STATE OF CALIFORNIA—HEALTH AND WELFARE AGENCY

GEORGE DEUKMEJIAN, Governor

DEPARTMENT OF HEALTH SERVICES
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May 22, 1990

Letter No: 90-46

TO: All County Welfare Directors
All County Administrative Officers
All County MEDS Coordinators

SUBJECT: BUY-IN CHANGE FOR MEDICALLY NEEDY (MN) CASES

REFERENCE: ACWDLs 86-48 AND 88-30

This is to notify you of an upcoming change to the Medi-Cal Eligibility Data System (MEDS).

Section 50773, Title 22, California Code of Regulations concerning Buy-In specifies State payment of Medicare Part B premiums shall become effective the third month of Medi-Cal eligibility for Medically Needy (MN) persons who were not eligible for a federally (SSI/SSP or MN on the basis of age or disability) covered Medi-Cal program in the month before their first month of MN eligibility. Currently, Section 50773 does not comply with federal regulations requiring that payment of Part B premiums be effective the second month after the month in which Medi-Cal eligibility is approved. Approved, in this context, means the date on which the eligibility worker makes the determination that the beneficiary is eligible for Medi-Cal. For example, an applicant applies for Medi-Cal on May 5, 1989, requesting retroactive coverage back to February 1989. On June 20, 1989 the eligibility worker determines the applicant is eligible back to February 1989. The approval date in the case is June 1989.

Section 50773 is being amended to require the Medicare Buy-In effective date for MN persons be based on the date of eligibility approval for Medi-Cal as required in Section 1843 of the Social Security Act and 42 Code of Federal Regulations (CFR), Section 405.217.

The coverage period for MN persons under Federal regulations and the State Medicare Buy-In Agreement begins the second month after the month in which eligibility is approved. The State's Buy-In system is programmed to use the second month after the month for which eligibility is reported, which has resulted in many erroneous Buy-In effective dates because the date of reporting is often prior to the actual eligibility approval date.

In order to comply with federal requirements for a determination of Buy-In effective date, it will be necessary to have the counties report Medi-Cal approval date to MEDS for potential Buy-in MN recipients. This approval date is required for each new period of MN eligibility not contiguous with prior eligibility in a federally covered Medi-Cal program.

The approval date should be reported on EW05, EW20 and EW30 transactions which establish new MN eligibility on MEDS: (1) when the recipient is a potential Medicare eligible (aged, blind, or disabled, including chronic renal disease) or, (2) the recipient is AFDC-MN and either has a valid HIC number with an "A" or "H" prefix; or an A, J1-J4, M, M1 or T suffix, or is over age 65.

At this time, there is no firm start date for the approval date implementation to the MEDS network; however, it is recommended that counties begin preparations for whatever changes may be required to their systems. Counties will be notified when the implementation date is scheduled.

County instructions for implementing changes to report the eligibility approval date are contained in the enclosure.

If you have any questions, please contact your State MEDS Liaison.

Sincerely,

ORIGINAL SIGNED BY

Frank S. Martucci, Chief
Medi-Cal Eligibility

Enclosure

cc: Medi-Cal Liaisons
Medi-Cal Program Consultants
MEDS Liaisons

Expiration date: April 30, 1991.

ENCLOSURE

Instructions for Implementing BUY-IN CHANGE FOR MEDICALLY NEEDY (MN) CASES

MEDS system changes and information:

1. The approval date is to be reported on EW05, EW20 and EW30 transactions which will establish a new eligibility period on MEDS when: (1) the recipient is aged, blind, or disabled MN (aid codes 13, 14, 17, 23, 24, 27, 63, 64, 65, and 67), or, (2) the recipient is AFDC-MN (aid code 34 or 37) and either has a valid HIC number with an 'A' or 'H' prefix; or an 'A', 'J1-J4', 'M', 'M1' or 'T' suffix; or is over age 65.

2. An EW05, EW20 or EW30 transaction which falls into the categories identified above and does not include a valid approval date will be accepted. A MEDS alert will be sent to the county and the Buy-In Unit when the approval date is not included with the transaction and the eligibility established by the transaction is not immediately preceded on MEDS by eligibility in a federally covered Medi-Cal program.

3. The approval date should be the month in which the MN eligibility was approved. Approved, in this context, means the date on which the eligibility worker makes the determination that the beneficiary is eligible for Medi-Cal. For example, an applicant applies for Medi-Cal on May 5, 1989, requesting retroactive coverage back to February 1989. On June 20, 1989, the eligibility worker determines the applicant is eligible back to February 1989. The approval date in this case is June 1989.

4. The data element number for the approval date is 9252.

5. The format of the approval date (ELIG-APPRV-MMYY) is in four (4) bytes (MMYY).

6. If the approval date is reported and the eligibility is contiguous with prior eligibility, the approval date will be ignored by the system in determining the effective date of the Buy-In. In this case, the effective date would be the first month of the eligibility period (the two-month period is waived).

7. If the approval date is reported for any other circumstance than those identified in number 1 above, the transaction will be accepted, the approval date will be ignored, and no MEDS alert will be issued.