment only in the month received (affecting his MAGI eligibility ONLY for the month of the sale)? Can it be treated as fluctuating income and pro-rated to adjust his income level for the whole year (affecting his MAGI eligibility for the whole year)?	The capital gains income was counted as income only in the month received. CalHEERS denied eligibility to all MAGI-based Medi-Cal programs in the application month. The individual was determined eligible to a MAGI-based Medi-Cal program in the subsequent month. Eligibility Determination: Correct
Applicant applies for Medi-Cal through CalHEERS in July with the following information: 1) Household of 1, income $1000 a month. In July, applicant also gets a $7500 lump sum due to a settlement from a personal injury lawsuit. How can this information be correctly entered in CalHEERS so that the person is not excluded from Medi-Cal? (Lump sum from settlements is not countable)	Currently, the user does not have the ability to enter exempt lump sum payments into CalHEERS. This issue with be addressed in the income workgroup.
Same facts as above, except the lump sum payment is from a wage claim and is actually owed back pay. What if this person wants Medi-Cal for all months instead of Covered CA for the year? (Lump sum is countable in the month received)	The lump sum payment was entered as “miscellaneous” income, and was used in the budget computation for the month of application only. Consequently, the applicant was denied eligibility to all MAGI-based Medi-Cal programs for that month. The applicant was determined eligible to a MAGI-based Medi-Cal program in the subsequent month. Eligibility Determination: Correct *The scenario was also run as though the individual had a qualifying life event for special enrollment. In this case, the individual was determined eligible to a MAGI-based Medi-Cal program in the initial month, s/he was placed on a Covered CA program in the subsequent month; MAGI-based Medi-Cal eligibility was restored in the third month. Eligibility Determination: Correct
Same facts as above, but the lump sum is received and reported in August (the month after the month of application). What happens?	This scenario was run two different ways: • The eligibility determination was completed in the month of application. The lump sum payment was received and reported in the subsequent month. In this case, since eligibility was already established for the second month,

	the lump sum payment did not impact the beneficiary's eligibility. Eligibility Determination: Correct • In the second scenario, the application was in pending status when the lump sum payment was reported; therefore, the Individual was determined eligible to a MAGI-based Medi-Cal program for the application month, ineligible in the subsequent month (the month the lump sum payment was received), and eligibility was restored in the third month. Eligibility Determination: Correct
How retroactive SSDI is treated if received by a tax dependent	CalHEERS excluded the lump sum payment from the budget computation. Budget computation: Correct
How retroactive SSI is treated if received (i) by the taxpayer and (ii) by a tax dependent C) • State or Federal tax refund • Annual salary bonus mid-year • Loan proceeds • Lotto winnings of tax dependent who is still below income filing threshold	These sources of income are not an option in CalHEERS. See below for a list of income sources when entering lump sum payments (as of August 2015). This issue will be addressed in the income workgroup.

Income source options for lump sum payments