

DEPARTMENT OF HEALTH SERVICES

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January 12, 1993

TO: All County Welfare Directors
All County Administrative Officers
All County Program Specialists/Liaisons

Letter No.: 93-02

SUBJECT: Continuation of Medi-Cal Eligibility for Certain Disabled
Widow(er)s OBRA-90

This letter explains about the expansion of the current Disabled Widow(er)s program to include certain disabled widow(er)s and surviving divorced spouses ages 50-59. Counties shall implement the expansion no later than March 1, 1993. The pages of the Pickle Handbook will be revised once all data system changes are made. We are, however, providing interim procedures for counties to use until further notice. The eligibility determination is not changed from the way counties have been determining Medi-Cal eligibility for certain disabled widow(er)s ages 60-64 under provisions found in Section 5, pages 5-1 through 5-2 of the Pickle Handbook.

The term "widows" will collectively refer to widows, widowers and surviving divorced spouses. The term "disabled widows" will collectively refer to disabled widows, disabled widowers and disabled divorced surviving spouses eligible for the Disabled Widows program.

Overview

Section 5103 (d) of the Omnibus Budget Reconciliation Act of 1990 (OBRA-90) creates a new group of Medicaid eligibles. Under certain conditions, Title II widows who become ineligible for Supplemental Security Income/State Supplementary Payment program (SSI/SSP) benefits continue to be deemed SSI/SSP recipients for Medi-Cal purposes if ineligibility was because of entitlement to certain widows insurance benefits for those ages 50-59 who are disabled.

Department of Health Services (DHS) System Changes

On a flow basis, the Social Security Administration (SSA) sends the Department of Health Services (DHS) the names of all widows potentially eligible for the Disabled Widows program, including those affected by the OBRA-90 provisions. SSA notifies these individuals about their SSI/SSP discontinuance. DHS is developing system changes so that each of these individuals also will be mailed a Medi-Cal Notice of Action stating that although his/her SSI cash-based Medi-Cal is being discontinued, he/she should contact the local county welfare department to be considered for other Medi-Cal programs such as the Disabled Widow program.

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Once DHS completes the data system changes, the names of those in the expanded group will be merged with the names of those disabled widow(er)s ages 60-64 and reported to counties on an ongoing basis together in one report. The first combined report is expected to be released in Spring 1993.

County Action

Until data system changes are in place, counties will not have the names of potentially eligible disabled widows. This means that counties will have to be alert to the potential eligibility of individuals for the DW program whenever an eligibility determination is being completed for someone with Title II income. Those eligible under the DW program are placed in aid code 36. Please refer to the attached interim procedures for more information.

County DW Coordinator

Each county must now designate a DW Coordinator. Please send or fax the name, address and phone number of your county DW coordinator to Mary Maestas-Sandoval at (916) 657-1248/CALNET 437-1248/FAX (916) 657-3224 by January 29, 1993.

Thank you for your cooperation in complying with requirements in these procedures. Any questions should be directed to Mary Maestas-Sandoval at the above numbers.

Sincerely,

ORIGINAL SIGNED BY
Glenda Arellano for

Frank S. Martucci, Chief
Medi-Cal Eligibility Branch

Enclosure

INTERIM PROCEDURES - DISABLED WIDOWS PROGRAM

Overview

Section 5103 (d) of the Omnibus Budget Reconciliation Act of 1990 (OBRA '90) creates a new group of Medicaid eligibles. (See 42 U.S.C. sec. 423(d) and 42 U.S.C. sec. 1383c(d).) Title II widow(er)s including certain surviving divorced spouses who become ineligible for Supplemental Security Income/State Supplementary Payment program (SSI/SSP) benefits because of entitlement to certain widow(er)s insurance benefits for those ages 50-59 who are disabled are deemed under certain conditions to be SSI/SSP recipients for Medi-Cal purposes.

Note: The term "widows" will refer collectively to widows, widowers and surviving divorced spouses. The term "disabled widows" will refer collectively to disabled widows, disabled widowers and disabled divorced surviving spouses.

Background

Widows ages 50-59 are entitled to Title II widows insurance benefits if they are disabled. However, prior to OBRA '90, widows ages 50-59 were held to a stricter disability standard when applying for Title II widow benefits than that used for workers applying for disability benefits under Title II or for applicants applying for SSI/SSP benefits on the basis of disability. In many cases, these widows were ineligible for Title II widows insurance benefits based on disability even though they were entitled to and received SSI/SSP based on disability. Receipt of SSI/SSP also meant that they received SSI cash-based Medicaid (Medi-Cal in California).

Section 5103 of OBRA '90 removed the provision which imposed the stricter definition of disability for these widows thus allowing them to receive Title II benefits. If there had not been any additional changes to OBRA '90, this increase in income would have resulted in the discontinuance of many of these individuals from SSI/SSP and the associated loss of zero share of cost SSI cash-based Medi-Cal. Since there is a two year waiting period before Medicare can begin for the disabled, this would have meant that this group's only Medi-Cal coverage may have been with a share of cost. Therefore, along with the removal of the stricter definition of disability, OBRA '90 mandated zero share of cost Medi-Cal coverage for this group of disabled widows until Medicare begins for them. This new group becomes part of the Medi-Cal Disabled Widows (DW) program.

Expansion of the 60-64 Year Old Disabled Widow Group

This new group of 50-59 year old disabled widows is an expansion of the current DW program for 60-64 year olds that is addressed in Section 5 pages 5-1 and 5-2 of the Pickle Handbook. The original group of disabled widows became ineligible for SSI payments because of entitlement to or an increase in

Title II widow insurance benefits. Note: Although an individual age 60-64 does not have to be disabled to get Title II widow insurance benefits, he/she would have had to be disabled to also have received SSI/SSP.

Requirements

To be eligible for the DW program, an individual must:

- o Be receiving Title II widows insurance benefits;
- o Have lost SSI/SSP because of the receipt of certain Title II payments;
- o Have received SSI/SSP in the month prior to the month in which he/she began to receive Title II payments;
- o Be eligible for SSI/SSP in the absence of all Title II insurance benefits under Section 202 of the Social Security Act. (See the section below entitled Types of Title II Benefits for more specific information.); and,
- o Not be eligible for Medicare Part A.

Types of Title II Benefits

The following indicates the various types of Title II Section 202 insurance benefits. (1) Old-age insurance benefits, (2) Wife's insurance benefits, (3) Husband's insurance benefits, (4) Child's insurance benefits (5) Widow's insurance benefits, (6) Widower's insurance benefits, (7) Mother's and father's insurance benefits. Please note that although some benefits may only be received if a person is disabled, (for example, widows benefits which may be received from ages 50-59 only if a person is disabled), these benefits are not referred to as disabled benefits. Instead, Title II disability benefits are found under Section 223.

PROCESS

County Welfare Departments - Eligibility Determination

Anytime the county is evaluating an individual with Title II income, the county shall determine whether disabled widows benefits are being received. If so, the county must determine whether the individual would meet the DW program criteria. In certain instances, an individual who would be ineligible for Pickle benefits after the January cost of living adjustment (COLA) might still be eligible for zero share of cost Medi-Cal as a disabled widow because under the DW program, initial entitlements as well as COLAS may be disregarded in the determination. (See the section entitled Disregard for specific information.)

If an individual meets all DW requirements and the individual's net nonexempt income is at or under the SSI/SSP income standard in the absence of all Title II Section 202 insurance benefits, he/she shall be deemed to be an SSI recipient and eligible under the DW program. The county shall issue an approval notice of action. If he/she is not eligible for SSI/SSP even in the absence of Title II insurance benefits, the county shall send a notice of action denying coverage as a DW.

Income determination

In determining income eligibility, use the SSI/SSP Payment Standard which is in effect for the month eligibility is being determined. The SSI/SSP Income Payment Standard is in the Pickle Handbook, Section 16-1 and is issued annually once the January SSI/SSP cost of living adjustment is established.

Disregard

Individuals eligible under Title II for Disabled Widow benefits may also be currently receiving Title II benefits for another reason in addition to the widow insurance benefits. The amount of the disregard is the total amount of income Title II Section 202 benefits. Do not disregard any Title II Section 223 (disability) payments.

Verification

Individuals who apply under the DW provision must have evidence of their current Title II benefit amount. Therefore, counties will need to either verify the individual's Title II benefit amount through an SSA award letter or through a letter provided by the local SSA office to the individual. (Verification should be requested through SSA 1610 or TPQY process.) The inquiry must indicate the individual is applying for Medi-Cal as a Disabled Widow. Social Security beneficiaries shall receive award letters for each type of benefit. It is very unusual to receive more than two award letters. The award letters will distinguish between the types of Title II benefit amounts.

Aid Code

Those eligible under the DW program shall be assigned aid code 36 - Disabled Widow.

Annual Redetermination

At annual redetermination the county must verify receipt of Title II widows insurance benefits, verify income and determine that the individual would be SSI/SSP eligible in the absence of all appropriate Title II Section 202 benefits.

Ineligibility

Once Medicare begins, an individual no longer is eligible as a disabled widow. Therefore, we suggest that counties add a reminder to any approval notice of action that the beneficiary contact the county when his/her Medicare begins.

State Administrative Hearing

Applicants shall have the right to a state hearing if dissatisfied with any action of the Department of Health Services. In accordance with California Code of Regulations, Title 22, Section 50995, those persons receiving denial notices who desire a fair hearing will be assisted by the county in the process of filing the hearing request, if the individual requests such assistance.

