

State of California—Health and Human Services Agency
Department of Health Services



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Department of
Health Services

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MEDI-CAL ELIGIBILITY PROCEDURES MANUAL LETTER NO.:278

TO: All Holders of the Medi-Cal Eligibility Procedures Manual

19D – Home and Community-Based Waiver Programs

Enclosed are updated procedures for the Department of Developmental Services and Model Nursing Facility waivers programs which use special Medi-Cal eligibility income and resource determinations as though the waiver beneficiaries were institutionalized. The Model Waiver is in the process of expanding as are some of the other waivers. More information will be provided on these waivers at a later time.

Filing Instructions:

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If you have any questions, please contact Ms. Margie Buzdas of my staff at (916) 657-0726.

Original signed by

Beth Fife, Chief
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Enclosures



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If the waiver applicant is currently receiving Medi-Cal-Only, the individual's move from an institutional setting to a non-institutional setting or from one community setting to another community setting generally will be treated by the county as a change in circumstances rather than a new application.

If the person is currently institutionalized and is already receiving Medi-Cal, he/she is likely either a Medically Needy beneficiary in his/her own Medi-Cal family budget unit (MFBU) or is receiving Supplemental Security Income (SSI) and automatic SSI-based Medi-Cal. A new eligibility determination based on a non-institutional living arrangement is required prior to the person being discharged either to the home of his/her spouse or parents or to a community setting to ensure continuing Medi-Cal eligibility so he/she can receive waiver services. NOTE: Some people may not lose SSI upon returning home because the family income/property is below the SSI limit. Persons who are on SSI or qualify for a zero SOC Medi-Cal card because the family income/property is below the limit should not be in the Model or DDS waivers.

B. County Contact

Each county shall designate a waiver contact person. The county waiver contact person will receive the request for a Medi-Cal eligibility determination from the referring agency, coordinate the Medi-Cal eligibility determination, and answer questions about the program even though the actual determination may be made by other county staff. The contact for each county is attached to these procedures. It is important that applicants be directed to the county contacts because they understand how to process those waivers that disregard parental and spousal income and resources. Once the county receives a referral, the county will determine Medi-Cal eligibility based on the criteria for the appropriate waiver including the living arrangement covered by the waiver.

III. WAIVERS TYPES

There are six types of waivers. The first two have special Medi-Cal eligibility determination requirements. The last four follow regular eligibility rules.

- A. Department of Developmental Services Home and Community-Based (DDS) Waiver
- B. Model-Nursing Facility (Model-NF)
- C. In-Home Medical Care Services (IHMC) Waiver
- D. Nursing Facility (NF) Services Waiver
- E. Acquired Immune Deficiency Syndrome (AIDS) Waiver
- F. Multipurpose Senior Service Program (MSSP) Waiver

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DESCRIPTION AND PROCESSING

A. Department of Developmental Services (DDS) Home and Community-Based Services (HCBS) Waiver

B.

1. Description

The DDS HCBS waiver is limited to developmentally disabled children and adults who live at home and meet the admission criteria for an intermediate care facility for the developmentally disabled as defined in the California Health and Safety Code. Waiver eligibility will be determined by the regional centers, but counties are responsible for the Medi-Cal determination. Services provided include homemaker, home health, residential habilitation, day habilitation, skilled nursing, transportation, specialized medical equipment and supplies, personal care, respite, environmental modifications, chore service, personal emergency response systems, physical therapy, occupational therapy, physiology services, vehicle adaptations, communication aides, and crisis intervention.

2. Referring Agency: Department of Developmental Services (DDS) - Regional Centers

The regional centers of DDS are responsible for the DDS HCBS Waiver. DDS contracts with local regional centers which are responsible for seeking Medi-Cal for their clients. These regional centers are nonprofit agencies. The regional center will determine the medical appropriateness of waiver coverage before referral to the CWD by reviewing the applicant's medical, social, and developmental care needs. If appropriate, the regional center will refer him/her to the county for an eligibility determination or redetermination via the Department of Developmental Services Waiver Referral form (DHS 7096). If no responsible relative is available to act on the applicant's behalf or he/she does not wish to apply for the applicant, the regional center may do so, although they may not necessarily be the child's or adult's conservator. Counties may share ongoing eligibility information with the regional centers regardless of who acts on the client's behalf. See the attached list for the name and address entitled "Contacts for Regional Centers".

3. Eligibility Requirements

The individual must meet all standard Medi-Cal eligibility rules such as California residency and cooperation when determining eligibility for the waiver.

- If the individual is eligible for Medi-Cal with no SOC, counties should not use the special waiver rules or report the individual to MEDS using the waiver aid codes. The county should contact the regional center and inform the contact that the waiver is not appropriate. However, if after a preliminary screening, it appears that the applicant will be properly ineligible or has a SOC using parental or spousal income and property, the special rules below apply:
- The applicant is treated as if he/she were institutionalized for purposes of the treatment of income and resources. If the applicant is an adult, spousal impoverishment rules apply. If the applicant is a child, parental income and resources are not considered even though the child lives in the home.

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- A second vehicle is exempt if the vehicle has been modified to accommodate the physical handicap(s) or medical needs of the individual. Verification shall be by the physician's written statement of necessity.
- The individual is in his/her own MFBU. If other family members wish to be aided, the individual is treated similar to those on public assistance (PA), e.g., the individual may be used to link other family members although the individual is not in the family's MFBU.
- The waiver is limited to those who are eligible with or without a share of cost and are eligible for full benefits. A person residing in a nursing home under the state-only aid code of 53, a person in another limited scope aid code, or a person who does not have satisfactory immigration status is not eligible.
- The county should use the most beneficial full scope Medi-Cal program to determine eligibility that is applicable to the applicant, e.g., the Aged and Disabled program, the Medically Needy program (MN), the Medically Indigent (MI) program, or the Percent programs. Eligibility is based on the waiver individual's own income and resources, including amounts remaining after spousal impoverishment rules are applied. The maintenance need is based on the income limit of the appropriate program used to determine eligibility rather than the \$35 personal needs allowance.

For example: A child under age 19 who has a SOC in the MN or MI program or excess property may be eligible under the appropriate Percent program which disregards property using a family size of one. He/she would then be reported to MEDS using the appropriate waiver aid code.

- A disability determination is not required unless (1) eligibility is based on a Medi-Cal program requiring that the individual be disabled, (2) the individual has no other basis for linkage or, (3) there would be an advantage if the applicant were disabled, e.g., income deductions available only to the disabled. This determination of disability may be advantageous in the future when the child becomes an adult.
- Aid codes for the DDS Waiver are:

6V No SOC 6W SOC

In some counties, persons in 6V may choose to be in a managed care plan . It is not mandatory unless the person resides in a county that has a County Organized Health System.

B. DHS Model Nursing Facility Waiver (Model-NF)

1.

The Model-NF waiver is limited to persons who in the absence of the waiver program would otherwise require the nursing facility level of care or sub-acute services for at least 90 consecutive days but who wish to live at home or in the community. Individuals under the age of 21 must be able to access a waiver service which is not covered under the EPSDT program. Inpatient status prior to the enrollment of waiver

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services is no longer required. Services provided include but are not limited to: case management, skilled nursing, home health aides, language services, speech, hearing, family training and therapy, and physical therapy and adaptations to the home.

2. Referring Agency: DHS In-Home Operations (IHO)

The purpose of IHO is to ensure that necessary, appropriate, and quality medical and nursing services are authorized and provided in the home setting. IHO staff facilitate the proposal documentation and development between each waiver participant and provider. This process allows for review of all issues related to the recipient level of care, evaluation of Durable Medical Equipment, medication, nursing hours, cost-effectiveness and verification by IHO staff that the home environment is appropriate to meet the health and safety needs of the recipient. Final approvals of individual waiver requests are subject to review by a Medi-Cal physician and other staff.

3. Referral Process

The medical component may not have been completed by IHO staff prior to the agency referral to the county. If not, the county will receive a Model Waiver Screening Form Notice (DHS 7097) from IHO indicating the need for a determination and the applicable living condition. The county should call the IHO Eligibility Liaison or return the form indicating the results of the eligibility determination and await notification from IHO before reporting any eligibility to the Medi-Cal Eligibility Data System (MEDS).

When the medical component has been completed, the county will receive a copy of the Model-Nursing Facility (NF) Waiver Medical Eligibility Notice, a copy of which is attached. The county should contact the IHO Eligibility Liaison for the date of eligibility if the medical determination has already been completed and the eligibility date is not stated. If the applicant is determined to be ineligible for any reason, the county should also inform the IHO Eligibility Liaison.

For more information, counties may contact the following:

In-Home Operations, Intake Unit
700 North Tenth Street, P.O. Box 942732
Sacramento, CA 95814
(916) 324-1020

4. Eligibility Requirements

The Model Waiver has the same Medi-Cal eligibility rules as the DDS waiver. In-Home Operations will do some prescreening of income and property prior to referring the individual to the county.

The individual must meet all standard Medi-Cal eligibility rules such as California residency and cooperation when determining eligibility for the waiver.

- If the individual is eligible for Medi-Cal with no SOC without using the special

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waiver rules, he/she is not eligible for the waiver. The county should contact IHO and inform the contact that the waiver is not appropriate. However, if after a preliminary screening, it appears that the applicant will be property ineligible or has a SOC using parental or spousal income and property, the special rules below apply:

- The applicant is treated as if he/she were institutionalized for purposes of the treatment of income and resources. If the applicant is an adult, spousal impoverishment rules apply. If the applicant is a child, parental income and resources are not considered even though the child lives in the home.
- A second vehicle is exempt if the vehicle has been modified to accommodate the physical handicap(s) or medical needs of the individual. Verification shall be by the physician's written statement of necessity.
- The individual is in his/her own MFBU. If other family members wish to be aided, the individual is treated similar to those on public assistance (PA), e.g., the individual may be used to link other family members although the individual is not in the family's MFBU.
- The waiver is limited to those who are eligible with or without a share of cost and are eligible for full benefits. A person residing in a nursing home under the state-only aid code of 53, a person in another limited scope aid code, or a person who does not have satisfactory immigration status is not eligible.
- The county should use the most beneficial full scope Medi-Cal program to determine eligibility that is applicable to the applicant, e.g., the Aged and Disabled program, the Medically Needy program (MN), the Medically Indigent (MI) program, or the Percent programs. Eligibility is based on the waiver individual's own income and resources, including amounts remaining after spousal impoverishment rules are applied. The maintenance need is based on the income limit of the appropriate program used to determine eligibility rather than the \$35 personal needs allowance.

For example: A child under age 19 who has a SOC in the MN or MI program or excess property may be eligible under the appropriate Percent program which disregards property using a family size of one. He/she would then be reported to MEDS using the appropriate waiver aid code.

- A disability determination is not required unless (1) eligibility is based on a Medi-Cal program requiring that the individual be disabled, (2) the individual has no other basis for linkage or, (3) there would be an advantage if the applicant were disabled, e.g., income deductions available only to the disabled. This determination of disability may be advantageous in the future when the child becomes an adult.
- Aid Codes for the Model Nursing Facility Waiver are:

6X Model Waiver No SOC

6Y Model Waiver SOC

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In some counties, persons in 6X may choose to be in a managed care plan. It is not mandatory unless the person resides in a county that has a County Organized Health System.

C. In-Home Medical Care (IHMC) Waiver

1. Description

The IHMC waiver is limited to individuals who in the absence of the waiver program require care in an acute hospital for at least 90 days. Services provided include but are not limited to: case management, skilled nursing, home health aides, utility coverage, case management, and minor physical adaptations to the home.

2. Referring Agency: DHS In-Home Operations (IHO).

Generally, if the applicant is not referred, the county probably will not be aware that the applicant is seeking a waiver and will process the determination as they normally do.

3. Eligibility Requirements

No special Medi-Cal eligibility rules apply. If the applicant is living in the home, he/she is not in a separate MFBU from his/her parent/spouse.

D. Nursing Facility Level of Care (NF) Waiver

1. Description

The NF waiver (formerly referred to as the Skilled Nursing Facility Waiver) is limited to individuals who in the absence of the waiver program would require care in a nursing facility or a sub-acute facility for at least 90 consecutive days care. Services provided include, but are not limited to: case management, skilled nursing, home health aides, language services, speech, hearing, family training and therapy, physical therapy and adaptations to the home. Individuals under the age of 21 must access services under the NF waiver that are not covered under the EPSDT program.

2. Referring Agency: DHS In-Home Operations (IHO).

Generally, if the applicant is not referred, the county probably will not be aware that the applicant is seeking a waiver and will process the determination as they normally do.

3. Eligibility Requirements

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- C. There may be waiver persons requesting In Home Supportive Services (IHSS). The IHSS residual component does not waive parental income and resources of parents or use spousal impoverishment rules; therefore, it is unlikely that the beneficiary will be eligible. Counties may refer these persons to the PCSP component of IHSS; however, a parent or spouse may not be the provider of services.

D. Annual Redetermination

The county shall redetermine eligibility as required by Section 50189. Only information about the waiver beneficiary is required. Counties should check with IHO or the referring Regional Center at the yearly determination to verify that the waiver beneficiary is still medically eligible for the waiver unless there is an agreement that the agency will notify the county if a beneficiary is no longer eligible for the waiver.

E. Medi-Cal Family Budget Unit (MFBU)

Persons in the Model Nursing and DDS waivers are in their own MFBU. Spousal Impoverishment rules apply. Since the waiver person is in his/her own MFBU, the maintenance need or income limit for the waiver person is based on a family size of one for the appropriate program rather than the \$35 personal needs allowance. If there are multiple persons in the same household applying for these waivers, each person is in his/her own MFBU. If other family members are applying for or are receiving regular Medi-Cal, the Model or DDS waiver person should be treated similar to public assistance (PA) persons, e.g., they are not in the MFBU with other family members; however, they may be used to link other family members. Persons applying for the other four waivers are considered part of the household if they are determined to be living in the home; therefore, regular Medi-Cal MFBU rules apply. NOTE: If it is more beneficial for the person to be in the MFBU with the other family members, the waiver applicant may choose not to be in the waiver and to be determined under regular Medi-Cal rules. The county should notify the referring agency of this decision.

F. SSI Personal Needs Allowance (PNA)

Effective June 1, 1990, federal law began allowing a former institutionalized SSI child the same PNA as an institutionalized SSI child as long as the non-institutionalized child is in a home and community-based waiver. Because the Social Security Administration (SSA) needs to confirm that such a child is in a waiver before the PNA can begin or that such child remains in a waiver for the PNA to continue, counties may be requested to verify such information at the time waiver coverage begins and then at the SSA redetermination. Since such information is confidential, counties must first have permission from the child's parent or from another appropriate adult before releasing this information to SSA. The DHS 7071 form was developed to secure this parental consent and may be used to release this information to SSA. Although DHS has developed a system to allow the waiver aid code to continue, counties should be aware that in some cases (depending on how SSA enters the information), when the waiver beneficiary begins receiving the PNA, MEDS will convert the waiver aid code to an aid code of 60. If this occurs and the waiver person is still living in the home and is not eligible for a regular SSI payment, counties should contact DHS so this may be corrected.

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G. Quality Control

Counties should indicate that a special income and resource determination was used when determining eligibility for persons in the Model and DDS waivers to prevent confusion when persons such as Quality Control review the file. A copy of the DDS referral form or IHO notice should also be in the file.

VI. FORMS

1. Department of Developmental Services Waiver Referral Form (DHS 7096)
2. Spanish DDS Waiver Referral Form (DHS 7096 SP)
3. Model Waiver Screening Form (DHS 7097)
4. Medi-Cal Waiver Information and Authorization [formerly called the "SSI Payments for Disabled Children Living at Home" (DHS 7071)]
5. Model Waiver Medi-Cal Eligibility Notice
6. Approval Notice of Action for the DDS Waiver (MC 341)
7. Spanish Approval Notice of Action for the DDS Waiver (MC 341 SP)
8. Denial or Discontinuance Notice of Action for the DDS Waiver (MC 342)
9. Spanish Denial or Discontinuance Notice of Action for the DDS Waiver (MC 342 SP)
10. Approval Notice of Action for the Model Waiver (MC 343)
11. Spanish Approval Notion of Action for the Model Waiver (MC 343 SP)
12. Denial or Discontinuance Notice of Action for the Model Waiver (MC 344)
13. Spanish Denial or Discontinuance Notice of Action for the Model Waiver (MC 344 SP)
14. AIDS Medi-Cal Waiver Program Notice of Action (MCWP2)
15. Spanish AIDS Medi-Cal Waiver Program Notice of Action (MCWP2 SP)
16. Regional Center Contacts
17. In-Home Operations Brochure
18. County Waiver Contacts