Letter No.: 00-22

DEPARTMENT OF HEALTH SERVICES

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April 10, 2000

TO: All County Welfare Directors

All County Administrative Officers

All County Medi-Cal Program Specialists/Liaisons

All County Public Health Directors
All County Mental Health Directors

The purpose of this letter is to notify counties of three new aid codes for children in the Kinship Guardian Assistance Payment (Kin-GAP) and Adoption Assistance programs.

Kin-GAP

The Kin-GAP program was implemented on January 1, 2000, via the California Department of Social Services' All County Letter No. 99-97. This program establishes a separate payment rate for children placed with relatives who obtain guardianship. It specifically serves children who are leaving the foster care system and who enter a guardianship with a relative. The children in this program are dependent children who have been adjudicated under Section 300 of the Welfare and Institutions (W&I) Code and who have:

- been living with a relative for at least 12 months;
- had a guardianship established pursuant to Section 366.26 of the W&I Code;
- had their dependency dismissed on or after January 1, 2000; and
- qualified for federal or state-only Temporary Assistance for Needy Families or Aid to Families with Dependent Children-Foster Care before dismissal of the dependency order.

Each Kin-GAP child is in his or her own Medi-Cal Family Budget Unit (MFBU), even if there are other siblings or a needy caretaker relative living in the same home. Two new aid codes have been designated for the Kin-GAP program:

4F Kin-GAP program for children in relative placement receiving cash assistance with federal financial participation (FFP) on cash payments. Children in this aid code receive full-scope Medi-Cal benefits. There is no share of cost (SOC).

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4G Kin-GAP program for children in relative placement receiving cash assistance with no FFP on the cash payments. This is a state-only cash assistance program in which children will receive full-scope Medi-Cal benefits. There is no SOC.

Adoption Assistance Program (AAP)

This program is for children who receive cash benefits or are eligible to receive cash benefits from AAP. Under the federal, or Title IV-E, AAP program, federal law provides that covered children are eligible to receive Medicaid from the state of residence even if that state is not the state that entered into the adoption assistance agreement. There is no corresponding law for non-federal, state-only AAP agreements. When a child is receiving state-only AAP from California, the child is eligible for Medi-Cal and may keep his or her Medi-Cal when relocating to another state. Once resettled out of state, the child must find a provider in the new state who will take Medi-Cal. In many instances, the child is unable to find a Medi-Cal provider or is unable to be covered for the full range of Medi-Cal services. This may put an undue financial burden on the adoptive parents. As an alternative, some families may apply for the receiving state's Medicaid program. This, however, would require that the income and resources of the adoptive parents be considered in the Medicaid determination. A state-only AAP child entering California with an AAP agreement from another state faces the same difficulties.

Section 473 A of Title IV-E of the Social Security Act, enacted by 1999 legislation in SB 1270 (Chapter 887, Statutes of 1999), allows for the provision of Medi-Cal benefits for those children currently receiving state-only AAP who do not qualify for Medi-Cal because the state-only AAP is from a state other than California. This program was effective on January 1, 2000.

As of January 1, 2000, any child who applies for Medi-Cal and is receiving state-only AAP from a state other than California will now be eligible for Medi-Cal benefits at no SOC. As with Kin-GAP and all other AAP children, each AAP child is in his or her own MFBU. The income and resources of the parents and siblings are not considered in the child's Medi-Cal eligibility determination. One new aid code has been designated for this program:

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4A This program covers AAP children for whom there is a state-only AAP agreement between any state other than California and adoptive parent(s). Children in this aid code receive full-scope Medi-Cal benefits. There is no SOC.

Managed Care Plan Enrollment

With regard to enrollment in managed care plans, in January 1997, All County Welfare Directors letter No. 97-02 provided that children in foster care and children or youth eligible for the AAP are not required to enroll in a managed care plan. In the Two-Plan Model and geographic managed care counties (14 counties), enrollment in managed care plans is voluntary. For children who are placed in a County Organized Health Systems (COHS) county or who remain the responsibility of a county that operates a COHS, enrollment will continue to be automatic in a managed care plan on a mandatory basis.

If you have any questions regarding these programs, aid codes or the accompanying benefits, please contact Erin Lynch at (916) 654-5769 or Kenneth Martinez at (916) 657-0011.

ORIGINAL SIGNED BY

Angeline Mrva, Chief Medi-Cal Eligibility Branch