STATE OF CALIFORNIA—HEALTH AND WELFARE AGENCY

GEORGE DEUKMEJIAN, *Governor*

DEPARTMENT OF HEALTH SERVICES
744 P STREET
ACRAMENTO, CA 95814

January 25, 1985

To: All County Welfare Directors
County Administrative Officers

Letter No. 85-8

NINE MONTH CONTINUING MEDI-CAL ELIGIBILITY BASED ON DISCONTINUANCE FROM AFDC DUE TO THE EXPIRATION OF THE $30 PLUS 1/3 EARNED INCOME DEDUCTION PRIOR TO OCTOBER 1, 1984

This letter provides information and initial instructions to counties for implementing Nine Month Continuing Medi-Cal for families discontinued from AFDC prior to October 1, 1984. We are sending this in advance of other DEFRA requirements because potential beneficiaries must apply for this category no later than March 31, 1985. Instructions and Medi-Cal regulations regarding nine month continuing eligibility based on discontinuance from AFDC after October 1, 1984 and all other federal Deficit Reduction Act (DEFRA) requirements will be issued in separate All County Welfare Directors letters within four weeks.

DEFRA, Section 2624, enacted July 18, 1984 and effective October 1, 1984, requires that persons discontinued from AFDC, due solely to the expiration of their $30 plus 1/3 earned income disregard or the $30 earned income disregard, be provided nine months of continuing Medi-Cal eligibility. Included in this group are persons who were previously terminated from AFDC for this sole reason during the period from March 31, 1982 through September 30, 1984. All nine month continuing Medi-Cal eligibles will be considered public assistance recipients during the nine month period, and therefore, will be automatically entitled to Medi-Cal with a zero share of cost (SOC).

- Persons or families who were discontinued from AFDC due solely to the expiration of the $30 plus 1/3 earned income disregard after March 31, 1982 and prior to October 1, 1984 and who would have continued to be eligible for AFDC if the $30 plus 1/3 disregard had been applied shall be entitled to nine month zero SOC Medi-Cal.

  <u>This is nine months of prospective, not retroactive, Medi-Cal coverage in that the nine month period begins the month in which the family applies for this new coverage.</u>

- Federal DEFRA regulations require that potential eligibles must apply <u>no later than March 31, 1985.</u> Counties will not be required to do a case-by-case search. However, all county welfare departments (CWDs) must, immediately upon receipt, post the attached notice in all reception areas. The notice must remain posted through March 31, 1985. In addition, the DHS and DSS will place applicable notices in all major newspapers. The notices inform potential eligibles to contact their local CWDs for further information and instructions.

- Persons who contact the CWD as potential "previously discontinued" Nine Month Continuing eligibles by March 31, 1985, must be instructed to complete a CA-1 form indicating that they are applying for "Nine Month Continuing". A CA-2 should be provided to the applicants with instructions to complete and return the form to the CWD within two weeks. The "previously discontinued" Nine Month Continuing category is identified by aid code 55. Specific eligibility criteria and implementation procedures will be issued in a separate All County Welfare Directors Letter within four weeks. Therefore, please flag and pend any applications for the "previously discontinued" Nine Month Continuing category until such instructions are received.

Questions regarding this issue should be directed to Catherine Buber-Chatten, Medi-Cal Eligibility Branch at (916) 324-4971.

Sincerely,

Original signed by

Doris Z. Soderberg, Chief
Medi-Cal Eligibility Branch

Attachment

cc: Medi-Cal Program Consultants
Medi-Cal Liaisons

A T T E N T I O N

F O R M E R A F D C R E C I P I E N T S

- IF YOU WERE RECEIVING AFDC AND IF YOU WERE DISCONTINUED FROM AFDC BETWEEN MARCH 31, 1982 AND OCTOBER 1, 1984 BECAUSE YOU WERE NO LONGER ENTITLED TO THE $30 PLUS 1/3 EARNED INCOME DEDUCTION,

- THEN: YOU MAY NOW BE ELIGIBLE FOR NINE MONTHS OF ZERO SHARE OF COST MEDI-CAL.

IMPORTANT: IF YOU THINK YOU MAY BE ELIGIBLE, YOU MUST CONTACT YOUR COUNTY WELFARE DEPARTMENT BY MARCH 31, 1985.

A T E N C I O N

P E R S O N A S Q U E H A N R E C I B I D O A F D C E N E L P A S A D O

- SI USTED HA RECIBIDO AFDC Y SI LE DESCONTINUARON AFDC ENTRE EL 31 DE MARZO, 1982, Y EL 1 DE OCTUBRE, 1984, PORQUE USTED YA NO ESTABA ENTITULADO(A) A LA DEDUCCION DEL INGRESO DEL TRABAJO QUE CONSISTE DE $30 Y UN TERCIO DEL RESTO,

- ENTONCES: USTED PUEDE SER ELEGIBLE A MEDI-CAL POR NUEVE MESES SIN PAGAR NINGUNA PARTE DEL COSTO.

- IMPORTANTE: SI USTED CREE QUE SEA ELEGIBLE, USTED TIENE QUE PONERSE EN CONTACTO CON SU DEPARTAMENTO DE BIENESTAR DEL CONDADO ANTES DEL 31 DE MARZO, 1985.