

DEPARTMENT OF HEALTH SERVICES

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SACRAMENTO, CA 94234-7320



(916) 657-2941

October 26, 1994

TO: All County Welfare Directors
All County Administrative Officers
All County Medi-Cal Program Specialists/Liaisons
All MEDS Liaisons

Letter No.: 94-81

2.3 PERCENT CUT BENEFICIARIES

Chapter 148 of the Statutes of 1994 (Assembly Bill 836) decreased Supplemental Security Income/State Supplemental Payment (SSI/SSP) benefit levels by 2.3 percent effective September 1, 1994, subject to minimum benefit level restrictions required by the federal Social Security Act. Accordingly, not all benefit levels were reduced the full 2.3 percent because they were already at or near the minimum level. Normally, this cut would have resulted in approximately 2400 beneficiaries losing their zero share-of-cost (SOC) Medi-Cal along with losing their SSP grants. Grandfathering legislative language, Chapter 665 of the Statutes of 1994 (Senate Bill 351) places the 2.3 percent beneficiaries into zero SOC-Medi-Cal (with the State paying these beneficiaries' SOC much like last year's 2.7 percent cut beneficiaries).

2.3 percent beneficiaries who lost their SSI/SSP due to this cut will receive zero SOC-Medi-Cal until their incomes, aside from any Cost Of Living Adjustments (COLAs), exceed the SSI/SSP benefit levels had the September 1, 1994 benefit reduction not occurred or their living arrangements, resources and/or residency change in a way that would render them ineligible. Even though 2.3 percent beneficiaries are not, at this time, required to go to the county welfare departments (CWDs), CWDs may sometimes be informed of a 2.3 percent beneficiary's change in financial situation (such as becoming resource ineligible or entering a long-term care facility), death or change of address. Please E-Mail or fax this information to BKINKADE, fax (916) 657-3224 and the State will make the appropriate changes to the Medi-Cal Eligibility Data System (MEDS) record. State MEDS programming will not allow counties to make changes to the 2.3 percent beneficiary records (also the 2.7 percent records).

2.3 percent/2.7 percent beneficiaries who lose their eligibility for free Medi-Cal (for example, a person moves out of state and then moves back to California) are eligible to be reevaluated for this program, i.e., a break in coverage under this program does not preclude later eligibility for the 2.3 percent or 2.7 percent program. They would be eligible for the program they started under, i.e., a 2.7 percent disabled individual would be eligible if he/she had \$620 or less (disregarding COLAs).

The State has placed the 2.3 percent persons on free Medi-Cal beginning September 1, 1994 and sent these persons a notice of action. Most of the 2.3 percent persons were placed into free Medi-Cal via special programming, however, three hundred and fifty (350) 2.3 percent persons were placed on free Medi-Cal manually by the State. These 350 persons' MEDS records will look slightly different from the bulk of the 2.3 percent persons. Here is how to tell who is a 2.3 percent beneficiary:

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For the two thousand and seventy (2070) 2.3 percent beneficiaries placed on free Medi-Cal automatically by the State, MEDS will show:

- 14, 24 or 64 aid codes starting September 1994
- A QO in the Pickle Indicator field on MEDS
- A Government Responsibility Code of 3
- An eligibility status of 006

For the three hundred and fifty (350) 2.3 percent beneficiaries placed on free Medi-Cal manually by the State, MEDS will show:

- 14, 24, or 64 aid codes starting September 1994
- A Government Responsibility Code of 2
- An eligibility status of 007

The county Ramos Coordinators were sent listings of the 2070 2.3 percent beneficiaries, along with their Ramos listings (dated August 18, 1994, with the title "2.3 SSP Grant Reduction"). Ignore the SOC on these listings, it is for State use only. If your list is missing, you may request another copy by sending an E-Mail to BKINKADE. Include your address, phone number and fax number.

Here is the text for the 2.3 percent beneficiary notice that was sent in mid-August to the 2070 2.3 percent beneficiaries:

Beneficiary Name:	Date:
Beneficiary C/O:	
Beneficiary Address:	Social Security Number:
Beneficiary City, Zip Code:	

IMPORTANT MEDI-CAL NOTICE!!!!

You may have already received a letter from the Social Security Administration informing you that, due to the 2.3 percent cut in SSI/SSP, your SSI/SSP check will stop effective September 1, 1994. However, you will not lose your free Medi-Cal coverage on September 1, 1994. You will continue to get FREE Medi-Cal unless your financial situation changes.

The State will send you a letter if you need to do anything to keep your free Medi-Cal.

REMEMBER, YOU DO NOT NEED TO GO INTO THE COUNTY WELFARE OFFICE AT THIS TIME FOR YOUR MEDI-CAL--YOU WILL STILL CONTINUE TO RECEIVE YOUR FREE MEDI-CAL.

If you live with members of your immediate family who receive Aid to Families with Dependent Children (AFDC), you should CONTACT YOUR FAMILY'S COUNTY AFDC WORKER IMMEDIATELY and tell him/her that you are no longer receiving SSI.

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BECAUSE YOU ARE NO LONGER RECEIVING AN SSI/SSP CHECK, YOU MAY BE ELIGIBLE FOR FOOD STAMPS. YOU CAN APPLY AT YOUR LOCAL WELFARE DEPARTMENT.

If you are receiving In-Home Supportive Services (IHSS), please contact your IHSS social worker to advise him/her that your SSI/SSP benefit has stopped.

Please keep this notice.

(The 350 2.3 percent beneficiaries who were put on manually by the State received Ramos Notices of Action and application forms in error..the language below was added to the above form for these beneficiaries).

PLEASE DISREGARD THE STATE OF CALIFORNIA MEDI-CAL NOTICE OF ACTION (NOTICE TYPES 01 OR 01A) YOU MAY HAVE RECEIVED EARLIER THIS MONTH. THESE NOTICES WERE SENT IN ERROR!

YOUR FREE MEDI-CAL WILL CONTINUE!!

IF YOU HAVE ANY QUESTIONS, PLEASE CONTACT THE STATE OF CALIFORNIA AT (916) 657-1451. PLEASE IDENTIFY YOURSELF AS A 2.3 PERCENT BENEFICIARY.

(End of Notice)

If any potential 2.3 percent beneficiaries who were not placed on free Medi-Cal come to your attention, please fax the information to Bonnie Kinkade at (916) 657-3224 and the State will check the person's eligibility for the 2.3 percent program and work with the counties to make the appropriate changes to MEDS if necessary.

More information will be following soon pertaining to the future treatment of the 2.3 percent/2.7 percent beneficiaries such as new aid codes, timelines etc. Sometime in the future, these beneficiaries will be instructed to go to their CWDs to apply for free Medi-Cal. (Since the 2.3 percent (and 2.7 percent) beneficiaries do not have active cases in the county, any changes in their circumstances which would preclude them from Medi-Cal, i.e., death, loss of residency, etc., cannot be monitored until they apply at the county.)

Thank you for your cooperation. If you have any questions, please contact Bonnie Kinkade of my staff at (916) 657-1469.

Sincerely,

ORIGINAL SIGNED BY,

Frank S. Martucci, Chief
Medi-Cal Eligibility Branch