



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



EDMUND G. BROWN JR.
Governor

December 20, 2013

TO: ALL COUNTY WELFARE DIRECTORS Letter No.: 13-18
ALL COUNTY WELFARE ADMINISTRATIVE OFFICERS
ALL COUNTY MEDI-CAL PROGRAM SPECIALISTS/LIAISONS
ALL COUNTY HEALTH EXECUTIVES
ALL COUNTY MENTAL HEALTH DIRECTORS
ALL COUNTY MEDS LIAISONS

SUBJECT: MEDI-CAL AND RELATED PROGRAMS FOR STATE AND COUNTY
INMATES

This letter provides a description of the various Medi-Cal programs the Department of Health Care Services (DHCS) has implemented or is preparing to implement for eligible state and county inmates. Where appropriate, this letter will include information that will assist counties as they implement Medi-Cal for county inmates. The inmate Medi-Cal program components discussed in this letter includes:

1. Background on the Medi-Cal Inmate Eligibility Program (MCIEP) for state inmates.
2. Suggestions based on the state's experience with the MCIEP program to assist counties with eligibility determinations for county inmates.
3. Summary of roles and responsibilities for processing Medi-Cal eligibility, for both state and county inmates.
4. Background on Medical Parole for state inmates and Medical Probation/Compassionate Release for county inmates.
5. A brief overview of the upcoming transition of Low Income Health Program (LIHP) Medi-Cal Expansion (MCE) eligible cases to Medi-Cal effective January 1, 2014.

This letter is not intended to address all implementation requirements for the programs described below. DHCS will provide additional information as new Medi-Cal programs for inmates are implemented. A fundamental underpinning of these efforts to provide Medi-Cal coverage to inmates is to maintain compliance and consistency with all current Medi-Cal rules and direction from Centers for Medicare and Medicaid Services (CMS).

Medi-Cal Inmate Eligibility Program (MCIEP)

Background:

Assembly Bill (AB) 1628 (Chapter 729, Statutes of 2010) and Senate Bill (SB) 92 (Chapter 36, Statutes of 2011) authorize the California Department of Corrections and Rehabilitation (CDCR) and DHCS to work together to draw down federal funds for Medi-Cal-covered inpatient hospital services provided to eligible inmates off the grounds of the correctional facility. Additionally, the bills grant authority to CDCR, in collaboration with DHCS, to assist inmates in completing the Medi-Cal and LIHP application as appropriate, including acting on behalf of the inmate for purposes of applying for or determining of Medi-Cal eligibility. The California Correctional Health Care Services (CCHCS), the court-appointed receivership responsible for the health care provided to inmates who are in the care of the CDCR, oversees the payment of the inmates' healthcare costs. CCHCS staff complete Medi-Cal applications on behalf of the state inmate population for CDCR and submit to DHCS for processing.

All County Welfare Director's Letter (ACWDL) 11-27 released on June 24, 2011; formally introduced the MCIEP for adult state inmates with a brief overview of the state process and procedures. DHCS began receiving Medi-Cal applications for state inmates from CCHCS in April 2011, and LIHP applications for state inmates in October 2011.

In general, inmates are ineligible for Medi-Cal. Notwithstanding the inmate eligibility programs, Medi-Cal benefits for inmates must be terminated or suspended in accordance with current Medi-Cal rules. Medi-Cal or LIHP coverage is only available to eligible inmates who receive inpatient hospital services provided in a medical facility off the grounds of the correctional facility. This is in accordance with guidance issued by CMS in 1994.

AB 396 (Mitchell, Chapter 394, Statutes of 2011) authorizes DHCS to develop a process to allow counties and CDCR's Division of Juvenile Facilities (DJF), to receive any available Federal Financial Participation (FFP) for acute inpatient hospital services for juvenile inmates; and for inpatient psychiatric services provided to Medi-Cal eligible juvenile inmates, who are admitted to a hospital off the grounds of the correctional facility. Under the provisions of AB 396, DHCS is taking steps to provide Medi-Cal coverage of inpatient services provided off the grounds of the correctional facility to incarcerated juveniles in State and county facilities to the extent the participation requirements of AB 396 are met.

AB 720 (Skinner, Chapter 646, Statutes of 2013), effective January 1, 2014, authorizes counties to designate an entity or individual in the county to act on behalf of county inmates and help county inmates apply for a health insurance affordability program. This new statute provides counties with the authority to sign on behalf of county inmates who need Medi-Cal for coverage of inpatient services provided off the grounds of the

correctional facility. The statute also provides for suspension of Medi-Cal for up to one year for individuals (regardless of age) who are already on Medi-Cal when they become incarcerated.

Medi-Cal Eligibility for State Inmates

Applications for state inmates are submitted by CCHCS staff to the DHCS Medi-Cal Eligibility Division (MCED) for review. Consistent with Medi-Cal guidelines, MCED Eligibility Specialists (ES) review these Medi-Cal applications, complete the eligibility determinations for Medi-Cal, perform redeterminations, and maintain case records for state inmate applicants and beneficiaries.

In accordance with federal guidelines, an inmate must meet ALL of the following criteria to be eligible for MCIEP:

- Be an inmate of a California State prison.
- Receive inpatient hospital services off the grounds of the correctional facility.
- Meet all Medi-Cal or LIHP eligibility requirements.

When a state inmate is hospitalized or is expected to be hospitalized, CCHCS submits a Medi-Cal application on behalf of the inmate and submits it to DHCS. The application is reviewed to determine whether the inmate is eligible for Medi-Cal. Previous disability history is also reviewed and if necessary, a disability determination packet is forwarded to the Disability Determination Services Division-State Programs (DDSD-SP) for a disability determination.

Summary of Responsibilities

CCHCS staff:

- Identify state inmates admitted for inpatient services off the grounds of the correctional facility.
- Forward completed Medi-Cal applications for state inmates to DHCS
- Forward all needed documentation.
- Forward medical records, if a disability determination packet is needed.
- Receive eligibility information from DHCS regarding an inmate's Medi-Cal determination.
- Work with DHCS to identify inpatient services provided to eligible inmates.
- Update case information as needed.

DHCS staff:

- Perform state inmate eligibility determinations.
- Notify CCHCS of eligibility determination and if LIHP eligible, the designated local LIHP of enrollment.
- Complete redeterminations.
- Enter information into MEDS and perform ongoing case maintenance.
- Process and forward disability determination packets to DDS-SP for a disability determination.
- Forward inmate eligibility information to CCHCS for program administration purposes.

County Involvement with State MCIEP Eligible Inmates

Although the MCIEP is administered by the State, there are some situations in which county involvement is necessary for proper administration of the program. The following situations address circumstances in which the county may come into contact with an MCIEP case.

State Inmates and Parole

When it is discovered that an MCIEP beneficiary (state inmate receiving Medi-Cal) is released from prison, this is considered a change in circumstances. When appropriate, DHCS will notify the inmate's county of residence with the inmate's case information. When notified that a MCIEP beneficiary is released, the county must follow the process prescribed through SB 87 (Chapter 1088, Statutes of 2000), Welfare and Institutions Code sections 14005.31 through 14005.39 and 14005.81 to evaluate eligibility for ongoing Medi-Cal benefits (for LIHP inmates who parole, LIHP benefits are terminated). The parolee remains in the MCIEP aid code during the SB 87 review process. If the parolee is determined to be eligible for Medi-Cal, the county must place the parolee in the appropriate Medi-Cal aid code for ongoing eligibility and request that a Benefits Identification Card (BIC) be sent to the beneficiaries' address. If the parolee is determined not eligible, the county shall proceed with denying Medi-Cal eligibility.

When a state inmate is paroled, the parole agent may give the parolee a letter with details about their possible eligibility for Medi-Cal. The letter encourages them to apply at their local county welfare office. Counties must send a secure e-mail to MCIEP@dhcs.ca.gov to request case files from MCIEP staff in either instance (ACWDL No. 11-27). If the former inmate is released/paroled, and requests aid at the county social services office, and he or she has eligibility in the Medi-Cal Eligibility Data System under MCIEP, then the county shall request the case file from the state (unless DHCS already provided it) and utilize the SB 87 process to request additional information if required.

Inpatient Services for Pregnant State Inmates

When a pregnant inmate is eligible for and receiving Medi-Cal at the time of the infant's birth, the infant is automatically deemed eligible for Medi-Cal without a separate Medi-Cal application until age one, as long as the infant resides in California. DHCS will notify the county of the infant's birth. The county of responsibility will be where the infant resides, unless the infant is under foster care placement or pending the adoption process. In those cases, the county shall follow the current process for deemed infant, foster care, and/or adoption eligibility.

There may be circumstances when a pregnant inmate is not Medi-Cal eligible under the MCIEP program (i.e., excess income or property). In these circumstances, the infant does not qualify under Deemed Eligibility. CCHCS has an established Medi-Cal application process in place for the mother to apply for the infant and that process will continue (ACWDL No. 11-27).

State Inmate Aid Codes

The following aid codes are used by MCED staff to establish eligibility for state inmates who are eligible for the MCIEP program:

Medi-Cal

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|--------------------|---|
| Aid Code F1 | Medi-Cal no share-of-cost (SOC) for State Inmates. Restricted - Medi-Cal limited to hospital inpatient (Title XIX) services only, for inmates in state correctional facilities who receive those services off the grounds of the correctional facility. |
| Aid Code F2 | Medi-Cal no SOC for undocumented State Inmates. Restricted - Medi-Cal limited to hospital inpatient emergency (Title XIX) and pregnancy-related (Title XXI) services, for inmates in state correctional facilities who receive those services off the grounds of the correctional facility. |
| Aid Code G1 | Medi-Cal no SOC for State Juvenile Inmates. Medi-Cal benefits limited to covered inpatient hospital and inpatient mental health (Title XIX) services only; for juvenile inmates in state correctional facilities who receive those services off the grounds of the correctional facility. |

Aid Code G2 Medi-Cal no SOC for undocumented State Juvenile Inmates. Medi-Cal benefits limited to covered inpatient hospital emergency and inpatient mental health emergency (Title XIX) and inpatient pregnancy-related (Title XXI) services only; for juvenile inmates in state correctional facilities who receive those services off the grounds of the correctional facility.

Suggestions for Counties

Voluntary completion of the Medi-Cal application by the inmate can be a difficult process and posed an obstacle for the State in enrolling inmates into the Medi-Cal and LIHP programs prior to the passage of AB 1628, which gave CDCR the authority to sign Medi-Cal and LIHP applications on behalf of state inmates. As explained above, AB 720 authorizes counties to designate an individual or entity to sign a Medi-Cal application on behalf of an inmate who needs Medi-Cal for coverage of inpatient services off the grounds with the passage of AB 720. In compliance with AB 720, counties who wish to participate in the provisions identified in this statute may submit a letter to DHCS stating their intent to: MCIEP@dhcs.ca.gov. This authorization takes effect January 1, 2014 and will be explained in more detail in a subsequent ACWDL.

Upon release, a county inmate applying for Medi-Cal must provide all of the information necessary to determine eligibility. Staff at the hospital or other county health facility may help the inmate complete the Medi-Cal application if the inmate gives his or her consent by signing an authorized representative document. County eligibility workers are responsible for eligibility determinations for their respective county inmate populations.

Applicants determined eligible for Medi-Cal will need to be given an appropriate aid code. Inmate applicants found eligible for Medi-Cal will not receive a BIC. The county jail facility should instead be given the eligibility information that is necessary for administration of the program.

County eligibility workers will perform SB 87 eligibility determinations for Medi-Cal eligible inmates released on parole, refer infants born to pregnant inmates who are Medi-Cal eligible to county eligibility offices for Deemed Eligibility (see "Infants Born to County Inmates" below), and process/forward disability determination packets to the DDS-SP if required. The Department will provide additional instructions on this program in a subsequent ACWDL.

Summary of Suggested Roles

County Correctional/Jail facility staff could:

- Obtain the appropriate Authorized Representative form from the inmate to assist them with a pre-release application.
- Work with inmate to complete and sign off Medi-Cal paperwork.
- Forward completed Medi-Cal applications and documentation to county eligibility workers.
- Forward medical records, if a disability determination packet is needed.
- Receive eligibility information from the county eligibility staff regarding an inmate's Medi-Cal determination.
- Inform the county welfare department when the inmate is released, paroled, or transferred.

County Eligibility Workers will:

- Complete eligibility determinations on applications forwarded from county jail facilities.
- Forward inmate eligibility determination information to the appropriate individual in accordance with current confidentiality requirements.
- Perform annual redeterminations, as appropriate.
- Perform ongoing case maintenance.

Completion of the Statement of Facts

According to 22 CCR §50163, either the applicant or the spouse of the applicant may complete and sign the Statement of Facts. If an applicant is comatose, incompetent, or suffering amnesia, and there is no spouse, conservator, executor, or guardian; then the Statement of Facts may be completed by two representatives from the county department – one completing and signing the application and the other confirming the applicant's inability to act on their own behalf, countersigning the application, and approving any recommendations for eligibility. See 22 CCR §50163 for guidance.

Infants Born to County Inmates on MCIEP

When a pregnant inmate is eligible for and receiving Medi-Cal at the time of the infant's birth, the infant is automatically deemed eligible for Medi-Cal without a separate Medi-Cal application until age one, as long as the infant resides in California. The county of responsibility will be where the infant resides unless the infant is under foster care

placement or pending the adoption process. The county should follow the current process for deemed infant, foster care, and/or adoption eligibility. There will be circumstances when a pregnant inmate may not be Medi-Cal eligible for inpatient hospital services. In these circumstances, the infant does not qualify under Deemed Eligibility, but may qualify through the regular application process.

County Inmate Aid Codes

The following aid codes have been implemented in MEDS for use by the counties.

Medi-Cal

- Aid Code F3** Medi-Cal no SOC for County Inmates. Restricted - Medi-Cal covered hospital inpatient (Title XIX) services only, for inmates in county correctional facilities who receive those services off the grounds of the correctional facility.
- Aid Code G3** Medi-Cal with SOC for County Inmates. Restricted - Medi-Cal covered hospital inpatient (Title XIX) services only, for inmates in county correctional facilities who receive those services off the grounds of the correctional facility.
- Aid Code F4** Medi-Cal no SOC for undocumented County Inmates. Restricted - Hospital inpatient emergency (Title XIX) and pregnancy-related (Title XXI) services, for inmates who, while in a county correctional facility, receive those services off the grounds of the correctional facility.
- Aid Code G4** Medi-Cal with SOC for undocumented County Inmates. Restricted - Hospital inpatient emergency (Title XIX) and pregnancy-related (Title XXI) services, for inmates who, while in a county correctional facility, receive those services off the grounds of the correctional facility.
- Aid Code G5** Medi-Cal no SOC for County Juvenile Inmates. Medi-Cal benefits limited to covered inpatient hospital or inpatient mental health (Title XIX) services only; for juvenile inmates in county correctional facilities who receive those services off the grounds of the correctional facility.

- Aid Code G6** Medi-Cal no SOC for undocumented County Juvenile Inmates. Medi-Cal benefits limited to covered inpatient hospital emergency, inpatient mental health emergency (Title XIX) and inpatient pregnancy-related (Title XXI) services only; for juvenile inmates in county correctional facilities who receive those services off the grounds of the correctional facility.
- Aid Code G7** Medi-Cal SOC for County Juvenile Inmates. Medi-Cal benefits limited to covered inpatient hospital or inpatient mental health (Title XIX) services only; for juvenile inmates in county correctional facilities who receive those services off the grounds of the correctional facility.
- Aid Code G8** Medi-Cal SOC for undocumented County Juvenile Inmates. Restricted/Limited – Medi-Cal limited to covered inpatient hospital emergency, inpatient mental health emergency (Title XIX) and inpatient pregnancy-related (Title XXI) services only; for juvenile inmates in county correctional facilities who receive those services off the grounds of the correctional facility.

County Juvenile Inmate Eligibility

AB 396 (Chapter 394, Statutes of 2011) authorizes DHCS to develop a process to allow counties and CDCR's Division of Juvenile Facilities, to receive any available FFP for acute inpatient hospital services and inpatient psychiatric services provided to Medi-Cal eligible juvenile inmates admitted to a hospital off the grounds of the correctional facility. Under the provisions of AB 396, DHCS is implementing aid codes G5, G6, G7 and G8 to allow for Medi-Cal coverage of inpatient services, provided off the grounds of the correctional facility to eligible juvenile inmates and/or wards.

Medical Parole

Background:

SB 1399 (Chapter 405, Statutes of 2010) authorizes the CDCR to grant medical parole to eligible state inmates who have been deemed permanently medically incapacitated by the medical parole board and by the head physician of the institution where the inmate is located. An inmate granted medical parole is potentially eligible for full scope Medi-Cal. CDCR and DHCS are required to maximize FFP for health care services, and administrative and targeted case management costs related to medical parolees. Inmates who are medically paroled are typically placed into Long Term Care (LTC) facilities off the grounds of the correctional facility. SB 1462 (Chapter 837, Statutes of 2012) gives counties the option to grant medical probation for qualifying county inmates, similar to

medical parole for state inmates. MCED first granted Medi-Cal eligibility for a medical parolee in June 2011.

Eligibility for Medical Parole for State Inmates

To be eligible for medical parole (SB 1399, Chapter 405, Statutes of 2010), an inmate must be permanently medically incapacitated, with a medical condition that renders the inmate unable to perform activities of basic daily living and requiring 24 hour care. The incapacitation must not have existed at the time of sentencing. The Board of Parole Hearings must also determine that the conditions under which the prisoner would be released; would not reasonably pose a threat to public safety. Medical Parole may end if the inmate's medical condition changes or improves, the inmate is released from the LTC facility and returned to the correctional facility, or if the inmate is granted regular parole.

Current Medical Parole Procedures for State Medical Parolees

Similar to the MCIEP program, CCHCS fills out an application form on behalf of the parolee and submits it to DHCS. The application is reviewed to determine whether the medical parolee is eligible for Medi-Cal. When appropriate, the disability history is reviewed and if necessary, a disability determination packet is forwarded to DDSD-SP for a disability determination. When the eligibility determination is completed, CHCS sends a notice of action to CCHCS.

Summary of Responsibilities

CCHCS staff:

- Forward completed Medi-Cal applications and documentation to DHCS.
- Forward medical records, if a disability determination packet is needed.
- Receive eligibility information Notices of Action (NOAs) from DHCS regarding an inmate's Medi-Cal determination.
- Work with DHCS to identify patient services provided to eligible inmates.
- Inform DHCS when the inmate is released, paroled, or transferred.

DHCS staff:

- Perform File Clearance for each application.
- Perform state inmate eligibility determinations.
- Determine the correct aid code for Medical Parolees.
- Perform ongoing case management.

- Process and forward disability determination packets to DDS-SP for a disability evaluation.
- Forward inmate eligibility information to CCHCS for program administration purposes.
- Perform annual redeterminations.
- Refer inmate cases for those released on regular parole and still active in MCIEP to the County for an SB 87 eligibility redetermination.
- Forward case information to the county using the MCIEP/County transmittal form and sending via secure email.
- Prepare and send NOAs to CCHCS.

State Inmate Aid Codes for Medical Parole

State medical parolees are eligible for all Medi-Cal covered services if they meet all eligibility requirements. To identify medical parolees for claiming purposes, aid codes G0 and G9 have been developed. The aid code G0 and G9 have been implemented for use.

Medical Parole

Aid Code G0 Medi-Cal no SOC for State Medical Parolees. Full Scope –Medical parolees who are Medi-Cal eligible in aid code G0 are entitled to all Medi-Cal covered (Title XIX) services because they are not considered to be incarcerated. Aid code G0 will be a secondary aid code.

Aid Code G9 Medi-Cal no SOC for undocumented State Medical Parolees. Restricted – Medi-Cal benefits limited to covered emergency and pregnancy-related (Title XXI) services only. Aid code G9 will be a secondary aid code and will be implemented in late 2013.

County Medical Probation/Compassionate Release

Background:

SB 1462 (Chapter 837, Statutes of 2012), authorizes a county sheriff, or his or her designee, to: (1) release certain prisoners (compassionate release) from a county correctional facility, and (2) request that a court grant medical probation, or resentencing in lieu of jail time, to certain county inmates.

Eligibility for County Medical Probation/Compassionate Release

County Sheriffs are authorized to release a prisoner from a county correctional facility on **compassionate release** if:

- The sheriff in consultation with a physician determines that the inmate has a **life expectancy of six (6) months or less**.
- The sheriff determines the prisoner would not reasonably pose a threat to public safety.
- The sheriff notifies the presiding judge of the superior court of his or her intention to release the prisoner.
- A placement option for the prisoner is secured and a County Welfare Department or other applicable county agency examines the prisoner's eligibility for Medi-Cal or other medical coverage.

County Sheriffs are authorized to request **medical probation** if:

- A prisoner is physically incapacitated with a medical condition that renders the prisoner permanently unable to perform activities of basic daily living, requiring 24-hour care, if that incapacitation did not exist at the time of sentencing.
- A prisoner would require acute long-term inpatient rehabilitation services.
- A placement option for the prisoner is secured and applicable county agency determines the prisoner's eligibility for Medi-Cal or other medical coverage.
- If at any time the court determines, based on a medical examination, that the probationer's medical condition has improved to the extent that the probationer no longer qualifies for medical probation, the court may return the probationer to the custody of the sheriff.

Transition of LIHP Medi-Cal Expansion (MCE) Eligible Inmates to Medi-Cal in 2014

As of the January 2014, eligible state or county inmates in LIHP MCE aid codes will be moved to the appropriate transitional Medi-Cal aid code and receive ACA MCE coverage. These individuals will remain in their transitional Medi-Cal aid code, if otherwise eligible, until their 2014 redetermination is completed. Transitioned state and county inmates eligible for ongoing eligibility, when the 2014 redetermination is completed, will be placed in the appropriate ACA aid code for ongoing eligibility.

There are two new transitional Medi-Cal aid codes added to accommodate the transition of LIHP MCE eligible State and county inmates to Medi-Cal effective January 1, 2014:

LIHP/MCE to ACA Transitional Aid Code Logic		
<i>Category</i>	<i>LIHP/MCE aid code(s)</i>	<i>Transition aid code</i>
LIHP - State Inmate	F5	N9
LIHP - County Inmate	F6	N0 (N-zero)

Inmate coverage under the Affordable Care Act

When the Affordable Care Act (ACA) takes effect on January 1, 2014, both county and state inmates will still be eligible for Medi-Cal if they meet all Medi-Cal eligibility requirements. This includes coverage under Modified Adjusted Gross Income (MAGI) Medi-Cal programs (including Medi-Cal coverage of single adults) and non-MAGI Medi-Cal programs. Eligible Inmates who are immigrants will still be eligible for full or restricted scope Medi-Cal depending on their immigration status. The following ACA aid codes for eligible state and county inmates are in place and include:

State Inmate New Adult Group Aid Codes

Aid Code N5--Medi-Cal no share-of-cost (SOC) for State Adult Inmates.

Medi-Cal benefits limited to covered inpatient hospital services (Title XIX) only, for adult inmates aged 19 through 64 years of age, in state correctional facilities who receive those services off the grounds of the correctional facility.

Aid Code N6--Medi-Cal no SOC for undocumented State Adult Inmates.

Medi-Cal benefits limited to covered inpatient hospital services (Title XIX) only, for adult inmates aged 19 through 64 years of age in state correctional facilities who receive those services off the grounds of the correctional facility.

County Inmate New Adult Group Aid Codes

Aid Code N7--Medi-Cal no SOC for County Adult Inmates. Medi-Cal benefits limited to covered inpatient hospital (Title XIX) services only, for adult inmates aged 19 through 64 years of age, in county correctional facilities who receive those services off the grounds of the correctional facility.

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Aid Code N8--Medi-Cal no SOC for undocumented County Adult Inmates. Medi-Cal benefits limited to covered inpatient hospital emergency (Title XIX) services only, for adult inmates aged 19 through 64 years of age, in county correctional facilities who receive those services off the grounds of the correctional facility.

If you have any questions regarding this letter, please contact Ms. Patty Lough (916) 552-9494, or by email at patty.lough@dhcs.ca.gov.

ORIGINAL SIGNED BY:

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