STATE OF CALIFORNIA--HEALTH AND WELFARE AGENCY

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January 1, 1999

MEDI-CAL ELIGIBILITY PROCEDURES MANUAL LETTER NO.: 208

TO: All Holders of the Medi-Cal Eligibility Procedures Manual

REVISIONS TO THE MEDI-CAL ELIGIBILITY PROCEDURES MANUAL--ARTICLE 22

Enclosed are revisions/clarifications to Article 22--Disability Determination Referrals.

1. **MC 272, Substantial Gainful Activity (SGA) Worksheet**

County staff MUST complete a MC 272 and include it in the DED packet on all individuals who apply for Medi-Cal based on disability and whose gross monthly earnings are $500 or more. If the applicant is determined to be not performing SGA, Item 10 of the MC 221, Disability Determination and Transmittal, must be annotated with "no SGA issue."

When State Programs-Disability Evaluation Division (SP-DED) returns a case to the county with a basis code of Z56 (no determination) because an SGA determination is needed, the county must complete an SGA determination. If the county determines that the applicant is not performing SGA, a new MC 221 along with a copy of the MC 272 must be completed and resubmitted to SP-DED.

2. **MC 220, Authorization for Release of Medical Information**

A MC 220 is required for each treating source, testing facility, and/or agency that the client lists on the MC 223, Applicant's Supplemental Statement of Facts for Medi-Cal, (except Social Security). The client must sign and date each MC 220 (*this is a change from previous instructions*). In addition, three extra MC 220's with only the client's signature and date should be included in the DED packet. However, SP-DED will not return a DED packet because the MC 220 is not dated.

3. **Written Authorized Representative (AR) Document in File**

A client may designate a person to become his/her AR as long as some type of written authorization is provided by the client. The written authorization does not need to be on any specific form or document. Counties are to accept any form of written authorization that a client signs and dates. Counties are responsible for ensuring that the written authorization is signed and dated by both the client and the AR.

A copy of the written authorization must be included in the DED packet in order to allow SP-DED staff contact with the AR. If the written authorization is submitted by the client after the DED packet has been sent to SP-DED, the county must send a copy of the written authorization attached to the MC 222, DED Pending Information Update form. All AR written authorization documents must come through the county.

4. **Obtaining Educational and Vocational Information**

Items 15 and 16 of the MC 223, Applicant's Supplemental Statement of Facts for Medi-Cal, have not always been fully completed when submitted to SP-DED. In certain circumstances, the educational and vocational history of the applicant could make a difference as to whether the applicant is found disabled or not. If the applicant does not complete Item 15, county staff should not guess the answer and complete Item 15 for the applicant. The applicant must be contacted and if he/she does not know what level of education was completed or the information is not available, this should be annotated in the right margin of the MC 223. Item 15 should never be left blank.

Item 15 of the MC 223 should also include information regarding the literacy of the applicant. If the applicant is observed to be illiterate or if any inconsistencies are apparent, either the right margin of the MC 223 should be annotated or an explanation should be inserted in Item 10 of the MC 221.

Relevant past work history must be reported in Items 16 and 17 of the MC 223. Relevant work is any work which the applicant performed for more than 30 days during the last 15 years. It is important that the applicant also report any relevant work which was performed in another country.

FILING INSTRUCTIONS:

Remove Pages	Insert Pages
Article 22 Page 22C-2.8a	Article 22 Pages 22C-2.8a and 22C-2.8b
Pages 22C-4.3 through 22C-4.8	Pages 22C-4.3 through 22C-4.8
Pages 22C-4.11 through 22C-4.11a	Pages 22C-4.11 through 22C-4.11a

If you have any questions regarding this issue, please contact Marie Taketa of my staff at (916) 657-1250.

Sincerely,

Original signed by

Angeline Mrva, Chief
Medi-Cal Eligibility Branch

Enclosures

E. NOTIFICATION

1. Notifying SP-DED

If CWD has evaluated client's earnings for SGA and the client has gross monthly earnings of $500 or more, the CWD must include a copy of the SGA Worksheet (MC 272) in the disability packet. If the CWD determines that the individual is not performing SGA, the CWD must annotate in Item 10 (County Worker Comment) of the MC 221 that there is *"no SGA issue."*

If CWD has already sent the disability packet to SP-DED, and an SGA issue has been clarified, SP-DED should be informed of the evaluation of client's work activity via an MC 222, DED Pending Information Update form along with a copy of the MC 272.

If SP-DED returns a disability packet to the county as a Z56 for an SGA determination, the CWD must complete an SGA determination. Should the CWD determine that the client is not performing SGA, a **new** MC 221 MUST be completed and resubmitted with a copy of the MC 272.

2. Notifying Client

If client's application is denied due to performance of SGA, client should be sent a Notice of Action (NOA) informing him/her of the reason for the denial. The NOA may contain the following sample statement:

"*The reason why you are not entitled to Medi-Cal based on disability is because you are working and doing substantial gainful activity. This means that your net countable earnings are over $500 a month, which is the earnings limit if you are working and applying as a disabled person.*"

NOTE: The Title 22 reference section is: **50224**

F. FORMS

1. SGA Worksheet, Form MC 272 (Exhibit 1):

May be used to compute client's earnings and IRWE/Subsidy deductions.

a. **Net earnings $500 or less**: process application in the usual manner.

b. **Net earnings more than $500**: deny claim as client is engaging in SGA.

c. Whenever the gross monthly earnings are $500 or more and the CWD determines that there is no SGA issue, a copy of the MC 272 must be included in the disability packet. Item 10 of the MC 221 must indicate that there is *"no SGA issue."*

2. Work Activity Report, Form 273 (Exhibit 2):

   Should be used to determine what client's earnings are and whether the client's gross earnings can be reduced by the amount of any applicable IRWE or subsidy.

3. DED Pending Information Update, Form MC 222:

   Must be sent if a disability packet is pending at SP-DED, and client is subsequently found to be engaging in SGA. The MC 272 must also be included.

B. ONE MC 220 PER TREATING SOURCE

An MC 220 signed and dated by client is required for each treating source (one who has treated client for a significant medical problem), testing facility, or agency listed on the MC 223, except for Social Security. Only one treating source may be designated per signed MC 220. Three extra MC 220's containing the client's signature and date should be obtained.

C. HOW TO COMPLETE THE MC 220

1. *Do*: Enter client's name, Social Security Number, name of doctor, hospital, or clinic where treatment was received, and hospital or clinic record number.

2. *Do Not*: Enter address of treating source or beginning and ending dates of treatment. They will be completed by SP-DED. However, if request is for alcohol or drug abuse information, form should be completely filled out.

3. *Do*: Ask the applicant to date the MC 220's. The forms are valid for 90 days from the date entered. Forms dated more than 90 days prior to SP-DED's receipt will be returned to CWD.

4. *Do Not* Send the MC 220's to SP-DED if it is noted that the time is getting close to expiring on the 90-day limit, instead request that the client complete more MC 220's with a current date.

   If SP-DED receives MC 220's that are not dated by the client, the DED packet will be accepted and will not be returned to the CWD.

5. *Do Not*: Alter, cross out, white out, or make changes to MC 220, as these are not acceptable to treating source. Any altered MC 220 will be returned by SP-DED.

6. *Do Not*: Send MC 220's with photocopied signatures, as they are not acceptable to treating source.

7. *Do*: Send three extra MC 220's which contain only client's signature and date. These are used when additional treating sources are identified during case development.

D. SIGNATURE REQUIREMENTS

The MC 220 may be signed by:

- Client;
- Legal representative of a minor or incompetent client;
- Legal or personal representative of a client physically incapable of signing; or
- Personal representative of an incompetent or deceased client.

When requesting the release of medical information pertaining to minor consent services as specified in Article 19B, the minor (who has attained the age of 12) must sign the release.

Special considerations on handling MC 220's are as follows:

1. Client Has A Guardian Or Conservator

The MC 220 must include signature of guardian or conservator. Enter relationship to client next to signature (e.g., legal guardian).

2. The Client Is Incompetent Or Physically Incapable of Signing

If client is incompetent or physically incapable of signing, and does not have a guardian or conservator, MC 220 may be signed by the legal or personal representative who is acting on client's behalf. Enter relationship to client next to signature (e.g., spouse, mother, friend). Specify reason why client cannot sign MC 220 below signature line.

3. The Client Can Only Sign With A Mark

If client can only sign with a mark (e.g., "X") or other unrecognizable symbol (e.g., non-English character), MC 220 must include:

- Signature or mark of client;
- Client's name, written next to the "X" or symbol;
- Signature of witness. NOTE: Witness signatures with an "X" or other unrecognizable symbol are not acceptable; and
- Relationship of witness to client.

E. WRITTEN AUTHORIZED REPRESENTATIVE (AR) DOCUMENT IN FILE

The client may designate any person to become his/her AR as long as some type of written authorization is provided by the client. The written authorization does not need to be on any specific form or document. A signed AR document grants another person authority to accompany, assist, and represent a client during application for or redetermination of Medi-Cal benefits. But it does not permit the AR to sign MC 220's,

unless the client is incompetent. The eligibility worker (EW) is responsible for ensuring that the written authorization, used to give the AR the power to act on the client's behalf, is signed and dated by both the AR and the client, and to the best of the EW's knowledge, the actions the client wants the AR to perform at the time he/she provides this document. A copy of the AR document **must** be included in the packet sent to SP-DED to allow contact with the AR. If the AR document is received after the packet has been sent to SP-DED, the EW shall then send the document via the MC 222 "DED Pending Information Update" form. SP-DED will not accept an AR document that did not come through the CWD.

MC 220's must be signed by client unless client is a minor, has a guardian or conservator, is incompetent or physically incapable of signing the releases.

4. MC 221 -- DISABILITY DETERMINATION AND TRANSMITTAL

A. USE OF FORM

This is the transmittal and determination document shared between CWD and SP-DED. It is used only for new applications or resubmitted cases to SP-DED.

NOTE: If a case is pending in SP-DED, DO NOT use the MC 221 to update SP-DED regarding any changes or to provide new information. Use MC 222 - DED Pending Information Update form instead.

The reverse side of this form provides information on how to complete items 5, 6, and 8.

B. HOW TO COMPLETE THE MC 221

Items 1 to 4, and 7: Provides vital information on the applicant.

Item 2: If a Social Security Number is pending, the word "Pending" should be inserted or an explanation as to why there is no number. If left blank, the packet will be returned to CWD.

Item 5: The month, day and year must be provided. For **APPLICANT**, insert the SAWS 1 date. For **BENEFICIARY** who alleges blindness or disability, the date must reflect date CWD becomes aware that beneficiary is requesting a reclassification to a disabled category (the date will most likely be date on MC 223). This is the beginning date for the 90-day promptness requirement of Section 50177 of Title 22 of the California Code of Regulations.

Item 6: List each separate month for which retroactive coverage is requested (not more than 3 months prior to application date).

Item 8: Check all applicable boxes.

Item 9: Check if applicant is currently in a hospital and identify hospital. If checked, include MC 220 for hospital.

Item 10: Insert information CWD needs to relay to SP-DED. Attach additional sheets or forms, such as the DHS 7045 (Worker Observation form), as needed. If additional sheets or forms are attached, check "See Attached Sheet" box.

NOTE: If MC 179 is attached, check "90 Day Status Letter Attached" box. If Presumptive Disability (PD) was granted, check the "PD Approved" box.

Items 11 and 12: CWD worker information and date sent must be clearly identified.

Items 13 to 20: These will be completed by SP-DED. These inform CWD if case is approved, denied or if no determination was made. The decision codes and reasons for the decision are found in Section 22 C-8 -- Processing SP-DED Decisions.

NOTE: If SP-DED forwarded a packet to another Branch to "equalize" its caseload, a box at the bottom of form ("Oakland" or "LA") will be checked to specify the Branch to which jurisdiction was transferred. A copy of the MC 221, with one of the boxes checked, will be sent to CWD by the receiving Branch ONLY if a case is "equalized". This alerts CWD that the case is assigned to a Branch other than the one to which a packet was sent.

5. MC 222 LA/MC 222 OAK -- DED PENDING INFORMATION UPDATE

A. USE OF FORM

This form is sent to SP-DED when CWD becomes aware of new or changed information affecting a pending case. CWDs who send packets to Los Angeles SP-DED will use MC 222 LA. Other CWDs who send packets to Oakland SP-DED will use MC 222 OAK. Use of this form replaces the updating of SP-DED via an MC 221, which will be used only for new applications and resubmitted cases.

B. CHANGES TO REPORT TO SP-DED

CWDs will report the following changes to SP-DED while a disability case is pending in SP-DED:

1. Change in client's address;
2. Change in client's name, telephone or message number;
3. Denial or discontinuance of client on basis of non medical information (e.g., excess property);
4. Withdrawal of application;
5. Cancellation of Authorization for Release of Information (MC 220) by client;

6. Death of client;
7. Receipt of new medical evidence (attach new medical evidence to MC 222);
8. Availability of interpreter (provide name and phone number);
9. Change in EW; and
10. Any other pertinent information which affects SP-DED's actions on a pending case.

6. MC 223 -- APPLICANT'S SUPPLEMENTAL STATEMENT OF FACTS FOR MEDI-CAL (ENGLISH/SPANISH)

The MC 223 helps SP-DED obtain a clear and accurate picture of client's disabling condition(s). Client should identify **ALL** pertinent medical, vocational, social and/or third party sources who can provide relevant information regarding his/her condition. Addresses and telephone numbers where the sources can be located **MUST** be provided.

A. IMPACT OF SSA'S DECISION

The 1990 revisions to 42 CFR 435.541 clarify the controlling nature of SSA's disability decisions when client has made both an SSA disability application and a Medi-Cal application based on disability. These revisions specify when client must be referred back to SSA or SP-DED.

It is extremely important that client inform CWD if there was an SSA disability decision in the past, or if there is a current SSA disability claim or appeal pending.

B. QUESTIONS WHICH PERTAIN TO AN SSA DECISION

Questions 5 through 5D help CWD decide whether to deny an application for Medi-Cal based on disability and refer client to SSA, or whether to refer client to SP-DED for an independent disability decision.

C. HOW TO COMPLETE THE MC 223

EWs should assist client in completing form thoroughly, as incomplete forms may result in case delays. Any discrepancy, especially in personal information, should be resolved before sending case to SP-DED.

Parts I and II below, Personal and Medical Information, should be completed by client as much as possible. Any corrections should be initialed. CWD staff should write any information which may be helpful for case processing in margin designated as "County Use Only".

PART 1 - PERSONAL INFORMATION

Item 1a Provide full name.

Item 1b Include Social Security Number. If none exists, indicate "Pending" on "N/A" (applies to all cases). DO NOT leave blank.

Item 1c Specify month, day AND year of birth.

Item 1d Provide all known alias(es).

Item 1e Specify if male or female.

Item 1f-g Provide height in feet and inches, and weight in pounds.

Item 2a-b Provide residence address. Specify mailing address if different.

Item 3 Provide area code and phone number. Indicate if there is no phone or if there is a message number. Specify best time to call.

Item 4a-b Indicate if English is spoken; if not, specify language spoken. If interpreter is available, indicate name, phone number and best time to call.

PART II - MEDICAL INFORMATION

Item 5 Indicate if client applied for Social Security or Supplemental Security Income (SSI) disability benefits within the past two years.

NOTE: CWD will review client's responses to Items 5-5d.

- If "no", submit disability packet to SP-DED.
- If "yes", consider the following questions on client's SSA disability claim:
  - did SSA approve claim?
  - did SSA deny claim or is status unknown or pending?
  - was decision made within or more than 12 months of the Medi-Cal application?
  - was SSA's denial appealed?
  - has client's condition worsened or have new medical problems developed?
- If "yes", refer to the following chart which specifies whether case should be referred to SSA or SP-DED. If client is referred to SSA, CWD will deny the disability application and issue denial NOA, MC 239 SD (3/92), and Important Information Regarding Your Appeal Rights - Social Security Information, MC Information Notice 13 (3/92).

PART III - SOCIAL AND EDUCATIONAL INFORMATION

Item 14

Indicate what daily activities are participated in and how they are affected by the medical condition(s). This is helpful to SP-DED, especially in mental or emotional disorders.

Item 15a-c

Indicate highest grade or if GED completed, when it was completed, or if special education classes were involved.

CWD must not guess at the client's educational background or the level of education completed. Incorrect response(s) could result in an erroneous disability denial or approval. The client should be contacted if information on education is incomplete or omitted. If the client states that he/she does not know what level of education was completed or information is not available, CWD should note this in the right margin (e.g., *"Client states level of education unknown/not available"*). DO NOT leave this section blank.

NOTE: If the CWD observes that the client is illiterate or any inconsistency is noticed, it should be noted in the right margin or in Item 10, County Worker Comment(s), of the MC 221. CWD could note, for example, client is illiterate or client indicates an eighth grade education but has significant difficulties in reading, writing or understanding. If there are additional observations that the CWD feels may be of benefit to SP-DED, the CWD may include them on the form, DHS 7045 (Worker Observations - Disability).

Item 16

Specify if there was work activity which was performed for more than 30 days during the last 15 years. This includes any relevant work which was performed outside of the United States.

If "yes", complete Part IV.

PART IV - WORK HISTORY

Item 17

Enter job title, dates worked and job description. Be sure to also include any relevant job(s) which was performed outside of the United States. If no description is provided, SP-DED will use the job description in the Dictionary of Occupational Titles.

Highlights Of What To Include In Job Description:

- Types of tools, machines or equipment used;
- Whether writing or supervisory duties were involved;
- Frequency and weight of lifting involved;
- Hours spent sitting, standing and walking;
- Other exertional requirements, such as climbing or bending; and
- Description of alterations made to job functions to accommodate impairments, such as special equipment or changes in duties

PART V - SIGNATURE AND CERTIFICATION

- Enter proper signature(s) and current date.

  NOTE: CWD will provide client three extra MC 220's (7/93) for client's signature only.

7. MC 239 SD -- MEDI-CAL NOTICE OF ACTION - DENIAL OF BENEFITS DUE TO A FEDERAL SOCIAL SECURITY DISABILITY DETERMINATION (ENGLISH/SPANISH)

If the following exist, SP-DED is not allowed to make an independent decision and CWD must complete MC 239 SD to notify client that case is denied.

- SSA has denied a disability claim on the same condition(s) which is (are) alleged on the Medi-Cal application based on disability AND the application is within 12 months of the SSA denial AND client has a worsening of his/her condition.

OR

- The Medi-Cal application based on disability is within 12, or more than 12 months of the SSA denial AND client has no changes or new condition(s).

8. MC INFORMATION NOTICE 13 -- IMPORTANT INFORMATION REGARDING YOUR APPEAL RIGHTS/SOCIAL SECURITY INFORMATION (ENGLISH/SPANISH)

This notice is used in conjunction with Medi-Cal Notice of Action, MC 239 SD. It informs client of the following:

- Appeal rights through SSA,
- Information regarding SSA reconsideration/reopening,
- Circumstances in which SP-DED cannot make an independent disability determination,
- Circumstances in which SP-DED is allowed to make an independent disability determination, and
- Circumstances in which client is allowed to file for a state hearing.