

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



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California
Department of
Health Services

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October 19, 2005

MEDI-CAL ELIGIBILITY PROCEDURES MANUAL LETTER NO.: 299

TO: ALL HOLDERS OF THE MEDI-CAL ELIGIBILITY PROCEDURES
MANUAL

SUBJECT: ARTICLE 22C-8— PROCESSING STATE-PROGRAMS, DISABILITY
AND ADULT PROGRAMS DIVISION DECISIONS

The purpose of this letter is to provide all manual holders with a change to Article 22C-8 regarding the Personalized Denial Notice (PDN). **Effective immediately**, the term PDN will become obsolete in the Medi-Cal disability program, and will be referred to only as the "**rationale**." PDN is the term used by the federal disability program to explain the reasons why the applicant's disability claim was denied or why the applicant received a less than favorable allowance.

State Programs, Disability and Adult Programs Decisions (SP-DAPD) prepare the same type of document for the same reasons but uses the term "rationale." To be consistent with SP-DAPD, counties and the Department of Health Services will now use the term "rationale" when communicating with SP-DAPD regarding the document.

Counties must attach the rationale to the denial Notice of Action (NOA) letter sent to the applicant, otherwise the NOA is considered invalid. To ensure that only the rationale is mailed to the applicant, additional language has been added to the top of the letter indicating that the "Rationale Must be Mailed to Applicant."

As a reminder, the MC 221 or the MC 221R with attachment (the decision document), is annotated at the top "Never Send to the Applicant."

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Filing Instructions:

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Article 22

Article 22

Pages 22C-8.1 through 22C-8.5

Pages 22C-8.1 through 22C- 8.5

All questions pertaining to the rationale or processing SP-DAPD decisions should be directed to Mr. Terry Durham at (916) 552-9483.

Original signed by

Tameron Mitchell, R.D., M.P. H., Chief
Medi-Cal Eligibility Branch

Enclosure

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22 C-8 -- PROCESSING SP-DAPD Decisions

1. DISABLED

A. SP-DAPD ACTION

Fully Favorable Allowances

MC 221 disability portion will be completed and returned to counties.

Partially Favorable Allowances

MC 221R Attachment will be included with MC 221 decision document if disability onset date is **AFTER** date of application, or if client was not found disabled during requested period of retroactive coverage.

A "Rationale" for decision will give the reasons for the less than favorable allowance.

ALLOWANCE CODES

MIDAS	DEFINITION
A61	Condition meets severity of SSA <u>Listing of Impairments</u> .
A62	Condition equals severity of Listing. For adults.
A63	Medical/vocational considerations result in favorable decision for adults.
A64	Medical/vocational considerations -- arduous unskilled work profile.
A55	Continuance for reexamination case review.
A98	Reversal by Administrative Law Judge at State Hearing.
A99	Adoption of federal (SSA) Allowance/Continuance decision
B61	Statutory blindness.
A65	Disabled child claim - medically equals severity of Listing.
A66	Disabled child claim - functionally equals severity of Listing.

B. CWD ACTION

Approve

Applicant is disabled, if otherwise eligible, or reclassify beneficiary as Disabled-MN.

Tickle

Case for re-submittal to SP-DAPD as a re-exam case when a re-exam date is shown. Re-exam dates are set when medical improvement is expected. DHS will send a reminder letter to counties in the month the re-exam case is due

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Mail

Rationale for decision to client, which explains a partially favorable allowance.

NOTE: The MC 221 and MC 221(R) Attachment are **NEVER** sent to client.

2. NOT DISABLED

A. SP-DAPD ACTION

MC 221R

Block is checked "is not disabled" or "is not blind", is **NEVER SENT TO CLIENT** for any reason. The top of the document is annotated "Do Not Mail to Applicant."

MC 221 (R) Attachment (decision

Explains specific reasons for denial and is **NEVER SENT TO CLIENT** for any reason. The top of the document is annotated "Do Not Mail to Applicant."

Also attached to the MC221R will be the Rationale

The Rationale is an unnumbered, untitled, and unsigned letter, which explains the reason for denial, and "**Must be mailed to client**". The language at the top of the letter will inform CWD to "Mail to Applicant."

DENIAL CODES

MIDAS	DEFINITION
N30/N41*	Condition not severe.
N31/N42*	Capacity for SGA -- any past relevant work.
N32/N43*	Capacity for SGA -- other than past relevant work.
N34/N45*	Condition prevented SGA for a period of less than 12 months. (For child, condition disabling for a period of less than 12 months.)
N35/N46*	Condition prevented SGA at time of decision but is not expected to prevent SGA for a period of 12 months. (For child, condition disabling at time of decision but not expected to be disabling for a period of 12 months.)
N43/N51*	Disabled child claim impairment severe - but does not meet or medically/functionally equal.
N44	For child, impairment not severe. With or without visual impairment alleged.
N41	Blind evaluation only -- not statutorily blind.
N57	250% Working Disabled Program- Vocational Denial
Z53	Adoption of federal (SSA) denial/cessation decision - SSA's disability decision is controlling over Medi-Cal's decision.
N55	Cessation on re-examination case review.
Z59	Adoption of Federal Denial Cessation Decision where DA/A was material to the decision.

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* Indicates visual impairment alleged.

B. CWD ACTION

<i>Evaluate</i>	Evaluate eligibility under other existing Medi-Cal linkage before denying/discontinuing client.
<i>Deny/Discontinue Claim</i>	If disability is the only linkage to Medi-Cal, client will be denied/discontinued.
<i>Send Notice of Action (NOA)</i>	If denied/discontinued, attach Rational to NOA; if it is not attached, the NOA will be invalid.

3. NO DETERMINATION DECISIONS

"Z" codes indicate that no substantive decision was made to allow or deny a claim, and generally signify that some action is needed by CWD. After taking appropriate action, CWD must send a 90-Day Status Letter (MC 179) to client (except for Z56 and Z55 cases), if it is now the 80th day, or if it is evident that SP-DAPD will not be able to make a decision by the 90th day. If MC 179 is sent to client, include copy in packet being resent to SP-DAPD.

NO DETERMINATION CODES

MIDAS	DEFINITION
Z56	Withdrawal by CWD. (When CWD requests that SP-DAPD stop development due to withdrawal of claim, SP-DAPD will do so and send MC 221 to CWD. (After sending NOA, no further CWD action is necessary.)
Z55	CWD return for packet deficiency includes failure issues. This return from SP-DAPD means that additional information is needed. CWD will complete the information requested and forward packet to SP-DAPD
Z70	Duplicate cases – prior case in same State Programs Branch.
Z71	Duplicate cases – prior case in other State Programs Branch.
Z56	Other no determination situations, includes failure issues (non-redetermination cases).
Z56	Other no determination situations in redetermination cases only.
Z56	Other no determination situations for redetermination cases with inappropriate re-exam dates.

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A. SP-DAPD ACTION IN Z56 DECISIONS

MC 221 Returned to CWD

SP-DAPD will indicate that a decision could not be made and why.

SP-DAPD may ask help in locating client, obtaining client's cooperation in attending a consultative exam, completing forms, or having client contact SP-DAPD.

B. CWD ACTION FOR Z56 DECISIONS

1. Evaluate If Good Cause Exists

CWD will attempt two separate contacts with client (phone, letter or in person), per Title 22, Section 50175 (a) (1) and (6), to obtain client cooperation or needed information. If good cause is claimed, determine if there is good cause for non-cooperation. Good cause includes:

- a. Failure of CWD to provide client with appropriate forms.
- b. Failure of CWD to inform client that failure to cooperate with SP-DAPD will result in denial/termination.
- c. Failure of postal service to deliver required form(s) or information in a timely manner.
- d. Physical or mental illness or incapacity of client or authorized representative which precludes timely completion of requested information or requests to be present at scheduled appointments.
- e. Level of literacy along with social or language barriers which precludes client or authorized representative from comprehending instructions.
- f. Failure of CWD to properly process SP-DAPD packet.
- g. Unavailability of transportation to reach a required destination.

If Good Cause Exists

After obtaining client's cooperation, CWD must resubmit packet:

1. If DAPD returned the packet within 30 days of being resubmitted, CWD will send a limited packet containing a new MC 221 if there are no new allegations or treatment sources; or
2. If it has been more than 30 days since DAPD returned the packet, CWD must send a full packet containing a new MC 221 and if new medical conditions are

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claimed, and/or there are new or additional medical sources or information, a new MC 223 will be needed, and

3. Additional MC 220s, as necessary.

*If Good Cause
Does Not Exist*

CWD will deny application or discontinue beneficiary, if no other linkage exists.

2. Determine Whether State Hearing Was Requested

*If State Hearing
Requested by
Client*

CWD shall follow the decision of the hearing.

*If State Hearing
Not Requested
by Client*

CWD must have the client reapply.