

## DEPARTMENT OF HEALTH SERVICES

714/744 P STREET

SACRAMENTO, CA 95814  
(916) 445-1912

December 18, 1987

TO: All County Welfare Directors  
All County Administrative Officers

Letter: 87 - 76

SUBJECT: TITLE IV-E CHILDREN

This letter is to provide you with information on Title IV-E requirements, and to request your assistance with certain foster care children who reside in out-of-state for-profit facilities.

Title IV-E Federal regulations require that the facility in which a foster care child resides be nonprofit. The Department of Health Services has learned that some California foster care children reside in out-of-state for-profit facilities. Rite of Passage (in Nevada) and Vision Quest (in Arizona) are among them. Children residing in these facilities are not Federally eligible, but are, nonetheless, eligible to receive Medi-Cal cards under the State-only program. Some of these foster care children are not receiving Medi-Cal cards as they should, due to a combination of two factors: First, MEDS suppresses cards for Title IV-E foster care beneficiaries who have an out-of-state zip code. (This practice conforms with the recent change in Federal law which makes the state in which a federally eligible child resides responsible for his/her Medicaid.) Secondly, some counties assign Federal aid codes (42) to foster care children living in for-profit facilities. To ensure that foster care children who are placed in a for-profit out-of-state facility continue receiving Medi-Cal, please make sure that they are assigned a non-Federal aid code (40, 41, or 45).

I hope this clarifies our policy in this area. If you have any questions, please contact Sue Miller at (916) 323-6959.

Sincerely,

Original signed by

Frank S. Martucci, Chief  
Medi-Cal Eligibility Branch

cc: Medi-Cal Liaisons  
Medi-Cal Program Consultants

Expiration Date: December 31, 1988