



DEPARTMENT OF HEALTH & HUMAN SERVICES

Centers for Medicare & Medicaid Services

Region IX

Division of Medicaid & Children's Health Operations

90 Seventh Street, Suite 5-300 (5W)

San Francisco, CA 94103-6706

SEP 09 2011

Toby Douglas, Director
California Department of Health Care Services
1501 Capitol Avenue, 6th Floor
MS: 0000
Sacramento, CA 95814

Dear Mr. Douglas:

Enclosed is an approved copy of California State Plan Amendment (SPA) Number 11-016, which adopts less restrictive provisions which expand the existing methodology for treatment of income and resources for the 250 Percent Working Disabled Program. The SPA is effective August 1, 2011.

If you have any questions, please contact Rodd Mas at (415) 744-2978 or at rodd.mas@cms.hhs.gov.

Sincerely,

Gloria Nagle, Ph.D., M.P.A.
Associate Regional Administrator
Division of Medicaid & Children's Health Operations

Enclosure

cc: Brenda Sheppard, Centers for Medicare and Medicaid Services
Ms. Vickie Orlich, California Department of Health Care Services
Kathryn Waje, California Department of Health Care Services

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL	1. TRANSMITTAL NUMBER: 11-016	2. STATE CA
	3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
FOR: HEALTH CARE FINANCING ADMINISTRATION		4. PROPOSED EFFECTIVE DATE August 1, 2011
TO: REGIONAL ADMINISTRATOR HEALTH CARE FINANCING ADMINISTRATION DEPARTMENT OF HEALTH AND HUMAN SERVICES		

5. TYPE OF PLAN MATERIAL (Check One):

- NEW STATE PLAN AMENDMENT TO BE CONSIDERED AS NEW PLAN AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)

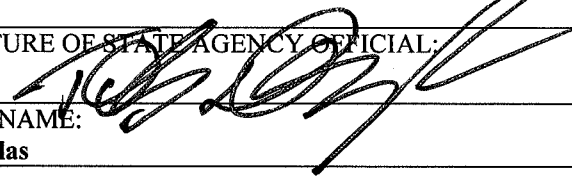
6. FEDERAL STATUTE/REGULATION CITATION: Sections: 1902 (a) (10) (A) (ii) (XIII) 1902 (r) (2)	7. FEDERAL BUDGET IMPACT: a. Unknown FFY 2011 \$10,090 b. Unknown FFY 2012 \$60,540
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: ATTACHMENT 2.6-A, Page 12c Supplement 8a to Attachment 2.6-A, Page 5 Supplement 8b to Attachment 2.6-A, Page 7 Supplement 8b to Attachment 2.6-A, Page 14 Supplement 8b to attachment 2.6-A, Page 6	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): ATTACHMENT 2.6-A, Page 12c Supplement 8a to Attachment 2.6-A, Page 5 Supplement 8b to Attachment 2.6-A, Page 7 + 14 Supplement 8b to attachment 2.6-A, Page 6

10. SUBJECT OF AMENDMENT:


Adopt less restrictive provisions which expand the existing methodology for treatment of income and resources. These provisions impact the 250 Percent Working Disabled Program.

11. GOVERNOR'S REVIEW (Check One):

GOVERNOR'S OFFICE REPORTED NO COMMENT OTHER, AS SPECIFIED:
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED The Governor's Office does not
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL wish to review the State Plan Amendment.

12. SIGNATURE OF STATE AGENCY OFFICIAL: 	16. RETURN TO: Department of Health Care Services Attn: State Plan Coordinator 1501 Capitol Avenue, MS 4506 P.O. Box 997417 Sacramento, CA 95899-7417
13. TYPED NAME: Toby Douglas	
14. TITLE: Director	
15. DATE SUBMITTED: JUN 15 2011	

FOR REGIONAL OFFICE USE ONLY	
17. DATE RECEIVED: June 15, 2011	18. DATE APPROVED: SEP 09 2011

PLAN APPROVED - ONE COPY ATTACHED	
19. EFFECTIVE DATE OF APPROVED MATERIAL: August 1, 2011	20. SIGNATURE OF REGIONAL OFFICIAL: 
21. TYPED NAME: Gloria Nagle	22. TITLE: Associate Regional Administrator

23. REMARKS: Pen and Ink changes to boxes 7,8 and 9 approved via email on 8/24/11.

OMB No:

State/Territory: CALIFORNIA

Citation

Condition or Requirement

1902(a)(10)(A)
(ii)(XIII) of the Act

(i) Working Disabled Who Buy In to Medicaid

In determining countable income and resources for working disabled individuals who buy into Medicaid, the following methodologies are applied:

 The methodologies of the SSI program.

 The agency uses methodologies for treatment of income and resources more restrictive than the SSI program. These more restrictive methodologies are described in Supplement 4 to Attachment 2.6-A.

 X The agency uses more liberal income and/or resource methodologies than the SSI program. More liberal income methodologies are described in Supplement 8a to Attachment 2.6A pgs 5 and 5a. More liberal resource methodologies are described in Supplement 8b to Attachment 2.6A pgs 6, 7 and 14.

 X The agency requires individuals to pay premiums or other cost-sharing charges. The premiums or other cost-sharing charges, and how they are applied, are described on Attachment 2.6-A Page 12d. Each individual eligible for the 250 Percent Working Disabled Program will pay a monthly sliding-scale premium based on countable income. A minimum payment of \$20 and a maximum payment of \$250 per eligible individual or \$375 per eligible couple are required. The agency will be responsible for collection of such premiums.

Tn No. 11-016

Supersedes

Tn No. 00-006Approval Date SEP 09 2011 Effective Date August 1, 2011

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
State/Territory: California

METHODOLOGIES FOR TREATMENT OF INCOME THAT DIFFERS FROM
THOSE OF THE SSI PROGRAM
(Less Restrictive Than SSI and AFDC)

1902(a)(10)(A)(ii)(XIII) of the Act

For the working disabled covered
under the provisions of Section
1902(a)(10)(A)(ii)(XIII) of the Act

- (1) As permitted under Section 1902(r)(2); all disability income of the disabled individual is exempted (e.g., federal and state disability income and private disability income such as an indemnity payment from an insurance company based on the individual's disability).
- (2) As permitted under Section 1902(r)(2), social security disability income that converts to retirement income upon the retirement of the individual, including any increases in the amount of that income, shall be exempt.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State/Territory: California

**METHODOLOGIES FOR TREATMENT OF RESOURCES THAT DIFFER FROM
THOSE OF THE SSI AND AFDC PROGRAM
(More Liberal Than SSI and AFDC)**

Japanese Reparation payments made by the Canadian government shall be exempt from consideration in determining eligibility for Medi-Cal.

Japanese Reparation payments, whether made by the United States or Canadian governments shall be exempt if received by the spouse or inherited from the spouse who was the original recipient, or both.

Where Japanese Reparation payments, whether made by the United States or Canadian governments, are converted to another form, amounts of otherwise excess, nonexempt resources sufficient to ensure that the amount of the exemption equals the amount of the reparation payments received by the individual or inherited by the spouse of the individual, or both, shall not be considered as resources in determining eligibility for Medi-Cal.

These exemptions shall apply to the following coverage groups referenced in the Social Security Act at Section 1902(r)(2):

- (a)(10)(A)(i)(III)
- (a)(10)(A)(i)(IV)
- (a)(10)(A)(i)(VI)
- (a)(10)(A)(i)(VII)
- (a)(10)(A)(ii)(I)
- (a)(10)(A)(ii)(VI)
- (a)(10)(A)(ii)(VIII)
- (a)(10)(A)(ii)(IX)
- (a)(10)(A)(ii)(X)
- (a)(10)(A)(ii)(XII)
- (a)(10)(A)(ii)(XIII)
- (a)(10)(A)(ii)(XVII)
- (a)(10)(A)(ii)(XVIII)
- (a)(10)(A)(ii)(XXI)
- (a)(10)(C)(i)(III)
- 1905(p)

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
State/Territory: California

METHODOLOGIES FOR TREATMENT OF RESOURCES THAT
DIFFERS FROM THOSE OF THE SSI PROGRAM
(Less Restrictive Than SSI and AFDC As it Existed on July 16, 1996)

Under the optional coverage group under Section 1902(a)(10)(A)(ii)(XIII) of the Act, all retirement arrangements of the disabled individual are exempt (i.e., resources in the form of employer or individual retirement arrangements authorized under the Internal Revenue Code).

Under the optional coverage group under Section 1902(a)(10)(A)(ii)(XIII) of the Act, all retained earned income of a disabled individual that is held in a separately identified account and that is not commingled with any other resources shall be exempt from consideration as resources as permitted by Section 1902(r)(2).

Tn No. 11-016
Supersedes
Tn No. 00-022

Approval Date: SEP 09 2011

Effective Date August 1, 2011

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
State/Territory: California

METHODOLOGIES FOR TREATMENT OF RESOURCES THAT
DIFFERS FROM THOSE OF THE SSI PROGRAM
(Less Restrictive Than SSI and AFDC As it Existed on July 16, 1996)

All resources exempted from consideration as resources for individuals in the optional coverage group under section 1902(a)(10)(A)(ii)(XIII) of the Act on the basis that they are employer or individual retirement arrangements authorized under the Internal Revenue Code shall continue to be exempt from consideration as resources in all other coverage groups subject to the provisions of 1902(r)(2) under which the individual later becomes eligible for medical assistance where the basis for that eligibility is the individual's age, blindness, or disability.

These exemptions shall apply to the following coverage groups referenced in the Social Security Act at Section 1902(r)(2):

- 1902(a)(10)(A)(ii)(I)
- 1902(a)(10)(A)(ii)(X)
- 1902(a)(10)(C)(i)

Revised Pages for:
CALIFORNIA MEDICAID STATE PLAN
Under Transmittal of
STATE PLAN AMENDMENT (SPA)

11-016*

All new pages will have this SPA* number identified as the new TN No., so it will not be repeated for each new insert pages.

Remove Page(s)	Insert Page (s)
Attachment 2.6-A, page 12c (TN 00-006)	After Attachment 2.6-A, page 12b, <u>insert</u> Attachment 2.6-A, pages 12c
Supplement 8a to Attachment 2.6-A, page 5 (TN 00-006)	After Supplement 8a to Attachment 2.6-A, page 4, <u>insert</u> Supplement 8a to Attachment 2.6-A, page 5
Supplement 8b to Attachment 2.6-A, page 7 (TN 00-006)	After Supplement 8b to Attachment 2.6-A, page 6, <u>insert</u> Supplement 8a to Attachment 2.6-A, page 7
Supplement 8b to Attachment 2.6-A, page 14 (TN 00-006)	After Supplement 8b to Attachment 2.6-A, page 13, <u>insert</u> Supplement 8a to Attachment 2.6-A, page 14
Supplement 8b to Attachment 2.6-A, page 6 (TN 00-006)	After Supplement 8b to Attachment 2.6-A, page 5, <u>insert</u> Supplement 8a to Attachment 2.6-A, page 6

