<u>UPDATED INFORMATIVE DIGEST/POLICY STATEMENT OVERVIEW</u>

The Medi-Cal program currently provides a safety net of full-scope health care benefits to approximately 7.3 million low-income individuals residing in California. These individuals must meet certain restrictive resource and/or income criteria and primarily includes pregnant women; children under 21; individuals receiving California Work Opportunity and Responsibility to Kids benefits and similarly situated families; and the aged, blind, and disabled population. The Medi-Cal program is free to most participants; however, some individuals who have monthly income in excess of certain amounts based upon family size must pay or obligate to pay certain amounts of health care expenses each month in which there are medical expenses before the Medi-Cal program will pay for the remainder of the medical expenses for that month. The Medi-Cal program is comprised of both federal and state funds, a funding ratio of approximately 50/50. The American Recovery and Reinvestment Act (ARRA), increased California's Federal Medical Assistance Percentage (FMAP) from 50 percent to 61.6 percent through December 31, 2010, but legislation in Congress could extend this higher level of funding through June 30, 2011.

42 Code of Federal Regulations (CFR), Section 431.10 requires that states designate a single state agency to administer their Medicaid program as a condition to receive federal funds under Title XIX of the Social Security Act. In California, the Department of Health Care Services (Department) is designated as the single state agency for Medi-Cal; however, the counties determine the eligibility of the individual participants based on policies and procedures established by the Department.

The Department authorizes Medi-Cal county eligibility workers (EWs), within the county's Medi-Cal chain of command, who have received Title XIX Medi-Cal eligibility training, to process Medi-Cal applications and redeterminations using Medi-Cal rules. Only these trained Medi-Cal EWs are authorized to provide these Medi-Cal eligibility determinations. This workload is funded by 50 percent State General Fund and by 50 percent federal Title XIX funds. Department of Social Services' social workers are funded by Title XX and are not among the agencies listed in federal regulations as permitted to conduct Medi-Cal eligibility determinations.

California Code of Regulations (CCR), Sections 50035.5, 50145, 50179.5, 50183, 50245, and 53845 currently include provisions that indicate that applications and eligibility for In-Home Supportive Services (IHSS) are also applications for the Medi-Cal program and/or that IHSS individuals receive automatic Medi-Cal and no application or separate Medi-Cal eligibility determination is required. In order to comply with federal regulations (42 CFR Section 431.10) and for the State to receive Federal Financial Participation for IHSS recipients' services and county administrative expenses associated with those services, Sections 50035.5, 50145, 50179.5, 50183, and 53845 are proposed to be amended and Section 50245 is proposed to be repealed to remove these provisions. County EWs within the Medi-Cal chain of command, who are trained in Title XIX Medi-Cal eligibility rules and processes and funded by Title XIX funds, must complete Medi-Cal determinations and redeterminations.