



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



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August 20, 2002

MEDI-CAL ELIGIBILITY PROCEDURES MANUAL LETTER NO.: 269

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

ARTICLE 22C-9 - PROCESSING RE-EXAMINATION, REDETERMINATIONS, AND RE-EVALUATIONS

Ref.: All County Welfare Director Letter No. 02-18

Enclosed is an update to Article 22 C-9 reflecting the recent changes made to the disability re-examination process. The redetermination and re-evaluation sections remain unchanged.

**Filing Instructions:**

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Article 22

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Pages 22C-9.1 through 22C-9.4

All questions regarding the disability re-examination process should be directed to Mr. Terry Durham of my staff at (916) 657-2701.

Sincerely,

Original signed by

Richard Brantingham  
Acting Chief  
Medi-Cal Eligibility Branch

Enclosures



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## MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

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### 22 C-9 -- PROCESSING REEXAMINATIONS, REDETERMINATIONS AND REEVALUATIONS

#### 1. BACKGROUND

Cases which have had a decision made by State Programs-Disability and Adult Programs Division (SP-DAPD) formerly known as SP-DED, shall be resubmitted for another review by SP-DAPD for any of the following reasons:

- A. Reexaminations
- B. Redeterminations
- C. Reevaluations

**IMPORTANT:** Because the criteria for resubmitted cases differ from initial referrals, the type of referral must be correctly identified on the MC 221. Include copy of prior MC 221 in SP-DAPD packet whenever possible to provide a more complete picture of client's overall medical condition. If copy of prior MC 221 is not obtainable, note this on the new MC 221.

#### 2. PROCEDURES

A chart at the end of this section summarizes the procedures and identifies types of resubmitted cases, criteria for resubmitting cases, what forms to include in the disability packet, and what client's eligibility status is while a SP-DAPD decision is pending.

##### A. REEXAMINATIONS

Most reexaminations (reexams) occur when a mandatory reexam date is set for expected medical improvement. The reexam date is shown on the prior MC 221. In most cases, the beneficiary will continue to be considered disabled until his/her medical condition has improved and has been determined no longer disabled. Medical reexams are needed when one of the following occurs.

##### **NO Federal Disability Decision Involved**

1. SP-DAPD will notify Department of Health Services (DHS) of the cases currently due for medical reexam. DHS will forward the list to the Medi-Cal disability liaison in each affected county. Upon receipt, counties should submit a full-disability packet to SP-DAPD within 90 days from the list date or notify DHS by returning the list indicating why the case(s) was not sent.

2. The EW observes or receives information that the client's medical condition may have improved.

Examples:

*Client* becomes employed within 12 months of date of application for disability.

*Client* came in office using a walker or crutches, but is observed leaving office without their use.

3. During a case review, the EW notices that the medical reexam date is past due.

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The CWD will submit a full disability packet to SP-DAPD for each reexam case. A full packet consists of a current MC 221 and a copy of the prior MC 221, a MC 223 with a signed and dated MC 220 for each medical source listed on the MC 223. Also include three additional signed and dated MC 220's should any additional sources be identified later. Any new medical records or reports should also be included.

**EXCEPTION:** If the client's file shows that the Social Security Administration (SSA) determined the client to be disabled and SP-DAPD adopted SSA's decision, contact SSA immediately to determine whether disability continues. If SSA benefits continue, no referral to SP-DAPD will be needed when the reexam date has become due, as SSA's determinations are binding until SSA revises its decision.

If SP-DAPD adopted an SSA allowance and SSA finds that the beneficiary is no longer disabled, follow procedures similar to those under "*Federal Disability Decision Involved*". Medi-Cal benefits can not be discontinued until the SSA decision has become "final" meaning that the beneficiary no longer has an appeal pending at SSA on the cessation issue. In this instance, CWDs will need to periodically check (e.g., at each annual redetermination) with the beneficiary or with SSA to obtain status of the SSA appeal. CWDs can also look on the MEDS INQP screen in the appeal and NOA information field under "Appeal-Level" to check status of an SSA appeal; however, this information is not updated at times.

### **Federal Disability Decision Involved**

1. Where SP-DAPD initially allowed disability and a reexam is due, if a subsequent SSA Title II disability claim is allowed, SP-DAPD will adopt the federal medical reexam date if it is not pending or if it is set at a future date.
  - a. If SP-DAPD received a referral from the CWD on a case where an SSA Title II medical reexam case is not pending, SP-DAPD will return the MC 221 with the following comment: "Medi-Cal for this individual is based on current federal Title II disability benefits; the federal case is controlling and SSA's determination is binding until SSA revises its decision".
  - b. If SP-DAPD received a referral from the CWD on a case where the federal Title II medical reexam is pending, SP-DAPD will return the MC 221 with the following comment: "Medi-Cal for this individual is based on current federal Title II disability benefits; the federal case is controlling and SSA is currently conducting a reexam. The CWD should verify disability status with SSA in 60-90 days".
2. SP-DAPD initially allowed case, subsequently, a federal disability denial determination was made. The beneficiary has exhausted federal appeal rights. If the federal disability decision was 12 or more months prior to SP-DAPD's reexam date, since there is no ability to determine whether the same allegations were addressed in both SP-DAPD and the federal cases, SP-DAPD will process a reexam based on SP-DAPD's initial independent allowance decision.

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3. SP-DAPD initially allowed case; however, a subsequent federal disability denial determination was made. The beneficiary has filed an SSA appeal on the disability denial determination. The SSA appeal is pending or it is less than 90 days since the most recent SSA denial. SP-DAPD will not complete a reexam on these cases.

SP-DAPD will, instead, close the case as a "No Determination" and reset the medical reexam date to a future date. SP-DAPD will return the MC 221 with the annotation "*An appeal is pending on a federal Title II/SSI denial/cessation; the case remains under SSA jurisdiction . A revised reexam date has been set for \_\_\_\_\_(date). At that time, SP-DAPD will determine whether a medical reexam is necessary.*"

The future revised medical reexam date will be set according to the following timeframes:

- a. If the SSA appeal is pending at the reconsideration level, SP-DAPD will reset the reexam for nine months from the date the reconsideration was filed. If the SSA reconsideration was denied less than 90 days ago and no appeal of that decision is pending, SP-DAPD will reset the reexam for 90 days from the reconsideration decision date.
- b. If the SSA appeal is pending at the Disability Hearing Unit (DHU), SP-DAPD will reset the reexam for nine months from the date the case was assigned to the DHU.
- c. If the SSA appeal is pending at the Office of Hearings and Appeals (OHA), SP-DAPD will reset the reexam for two years and three months from the date the OHA request was filed.
- d. If the SSA appeal is pending at the Appeals Council, SP-DAPD will reset the reexam for two years and three months from the date the Appeals Council review was requested.

Under 3272.2 of the State Medicaid Manual, the Centers for Medicare and Medicaid Services has directed states to do the following: "If an individual receiving Medi-Cal based upon disability is later determined by SSA not to be disabled, and the beneficiary is not eligible for Medi-Cal on some other basis, he/she is entitled to receive continued Medi-Cal eligibility if he/she timely appeals the SSA disability determination". Therefore, CWDs will continue to aid a Medi-Cal beneficiary who was approved Medi-Cal eligible due to disability and who subsequently receives a disability denial determination from SSA, if the beneficiary timely appeals the SSA denial. Once the SSA disability appeal is no longer pending, and the SSA's final decision is a denial, SP-DAPD will complete their medical reexam at that point.

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If SP-DAPD determines that the client is no longer disabled, SP-DAPD will annotate the MC 221 in Item 13 "Ceases to be Disabled" and return the MC 221 to the CWD. The CWD will determine whether any other Medi-Cal linkage can be established. If not, the CWD will send the client a timely discontinuance notice that he/she is no longer considered disabled within the meaning of the law and his/her Medi-Cal benefits will be discontinued.

### B. REDETERMINATIONS

This type of referral is made for a client who was previously determined disabled by SP-DAPD, who is (1) subsequently discontinued from Medi-Cal for a reason other than disability and, (2) who reapplies alleging that disability continues to exist.

A limited DAPD packet **MUST** be sent on **ALL** redetermination referrals unless the following circumstances exist in which case a full DED packet must be submitted:

- The reapplication date is more than 12 months since the client was discontinued from Medi-Cal;
- No reexam date was set on the previous MC 221 approving disability;
- A reexam date is currently due or past due;
- A reexam date is unknown; or
- An improvement in the client's condition is noticed.

A copy of the prior MC 221 must be included with either a limited or a full DED packet.

Unless there is linkage other than disability, the case must be placed in pending status and not granted Medi-Cal benefits until SP-DAPD returns the case with a determination.

Upon receipt of a disability packet, SP-DAPD will check with SSA to determine whether there has been a subsequent federal SSA Title II or SSI disability determination within the past 12 months. If there has been a subsequent federal disability denial/cessation determination that is binding on the State, SP-DAPD will adopt the denial/cessation and instruct the county to refer the applicant back to SSA.

If the CWD receives a "No Determination" decision from SP-DAPD due to the above, the CWD should follow procedures specified in 22C-1 (2) (A) to deny the case.

Example: *SP-DAPD* approved the case in January 1997 with a June 2000 reexam date. Client was discontinued in April 1999 for reasons other than disability and requests a restoration of the case in November 1999. The CWD must pend the application if there is no other linkage and submit a limited disability packet. *SP-DAPD* will check with SSA and if there is an SSI disability denial determination, e.g., July 1999, *SP-DAPD* will most likely return the case to the CWD as a "Z53" (denial due to adoption of federal (SSA) denial/cessation decision).