DEPARTMENT OF HEALTH SERVICES
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December 2, 1998

TO: All County Welfare Directors
All County Administrative Officers
All County Medi-Cal Program Specialists/Liaisons
All County Public Health Directors

Letter No.: 98-56

SECOND YEAR OF TRANSITIONAL MEDI-CAL (TMC) AND RELATED AID CODES

The purpose of this letter is to inform counties of the implementation of several new aid codes for a second year of TMC and other related restricted aid codes for aliens not entitled to full scope Medi-Cal benefits.

Background

The Governor recently signed the 1998 trailer bill (Assembly Bill 2780) which provides a second year of TMC with State Only funding for persons 19 years old and older in addition to the existing federal program which provides a maximum of 12 months of TMC. It is assumed that children under age 19 will be eligible for either regular or emergency-only Medi-Cal or may enroll in Healthy Families Program if they are eligible qualified aliens.

The Health Care Financing Administration will be billed for appropriate services for pregnant women who receive second year TMC benefits and are also eligible for pregnancy-related benefits under the Income Disregard Program.

Section 1931(b) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA) allows aliens who do not have satisfactory immigration status (SIS) to now receive Section 1931(b) Medi-Cal if they meet the income, property and deprivation requirements of the Aid to Families with Dependent Children (AFDC) program as it existed on July 16, 1996; therefore, another aid code with restricted benefits must be added (similar to 3N) so that Section 1931(b) aliens without SIS can receive zero share-of-cost (SOC) benefits under that program.

TMC must be also expanded to include persons with restricted benefits for the first federally funded year as well as the second year of State-Only funded TMC. Restricted benefits are also now allowed for persons under the Four Month Continuing program if they are ineligible for 1931(b) due to increased collection of child or spousal support

Counties must identify and track all aliens who receive benefits under any of these new aid codes (see ACWDL 97-42).

Aid Codes

1. **Federal TMC (Zero SOC)**

3T Initial TMC (Emergency and Pregnancy-Related Benefits Only)

This initial six-month aid code should be used for aliens who do not have SIS and who are discontinued from Section 1931(b) due to increased earnings from employment. NOTE: Section 1931(b) has no 100-hour rule requirement for recipients nor will they lose their income disregard. NOTE: The regular full-scope companion aid code for initial federal TMC is 39.

5T Additional TMC (Emergency and Pregnancy-Related Benefits Only)

This additional six-month aid code should be used for aliens who do not have SIS, who have received six months of federal initial restricted TMC under Aid Code 3T, and are eligible for an additional six months of federal additional restricted TMC. NOTE: The regular full scope companion aid code for additional federal TMC is 59.

2. **Second Year State Only TMC (Zero SOC)**

5X Full Scope Benefits

This aid code should be used for citizens and aliens with SIS age 19 and older who received six months of full-scope federal TMC benefits under Aid Code 59 and continue to meet the requirements of additional TMC.

Aliens receiving Medi-Cal benefits in Aid Code 5X must have their alien status tracked per instructions in ACWDL 97-42.

5Y Emergency and Pregnancy-Related Benefits Only

This aid code should be used for aliens who do not have SIS, are age 19 and older, who received six months of restricted federal TMC benefits under Aid Code 5T and continue to meet the requirements of additional TMC.

Requirements for Second Year TMC:

- Counties will be requested to report pregnant women who meet the eligibility requirements of the Income Disregard Program in the appropriate secondary Aid Codes of 44 or 48 in addition to the above Second Year TMC aid codes so that the Department of Health Services (DHS) can claim Federal Financial Participation for the appropriate services as soon as MEDS will accept this. You will be notified as soon as this is possible.

- Wedfare persons are not eligible for the Second Year of TMC. This special waiver group will continue to be eligible for regular TMC until June 1999. Families who are receiving TMC under the Wedfare provision may continue receiving benefits until their maximum of one year federal TMC benefits is completed; however, no new families will be accepted after June 30, 1999.

- Persons under age 19 are not eligible for the Second Year of TMC. These persons should have eligibility determined under the Percent programs or as a Medically Needy or Medically Indigent person with the appropriate full or restricted benefits. If these persons are not eligible for zero SOC Medi-Cal, they should be referred to the Healthy Families Program if they are citizens or eligible qualified aliens.

- Eligibility for the Second Year of TMC will continue to follow the rules as required for the additional six-month period of regular federal TMC (See Medi-Cal Eligibility Procedures Manual Article 5B). Counties should send the MC 176 TMC/TCC Status Report with the new Notice of Action (NOA) (A copy is enclosed for your information) in the last month of regular TMC so that the notice may be received by the 21st day of the 13th month (the first month of the Second Year period). If the person(s) does not meet the eligibility requirements (e.g., average earnings for the last three months minus child care costs do not exceed 185 percent of the Federal Poverty Level, etc.), the person must be discontinued.

3. **Section 1931(b) (Zero SOC)**

3V Emergency and Pregnancy-Related Benefits Only

When Section 1931(b) is implemented, this aid code should be used for aliens who do not have SIS and who are eligible to receive Section 1931(b) Only, NOTE: The full scope aid code for Section 1931(b) is 3N which will be used when counties begin implementation of this program.

4. **Four Month Continuing (Zero SOC)**

5W Emergency and Pregnancy-Related Benefits Only

This aid code should be used for aliens who do not have SIS and who are no longer eligible for 1931(b) due to the collection or increased collection of child/spousal support. NOTE: The existing full scope companion aid code for Four Month Continuing is 54.

Effective Date

1. Second Year TMC

AB 2780 requires that the second year of TMC be effective October 1, 1998. Because we are unable to implement the new full-scope second year TMC aid code until December 1, 1998, counties should grant eligible persons additional months of zero SOC Medi-Cal in Aid Code 38 (Edwards) until this aid code is available on the Medi-Cal Eligibility Data System (MEDS). Those Edwards months should then be subtracted from the person's total additional eligibility period of 12 months (the additional year of TMC). However, counties should leave families who appear eligible for the second year of TMC in Edwards until a determination for Section 1931(b) can be done since the children may be adversely impacted under regular Medi-Cal if they cannot qualify for a Percent program.

The second year TMC restricted aid code for aliens who do not have SIS will not be available for use until January 1, 1999; however, counties should not need to use this aid code until after the implementation of Section 1931(b).

NOTE: Counties were previously instructed to hold discontinued California Work Opportunity and Responsibility to Kids (CalWORKs) recipients in the Edwards aid code (Aid Code 38) or another zero SOC aid code until Section 1931(b) instructions were finalized, rather than counties determining TMC eligibility; therefore, there may not be many persons eligible for the second year TMC at this time.

2. Alien Aid Codes

The other new restricted services aid codes that are required to allow aliens without SIS to receive Section 1931(b), the first year of federally funded TMC, the second year of State-Only funded TMC, and the Four-Month Continuing program should be available on MEDS by February or March of 1999. Counties will be notified when they are available.

Changes to Existing TMC and Four Month Programs

MEDS is being programmed to allow counties to add persons such as newborns and other family members to existing and new TMC and Four Month Continuing aid codes without having to be in a CalWORKs aid code in the prior month.

Proposed TMC regulations preclude children who do not meet the definition of a child under the former Aid to Families with Dependent Families (AFDC) program (a child is under 18 years or under 19 and enrolled in school) from the first year of federal TMC or Four Month Continuing Medi-Cal. As soon as those regulations are final, counties must determine eligibility for these persons separately. Other family members receiving TMC and Four Month Continuing will be ineligible members in the Medi-Cal Family Budget Unit of that person (Section 50379, California Code of Regulations). If there is no longer another child under the ages (described above) in the home, the parent(s) must also be discontinued. DHS will notify counties when these regulations take effect.

NOTE: It is possible that those children may no longer be eligible for Medi-Cal if they have excess property and do not meet the income limit of the 100 Percent program.

NOA and Status Reporting Form

The existing TMC notice has been modified to delete the reference to the AFDC program so that counties may use it for both CalWORKs and those in the Section 1931(b) program. A new Four-Month Continuing NOA was also developed with this language as there did not appear to be one in existence.

New TMC and Four Month Continuing NOAs are being developed to provide restricted benefits for aliens who do not have SIS.

A sample of the new Second Year TMC notice is enclosed for your information. As soon as this and the above notices are finalized, camera ready copies in English and Spanish will be sent.

The MC 176 TMC/TCC Status Report will be modified to delete any reference to the Transitional Child Care program which was administered by the Department of Social Services (DSS). It may continue to be used until the supply is exhausted.

Camera ready copies of all these NOAs and the status form will be sent to counties in another letter.

TMC Flow Chart

Enclosed is a TMC Flow Chart which counties may find useful in determining the first year of TMC. The same rules apply for the second year of TMC; however, the status report is sent at the end of the 12th month of regular TMC and is due the first month of the second year (13th month) and every three months thereafter.

TMC Flyer Update

AB 2780 also requires DSS to send a brief summary of the requirements of TMC and a form which can be returned when any individual or family is discontinued from CalWORKs except for reasons other than fraud. Counties may wish to coordinate their efforts rather than to separately send the TMC flyer and form (see ACWDL 98-24) out to those CalWORKs persons who are terminated for failure to report. Efforts to automate this will be discussed with DSS; counties will be informed of the decision at a later date. DHS will continue to send TMC information in the form of a flyer to CalWORKs recipients every six months.

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

Sincerely,

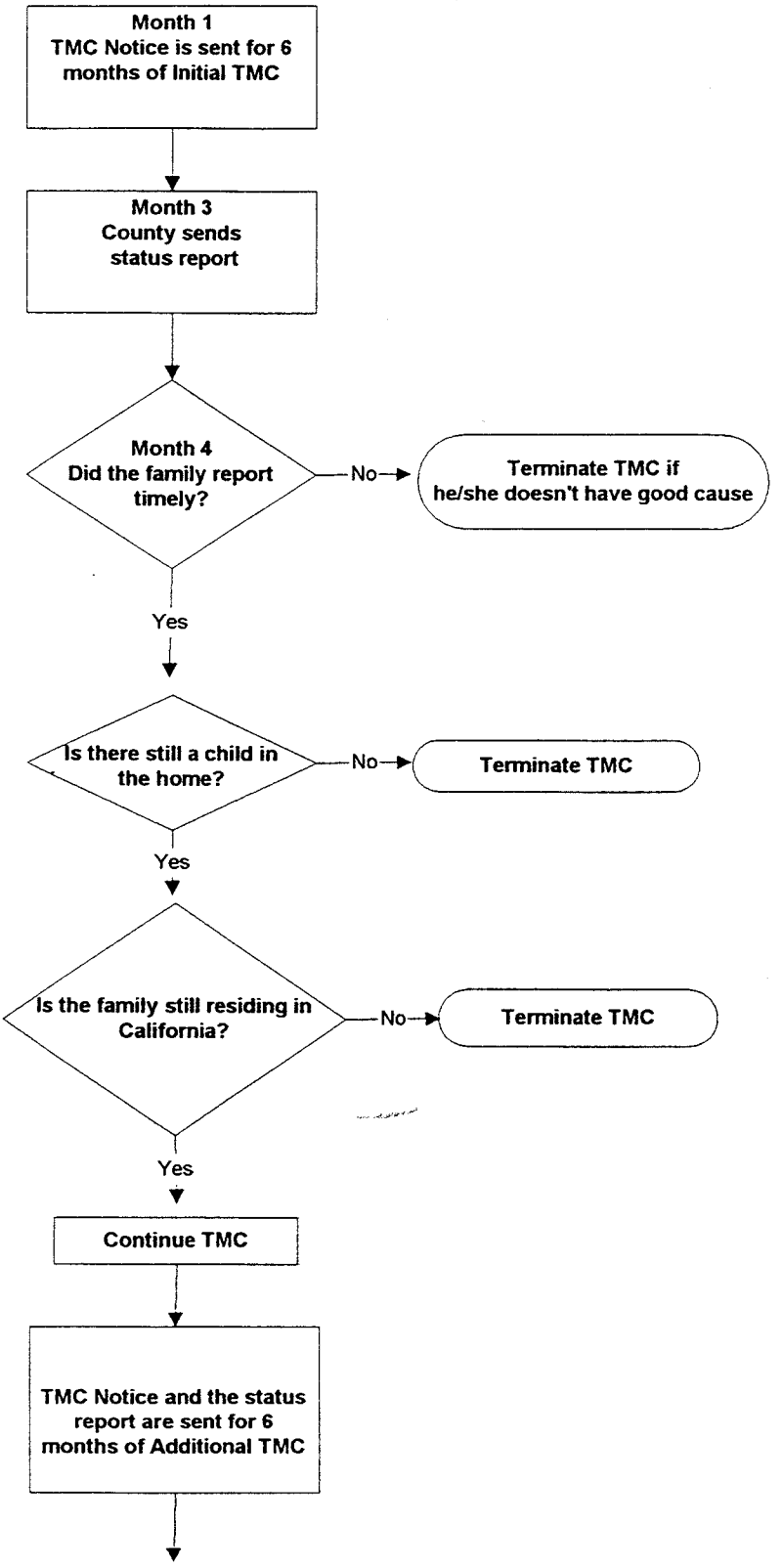
ORIGINAL SIGNED BY

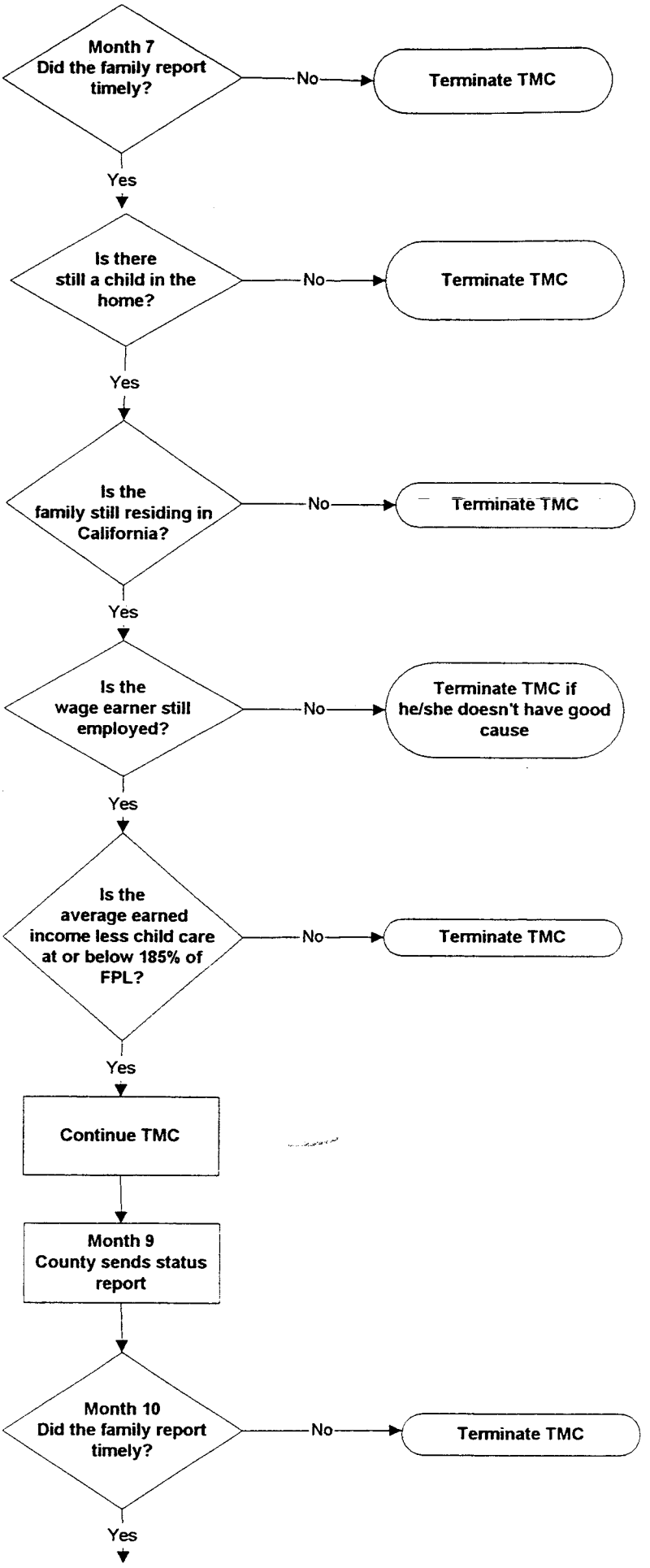
Angeline Mrva, Chief
Medi-Cal Eligibility Branch

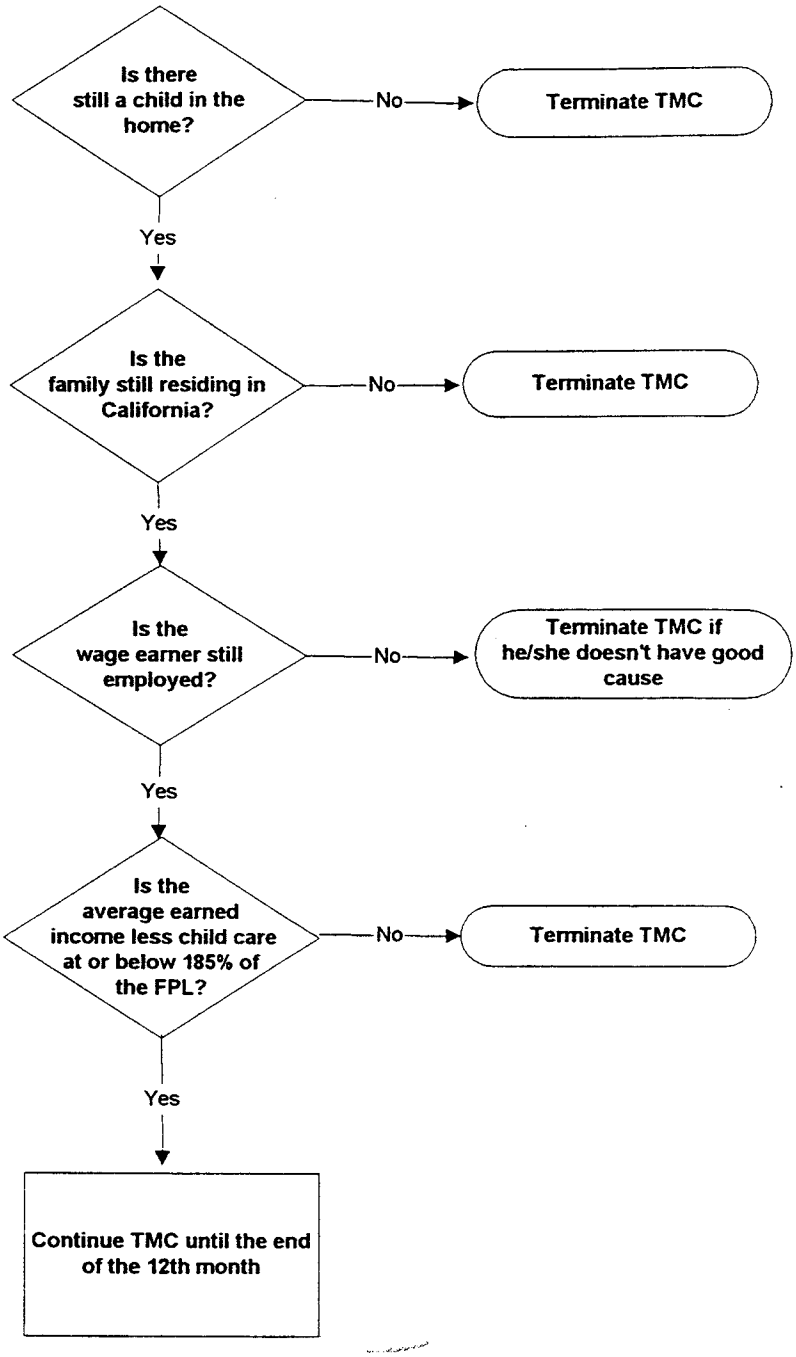
Enclosures

TRANSITIONAL MEDI-CAL (TMC)

Terminated from Aid to Families with Dependent Children (AFDC) due to increased hours or earnings from employment or loss of the earned income disregard




Month 7
Did the family report timely?
No
Terminate TMC
Yes
Is there still a child in the home?
No
Terminate TMC
Yes
Is the family still residing in California?
No
Terminate TMC
Yes
Is the wage earner still employed?
No
Terminate TMC if he/she doesn't have good cause
Yes
Is the average earned income less child care at or below 185% of FPL?
No
Terminate TMC
Yes
Continue TMC
Month 9
County sends status report
Month 10
Did the family report timely?
No
Terminate TMC
Yes


Is there still a child in the home?
No
Terminate TMC
Yes
Is the family still residing in California?
No
Terminate TMC
Yes
Is the wage earner still employed?
No
Terminate TMC if he/she doesn't have good cause
Yes
Is the average earned income less child care at or below 185% of the FPL?
No
Terminate TMC
Yes
Continue TMC until the end of the 12th month

State of California-Health and Welfare Agency
Medi-Cal Program

Department of Health Services

_____ (COUNTY STAMP) _____

MEDI-CAL NOTICE OF ACTION
SECOND YEAR OF TRANSITIONAL MEDI-CAL (TMC)
APPROVAL FOR BENEFITS

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Notice Date:_____
Case No.: _____
Worker Name/No.:_____
Worker Telephone No.:_____
This affects :_____

A SECOND YEAR OF TMC IS AVAILABLE TO WORKING PERSONS OVER AGE 19 WHO RECEIVED ONE YEAR OF TMC BECAUSE THEY WERE NO LONGER ELIGIBLE FOR THEIR CURRENT MEDI-CAL PROGRAM DUE TO EMPLOYMENT

☐ You are eligible for up to 12 additional months of TMC at no cost for the period _____ through _____.

☐ You are entitled to full benefits.

☐ Your benefits only cover emergency and pregnancy related services.

You must:

- Continue to be employed
- Have an eligible child in the home
- Have average earnings minus child care costs at or below 185 percent of the Federal Poverty Level.
- Complete and return any status reports which the county will send you and attach your family's monthly gross earnings and actual child care costs paid by you.

☐ Enclosed is a status report. Please return it by the 21st day of next month. Please attach your family's monthly gross earnings and actual child care costs paid by you.

You will be required to complete and return ___ status reports sent to you by the county during this period. The first report will be due by the 21st day of the ____ month.

Always present your Benefits Identification Card (BIC) to your medical provider whenever you need care. This card is good as long as you are eligible for Medi-Cal. DO NOT THROW AWAY YOUR BIC.

The regulation which requires this action is California Code of Regulations, Title 22, Section 50244

MEDI-CAL
NOTICE OF ACTION
TRANSITIONAL MEDI-CAL (TMC)
APPROVAL FOR BENEFITS

(COUNTY STAMP)

Notice date: _____

Case number: _____

Worker name/number: _____

Worker telephone number: _____

This affects: _____

_____

TMC IS A PROGRAM THAT PROVIDES CONTINUING MEDI-CAL BENEFITS FOR A MAXIMUM OF 12 MONTHS FOR CERTAIN PERSONS NO LONGER ELIGIBLE FOR THEIR CURRENT MEDI-CAL PROGRAM AS A RESULT OF EMPLOYMENT, MARRIAGE, OR RETURNING TO LIVE WITH THEIR HUSBAND OR WIFE.

☐ You are eligible for initial TMC for the period _____ through _____.

You will continue to receive TMC during this period if you have an eligible child in the home and remain employed.

You may be eligible for an additional 6 months of TMC at no cost if you:

Return the status report which the county will send you by the 21st day of _____ and be within income limits.

Attach to the status report proof of your family's monthly gross earnings and actual child care costs paid by you. Save all your earnings statements and child care receipts.

☐ You are eligible for an additional 6 months for the period _____ through _____.

To remain eligible for the additional 6 months of TMC, you will be required to complete and return two status reports sent to you by the county during this period. The first report will be due by the 21st day of the first month and the second report will be due by the 21st day of the fourth month of this additional 6 month period. You must also:

- Continue to be employed.
- Have earnings below a certain limit.
- Have an eligible child in the home.

Always present your Benefits Identification Card (BIC) to your medical provider whenever you need care. This card is good as long as you are eligible for Medi-Cal. DO NOT THROW AWAY YOUR BIC.

The regulation which requires this action is California Code of Regulations, Title 22, Section 50244.

NOTIFICACIÓN DE ACCIÓN DE MEDI-CAL
APROBACIÓN DE BENEFICIOS DE MEDI-CAL DE TRANSICIÓN (*TMC*)

(COUNTY STAMP)

Fecha de la notificación: _____

Número del caso: _____

Nombre/número del trabajador(a): _____

Teléfono del trabajador(a): _____

Esto afecta a: _____

_____

EL *TMC* ES UN PROGRAMA QUE PROPORCIONA UNA EXTENSIÓN DE BENEFICIOS DE MEDI-CAL DE UN MÁXIMO DE 12 MESES A CIERTAS PERSONAS QUE YA NO REÚNEN LOS REQUISITOS PARA RECIBIR BENEFICIOS DE SU ACTUAL PROGRAMA DE MEDI-CAL DEBIDO A EMPLEO, MATRIMONIO O REGRESO A VIVIR CON SU ESPOSO(A).

☐ Usted reúne los requisitos para *TMC* inicial durante el período del _____ al _____.

Usted seguirá recibiendo *TMC* durante este período si un(a) niño(a) que reúne los requisitos vive en el hogar y usted sigue trabajando.

Usted podría reunir los requisitos para recibir *TMC* durante 6 meses adicionales, sin costo alguno, si usted:

Devuelve el informe de situación que le enviará el condado, a más tardar el 21 del _____ y permanece dentro de los límites de ingresos.

Adjunta, al informe de situación, pruebas de los ingresos brutos mensuales de su familia y los costos reales de cuidado infantil que pagó. Guarde todos sus comprobantes de ingresos y recibos de cuidado infantil.

☐ Usted reúne los requisitos para los 6 meses adicionales durante el período del _____ al_____.

A fin de seguir reuniendo los requisitos para los 6 meses adicionales de *TMC*, se le exigirá que llene y devuelva dos informes de situación que el condado le envió durante este período. El primer informe se deberá entregar el 21 del primer mes y el segundo informe se deberá entregar el 21 del cuarto mes de este período de 6 meses adicionales. Además, usted tiene que:

- Seguir trabajando.
- Tener ingresos por debajo de un cierto límite.
- Tener un(a) niño(a) que reúna los requisitos viviendo en el hogar.

Siempre presente su Tarjeta de Identificación de Beneficios (*BIC*) a su proveedor médico, cada vez que necesite atención médica. Esta tarjeta es válida mientras usted reúna los requisitos para recibir Medi-Cal. NO TIRE SU *BIC*.

La regulación que exige esta acción es la Sección 50244, del Título 22, del Código de Regulaciones de California.

MEDI-CAL
NOTICE OF ACTION
FOUR-MONTH CONTINUING MEDI-CAL APPROVAL FOR BENEFITS

(COUNTY STAMP)

Notice date: _____

Case number: _____

Worker name/number: _____

Worker telephone number: _____

This affects: _____

_____

THIS PROGRAM PROVIDES FOUR MONTHS OF CONTINUING MEDI-CAL BENEFITS FOR CERTAIN PERSONS NO LONGER ELIGIBLE FOR THEIR CURRENT MEDI-CAL PROGRAM AS A RESULT OF COLLECTION OR INCREASED COLLECTION OF CHILD OR SPOUSAL SUPPORT.

☐ You are eligible for the period _____ through _____.

You will receive Four-month Continuing Medi-Cal through the month indicated above as long as you remain a resident of California.

Always present your Benefits Identification Card (BIC) to your medical provider whenever you need care. This card is good as long as you are eligible for Medi-Cal. DO NOT THROW AWAY YOUR BIC.

The regulation which requires this action is California Code of Regulations, Title 22, Section 50243.

NOTIFICACIÓN DE ACCIÓN DE MEDI-CAL
APROBACIÓN DE EXTENSIÓN DE CUATRO MESES DE BENEFICIOS DE MEDI-CAL

(COUNTY STAMP)

Fecha de la notificación: _____

Número del caso: _____

Nombre/número del trabajador(a): _____

Teléfono del trabajador(a): _____

Esto afecta a: _____

_____

ESTE PROGRAMA PROPORCIONA UNA EXTENSIÓN DE CUATRO MESES DE BENEFICIOS DE MEDI-CAL A CIERTAS PERSONAS QUE YA NO REÚNEN LOS REQUISITOS DE SU PROGRAMA ACTUAL DE MEDI-CAL DEBIDO AL COBRO O AUMENTO EN EL COBRO DE MANUTENCIÓN DE HIJOS O DE CÓNYUGE.

☐ Usted reúne los requisitos para el período del _____ al _____.

Usted recibirá una extensión de cuatro meses de beneficios de Medi-Cal hasta el mes que se indica anteriormente mientras siga siendo residente de California.

Siempre presente su Tarjeta de Identificación de Beneficios (*BIC*) a su proveedor médico cada vez que necesite atención médica. Esta tarjeta es válida mientras usted reúna los requisitos para recibir Medi-Cal. NO TIRE SU *BIC*.

La regulación que exige esta acción es la Sección 50243, del Título 22, del Código de Regulaciones de California.