STATE OF CALIFORNIA—HEALTH AND WELFARE AGENCY

PETE WILSON, *Governor*

DEPARTMENT OF HEALTH SERVICES
714/744 P STREET
P.O. BOX 942732
SACRAMENTO, CA 94234-7320

July 3, 1991

Letter No.: 91-61

TO: All County Welfare Directors
All County Administrative Officers

SUBJECT: PHASED-IN IMPLEMENTATION OF THE 100 PERCENT PROGRAM FOR CHILDREN

REFERENCE: ACWDLs 89-50, 89-103, 90-34, 90-61,

The purpose of this letter is to provide information on Section 4601 of the Omnibus Budget Reconciliation Act (OBRA) of 1990 which requires states on July 1, 1991, to provide Medi-Cal benefits at no share of cost (SOC) to eligible children who have attained age six, were born after September 30, 1983, but who have not attained age nineteen, and whose family income does not exceed 100 percent of the appropriate federal poverty level (FPL). Implementation of this program will begin September 1, 1991, retroactive to July 1, 1991.

BACKGROUND

This provision of OBRA 90 amends Section 1902 of the Social Security Act. It is similar to the requirements of the 133, 185, and 200 Percent programs. However, this phase-in program is limited to otherwise eligible children who have attained age six, were born after 9/30/83, up to age nineteen with a family income at or below 100 percent of the FPL.

PERIOD OF ELIGIBILITY

Eligibility under the 100 Percent program will begin for the above children unless the child's eligibility continues under the 185, 200, or 133 Percent programs because he/she was receiving inpatient services during a continuous period which began before and continues beyond the child's first or sixth birthday. Eligibility ceases at the end of the month in which the child attains age nineteen unless the child is receiving inpatient services during a continuous period which began before and continues beyond the child's nineteenth birthday.

As of July 1, 1991, the only children who will be eligible for this program will be those children who are age six or no older than seven years and nine months. Counties must determine the month and year of birth for new applicants with a share of cost to determine if potential eligibility exists. Eighteen year old children will not be eligible for this new program until October 1, 2001.

EXAMPLE: On July 1, 1991, John, Gene, and Mary apply for the 100 Percent program. John's birthday is 6/1/84. He is age seven and potentially eligible for the 100 Percent program . Gene's birthday is 12/5/86. He is

not age six; therefore, he should apply for the 133 Percent program. Mary's birthday is 5/22/81. She is 10 years old and was born before 9/30/83; therefore, she will never be eligible for the 100 Percent program.

Application Date	Born After 9/30/83 But No Later than:*	Maximum Age Limit
1991		
7/1/91	7/1/85**	7 years 9 months
8/1/91	8/1/85	7 " 10 "
9/1/91	9/1/85	7 " 11 "
10/1/91	10/1/85	8 0
11/1/91	11/1/85	8 1
12/1/91	12/1/85	8 2

* Children born after this date are too young for the 100% program.

**A child born 7/2/85 is 5 years, 364 days and not yet eligible for the 100 Percent program. Instead of eligibility for the 100 Percent program, eligibility should be considered for the 133 Percent program for the month of July.

BENEFITS AND AID CODES

There will be two groups of children under the 100 Percent Program:

Aid Code 7A — Citizen/LAPR (lawfully admitted to U.S. for permanent residency)/PRUCOL/Amnesty (ABD or under 18).

No special message will be printed on this Medi-Cal card; full benefits.

Aid Code 7C — Nonimmigrant status/Undocumented alien/Amnesty (not ABD or under 18)/Applicants for Amnesty

Provides restricted services only. This Medi-Cal card will bear the phrase: "For emergency and pregnancy related services only".

ELIGIBILITY DETERMINATION

Step 1. Regular Medically Indigent (MI) or Medically Needy (MN) Program

Similarly to the 133, 185 and 200 Percent programs, the county will continue to determine first whether a child who has attained age six and was born

after 9/30/83 is otherwise eligible for Medi-Cal and has a SOC under the regular MI/MN program. If the child has no SOC, approve Medi-Cal under the regular MI/MN program. If the child has a SOC, proceed to step 2.

Step 2. 100 Percent Program

If the child is otherwise eligible and has a SOC, determine whether he/she is eligible for the 100 Percent program. If the family's net nonexempt income is at or below 100 percent of the FPL, approve Medi-Cal under this program. Net nonexempt income is determined under the same criteria used in the 133, 185 and 200 Percent programs (i.e., do not deduct health insurance premiums, apply only AFDC-MN deductions, etc.). If the family's net nonexempt income is over 100 percent of FPL, deny the case under the 100 Percent program.

Example:

1. Regular MI/MN SOC Program

MFBU - MN		INCOME	
Married Unemployed dad	Tom	$1467	net unearned income
Married pregnant mom	Robyn	- 40	health insurance premium
unborn	-----		
3 mo. old	Matthew	$1427	net nonexempt income
6 yr. old	Ryan	-1417	MNL for 6
7 yr. old	Bob		
		$ 10	SOC

2. 100 Percent Program

The MFBU for the 100 Percent program consists of Ryan and Bob. Since health insurance premiums and deductions solely for the aged, blind, and disabled cannot be used to reduce the family's income for this 100 Percent program as well as for the 133, 185 and 200 Percent programs, the EW will recompute the family's net nonexempt income.

$1427	net nonexempt income under regular Medi-Cal
+ 40	health insurance premium
$1467	adjusted net nonexempt income

Compare to 100 percent of the federal poverty level for 6 persons:

$1493 (effective April 1, 1991).

Ryan and Bob are eligible for 100 Percent program.

Robyn, unborn, and Matthew are eligible for 185 Percent program (compare to 185 percent of the federal poverty level for 6 persons: $2763 effective April 1, 1991).

NOTE: Counties currently need not determine eligibility for the 100 Percent program for a family of three or less because the current Medi-Cal maintenance need levels (MNL) for these families are above 100 percent of the FPL and these families have no SOC under regular Medi-Cal. Also, if a family of four or more has a health insurance premium deduction under regular Medi-Cal, they may not be eligible for the 100 Percent program after this deduction is added to the family's net nonexempt income.

Example

1. Regular MI/MN SOC Program

MFBU - MN		INCOME
Mother	Jill	$1165 net unearned income
6 mo. old	Pam	-50 health insurance premium
4 yr. old	Cindy	
6 yr. old	Bryan	$1115 net nonexempt income
		-1100 MNL for 4
		$ 15 SOC

2. 100 Percent Program

The MFBU consists of Bryan

$1115 net nonexempt income
+ 50 health insurance premium

$1165 adjusted net nonexempt income

Compare to 100 percent of the FPL for 4 person: $1117 (effective April 1, 1991).

In this case, Bryan is not eligible for the 100% program.

CASE COUNTS

As in the 133, 185 and 200 Percent programs, cases which include children covered under the 100 Percent program will be counted only once whether or not they are a new or existing case. Intake activity may be claimed for an approved or a denied application. Regardless of the number of eligibles in a case receiving benefits under the 100 Percent program, they are all counted as one 100 Percent case. Thus, if some of the Medi-Cal Family Budget Unit (MFBU) members are in a 100 percent case, some are eligible for the 133, 185/200 Percent programs, and some are just in the regular MFBU, the county would receive four case counts.

FAMILY BUDGET UNITS

The eligible child will be included in the MNL under the regular MI/MN program and will be treated as an ineligible child (IC) of that Medi-Cal Family Budget Unit (MFBU). He/she will be issued a card only under the 100 Percent program at no share of cost.

Example

100% Program	185% Program	Regular MI/MN Program (Share of Cost)
6 yr. old	Pregnant Mom unborn 5 mo. old	Unemployed Father Pregnant Mom unborn (IC) 5 mo. old (IC) 6 yr. old (IC)

STUFFER OR MAILER

DHS will be sending a stuffer or mailer sometime prior to implementation to all Medi-Cal beneficiaries who have attained age six but who have not attained age eight. We have enclosed a draft of the stuffer or mailer for your review (Enclosure 1).

NOTICES OF ACTION

Camera ready copies of Notices of Action (NOA) for the 100 Percent program will be provided as soon as they are available. Should camera ready copies not be available by September 1, 1991, counties may use NOAs similar to Enclosures 2 and 3.

IMPLEMENTATION DATE

Due to the many systems changes, counties will not be able to implement this program until September 1991. Counties should begin flagging cases with a 100 percent eligible child beginning July 1, 1991 so that any repayment of the beneficiary's share of cost can be processed in September. This process will be similar to the retroactive share of cost repayment process for the 133, 185, and 200 Percent programs described in All County Welfare Directors Letter Numbers 90-106 and 91-06.

If you have any questions about this new program, please contact Marge Buzdas (916) 324-4972, ATSS 454-4972. Questions about system changes for the 100 Percent program should be directed to Tina Velasquez at (916) 323-9510, ATSS 473-9510.

Sincerely,

ORIGINAL SIGNED BY

Frank S. Martucci, Chief
Medi-Cal Eligibility Branch

Enclosures

cc: Medi-Cal Liaisons
Medi-Cal Program Consultants

(This stuffer will be sent to households with children age 6 to 8 years old).

NEW MEDI-CAL PROGRAM FOR CHILDREN WHO ARE AT LEAST SIX YEARS OF AGE AND WERE BORN AFTER 9/30/83

(100 PERCENT PROGRAM)

Medi-Cal already has special no share-of-cost programs for infants up to age one and children age one to six. Beginning July 1, 1991, a new Medi-Cal program will provide medical care at no share of cost (deductible) to low-income children who are at least six years old and were born after 9/30/83. Children may continue on this program up to age nineteen. When this program begins, only children who are ages 6 and 7 may qualify. Next year, children who are ages six, seven, and eight may qualify.

Early and regular medical care will help ensure a healthy start for your child and are important to prevent future health problems.

This new program will allow the family's monthly income to be higher than for people who are on most other Medi-Cal programs. Even if the family is working or has other monthly income, the child may still be eligible under this new program.

If your child already gets Medi-Cal at no share-of-cost, that will not change. If your child already gets Medi-Cal but has a share of cost, the county welfare office will determine whether he/she is eligible for this new program.

For more information about this new program, contact your county department of social services.

(County Stamp)

MEDI-CAL NOTICE OF ACTION

DENIAL OR DISCONTINUANCE OF BENEFITS UNDER THE 100 PERCENT (%) PROGRAM

Case No. _____

District: _____

This affects: _____

_____

_____

_____

Name(s)

The 100% Program is a program that provides Medi-Cal benefits at no share-of-cost for children who are at least six years of age and were born after 9/30/83. In addition to meeting other Medi-Cal eligibility rules, family income must be within certain limits to qualify for this program.

☐ A review of your case shows that your child(ren) does not qualify for this program because your family's income is over the allowable limit. This does <u>not</u> affect your child(ren)'s regular Medi-Cal eligibility.

☐ Eligibility for benefits under the 100% Program ends _____ because:

The regulation which requires this action is California Code of Regulations, Title 22, Section 50262.6.

(Eligibility Worker) (Phone) (Date)

PLEASE READ THE REVERSE SIDE OF THIS NOTICE

MC 239 G (4/91)

(County Stamp)

MEDI-CAL NOTICE OF ACTION

APPROVAL FOR THE 100 PERCENT (%) PROGRAM

Case No. _____

District: _____

This affects: _____

_____

_____
Name(s)

Beginning _____, your child(ren) is eligible to receive Medi-Cal benefits without a share of cost under the 100% Program for children who are at least six years of age and were born after 9/30/83.

Under this program, the Medi-Cal card will provide:

☐ Full Medi-Cal benefits.

☐ Restricted Medi-Cal benefits (emergency and pregnancy-related services only).

The regulation which requires this action is California Code of Regulations, Title 22, Section 50262.6.

(Eligibility Worker) (Phone) (Date)

PLEASE READ THE REVERSE SIDE OF THIS NOTICE

MC 239 H (4/91)