STATE OF CALIFORNIA—HEALTH AND WELFARE AGENCY GEORGE DEUKMEJIAN, Governor

DEPARTMENT OF HEALTH SERVICES
714/744 P STREET
SACRAMENTO, CA 95814

January 21, 1986

All County Welfare Directors
All County Administrators

Letter No. 86-4

IMPACT OF AFDC LAWSUITS ON MEDI-CAL

This letter is to provide instructions on the actions the county must take when a family is discontinued from or denied federal AFDC - Unemployed Parent (AFDC-U) benefits and placed in the state-only AFDC-U program.

Based on court injunctions in the Reyna v. McMahon, Shaw v. McMahon and Simon v. McMahon cases, federal AFDC cash grant recipients have been transferred into the state-only AFDC-U program. Because a 1982 law change eliminated Medi-Cal eligibility for most non-federally eligible adults (Medically Indigent Adults), the adults in state-only AFDC-U cases cannot automatically be granted Medi-Cal, although, the children continue to be eligible for Medi-Cal benefits. However, in the referenced AFDC court cases, most of the adults meet AFDC-MN eligibility criteria, and, therefore, are eligible to receive Medi-Cal.

In order to assure that all adults denied/discontinued from federal AFDC cash assistance and placed in state-only AFDC-U receive all benefits to which they are entitled, the county must review each Reyna, Shaw and Simon case and evaluate whether the adults meet Medi-Cal eligibility criteria. If eligibility for Medi-Cal is established, the county shall issue Medi-Cal cards under the appropriate cash aid code for each prior month in which eligibility exists. In addition, for current and future cases, the county shall report each eligible individual's record to MEDS.

In any situation in which state-only AFDC-U is granted, if the adult would otherwise be eligible for Medi-Cal, the county shall report the individual to MEDS under the appropriate cash aid code. However, no report is to be made for those adults in state-only AFDC-U cases who are not otherwise eligible for Medi-Cal. (See ACWD Letters 82-70 and 83-18).

These instructions also apply to refugees who were discontinued from the Refugee Demonstration Project and transferred to state-only AFDC-U.

The categories of persons who are transferred to state-only AFDC-U may be expanded in the future due to litigation against DSS. Therefore, these directions also apply to any future cases of this kind.

If you have any questions or need further information, please contact Florence Beller of my staff at (916) 323-4129, ATSS 473-4129.

Sincerely,

Original signed by

Doris Z. Soderberg, Chief
Medi-Cal Eligibility Branch

cc: Medi-Cal Liaisons
Medi-Cal Program Consultants

Expiration Date: January 31, 1987