

**DEPARTMENT OF HEALTH SERVICES**

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(916) 657-2941

January 13, 1998



Letter No.: 98-06

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

**EXPANSION OF THE MEDI-CAL CHILDREN'S PROGRAMS**

Ref.: All County Welfare Directors Letter Nos. 95-28 and 95-52, Medi-Cal Procedures Manual Sections 5F and 5K

This letter is to inform counties about the expansion of Medi-Cal programs for children. The lack of medical benefits for children is a State and national concern of certain groups who state that many children are underinsured or uninsured. They are also concerned that welfare reform will cause more children to lose automatic Medicaid benefits when their family is terminated from cash benefits.

Recent legislation changed the Medi-Cal program so that more children will receive zero share of cost (SOC) Medi-Cal coverage. Changes were also made to align Medi-Cal coverage more closely with the new Healthy Families program which is a non-Medi-Cal state subsidized health insurance coverage program for children. More information will be provided about this new insurance program in the future.

**A. Disregard of Property/Resources (Formerly Asset Waiver) for Children**

State legislation (SB 903 and AB 217) amends Section 14148.75 of the Welfare and Institutions (W&I) Code to disregard the resources of children in the Percent programs. This will be effective March 1, 1998. Children ages one to six with a family income of at or below 133 percent of the federal poverty limit (FPL) (Aid Codes 72 and 74) and children ages six to nineteen with a family income of at or below 100 percent (Aid Codes 7A and 7C), will no longer have a property test. Property is already disregarded for pregnant women and infants up to age one (Aid Codes 44, 48, 47, and 69).

Counties should continue to follow the same guidelines as provided in the Procedures Section 5F for the existing Property Waiver program. This section will be updated to include children under the 133 and 100 percent groups. No property information is required for these persons unless it required for other family members who may be applying.

B. Expansion of the 100 Percent Program

Prior to the passage of the Federal Balanced Budget Act (BBA) of 1997, the 100 Percent program for children with family income at or below 100 percent of the FPL specified that children are not eligible unless they are born after September 30, 1983. This means that the maximum age that a 100 Percent beneficiary can be as of the date of this letter is fourteen. However, the BBA recently gave states the option of changing this date. This legislation allows states to cover children ages fourteen to age nineteen with family income at or below 100 percent of the FPL immediately with a zero SOC. The State legislation (SB 903 and AB 217) also added Section 14005.23 to the W&I Code to direct the Department of Health Services (DHS) to designate a birth date to enable all children up to the age of nineteen to immediately meet the age requirement in the 100 Percent program. We are therefore, removing the born after date of September 30, 1983, from the eligibility requirements of the 100 Percent program. This change is effective March 1, 1998.

D. Notices of Action

Enclosed are drafts of the revised Notice of Action (NOAs) for the 100 Percent program. The 100 Percent NOAs will be the same for all the children regardless of whether they are born before or after September 30, 1983. This date has been deleted.

We have also revised the denial and discontinuance NOAs for the Income Disregard and 133 Percent programs because we anticipate using a simplified mail in application for children in the future. Since this simplified application will not request property information, the county may be required to get additional information at the time of denial or discontinuance before a determination can be made as to whether the child or pregnant woman is eligible for another Medi-Cal program.

E. Regulations Changes

We are enclosing a draft of the regulation changes for your information.

F. Effective Dates

Counties should implement both the resource disregard and the expansion of the 133 and 100 Percent programs on March 1, 1998.

All County Welfare Directors  
All County Administrative Officers  
All County Medi-Cal Program Specialists/Liaisons  
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G. Aid Codes

No new aid codes are required for either the resource disregard or the expansion of the 100 Percent program.

G. County Action

To prepare for the March 1, 1998, implementation date, counties should immediately begin flagging SOC cases with children born on or before September 30, 1983, and who have not attained age nineteen for the 100 Percent program and children who would be eligible for the 133 and 100 Percent Programs but have excess resources. Data Systems Branch (DSB) will remove the age edit of September 30, 1983, prior to the effective date of March 1, 1998, so counties may report these children to MEDS.

H. Identification of Cases

Status reports and information received by the county at redetermination may be used to identify older children unless there is other available information to the contrary. We will also ask DSB to create a county list of children ages 14 to 19 who have a SOC prior to March 1, 1998, if possible. This will be sent to your Medi-Cal Program Liaison.

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

Sincerely,

ORIGINAL SIGNED BY

Frank S. Martucci, Chief  
Medi-Cal Eligibility Branch

Enclosures

**MEDI-CAL  
NOTICE OF ACTION  
Approval for the 100 Percent Program**

S

(COUNTY STAMP)

Notice date: \_\_\_\_\_

Case number: \_\_\_\_\_

Worker name: \_\_\_\_\_

Worker number: \_\_\_\_\_

Worker telephone number: \_\_\_\_\_

Notice for: \_\_\_\_\_  
(name)

Beginning \_\_\_\_\_, your child(ren) is eligible to receive Medi-Cal benefits without a share-of-cost under the 100 Percent Program for children who are at least 6 years of age up to age 19.

You will receive a plastic Benefits Identification Card (BIC) in the mail soon for each eligible child. TAKE THIS BIC CARD TO YOUR MEDICAL PROVIDER WHENEVER YOUR CHILD(REN) NEEDS CARE. This card is good as long as your child(ren) is eligible for Medi-Cal. DO NOT THROW AWAY YOUR CHILD(REN)'S PLASTIC BIC CARD(S).

Under this program, Medi-Cal will provide:

- Full Medi-Cal benefits.
- Restricted Medi-Cal benefits (emergency and pregnancy only).

The regulations which require this action are California Code of Regulations, Title 22, Section 50262.6.

If you have any questions about this action, please write or telephone.

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**MEDI-CAL  
NOTICE OF ACTION  
Denial or Discontinuance of Benefits  
Under the 100 Percent Program**

(COUNTY STAMP)

Notice date: \_\_\_\_\_  
Case number: \_\_\_\_\_  
Worker name: \_\_\_\_\_  
Worker number: \_\_\_\_\_  
Worker telephone number: \_\_\_\_\_  
Notice for: \_\_\_\_\_  
(name)

The 100 Percent Program provides Medi-Cal benefits at no share-of-cost for children who are at least 6 years of age up to age 19 whose family income is at or below 100 percent of the federal poverty level. A review of your case shows that:

- Your child(ren) does not qualify for this program because your family's income is over the allowable limit. You will receive a separate notice about regular Medi-Cal.
- Your child(ren) does not qualify for this program because your family's income is over the allowable limit. Enclosed are forms that you need to complete and return to us to determine if he/she is eligible for regular Medi-Cal with a share-of-cost. Please return this information within ten days. If we do not receive this information, your child(ren)'s benefits will end \_\_\_\_\_.
- Eligibility for benefits under the 100 Percent Program ends because your child has reached age 19.
  - A separate notice will be sent to you about regular Medi-Cal. If your child is hospitalized, let your worker know right away.
  - Enclosed are forms that you need to complete for us to determine if he/she is eligible for regular Medi-Cal with a share-of-cost. Please return this information within ten days. If we do not receive this information, your child(ren)'s benefits will end \_\_\_\_\_.
- Eligibility for benefits under the 100 Percent Program ends \_\_\_\_\_ because:

The regulations which require this action are California Code of Regulations, Title 22, Section 50262.6.

If you have any questions about this action, please write or telephone. We will answer your questions or make an appointment to see you. You may reapply for Medi-Cal at any time. **DO NOT THROW AWAY YOUR CHILD'S BENEFITS IDENTIFICATION CARD (BIC).** Your child can use it again under another regular Medi-Cal program even if your child has a share-of-cost.

**PLEASE READ THE REVERSE SIDE OF THIS NOTICE FOR APPEAL INFORMATION**

# MEDI-CAL NOTICE OF ACTION DENIAL OR DISCONTINUANCE OF BENEFITS UNDER THE 133 PERCENT PROGRAM



(COUNTY STAMP)

Notice date: \_\_\_\_\_

Case number: \_\_\_\_\_

Worker name: \_\_\_\_\_

Worker number: \_\_\_\_\_

Worker telephone number: \_\_\_\_\_

Notice for: \_\_\_\_\_  
(Name)

The 133 Percent Program provides Medi-Cal benefits at no share-of-cost for children who are at one year of age up to age six whose family income is at or below 133 percent of the federal poverty level. A review of your case shows that:

- Your child(ren) does not qualify for this program because your family's income is over the allowable limit. You will receive a separate notice about regular Medi-Cal.
- Your child(ren) does not qualify for this program because your family's income is over the allowable limit. Enclosed are forms that you need to complete and return to us to determine if he/she is eligible for regular Medi-Cal with a share of cost. Please return this information within ten days. If we do not receive this, your child's benefits will end \_\_\_\_\_.
- Eligibility for benefits under the 133 Percent Program ends because your child has reached age six.
- A separate notice will be sent to you about regular Medi-Cal. If your child is hospitalized, let your worker know right away.
- Enclosed are forms that you need to complete for us to determine if he/she is eligible for regular Medi-Cal with a share-of-cost. Please return this information within ten days. If we do not receive this, your child's benefits will end \_\_\_\_\_.
- Eligibility for benefits under the 133 Percent Program ends \_\_\_\_\_ because:

The regulations which require this action are California Code of Regulations, Title 22, Section 50262.5.

If you have any questions about this action, please write or telephone. We will answer your questions or make an appointment to see you. You may reapply for Medi-Cal at any time. **DO NOT THROW AWAY YOUR CHILD'S BENEFITS IDENTIFICATION CARD (BIC).** Your child can use it again under another regular Medi-Cal program even if your child has a share-of-cost.

**PLEASE READ THE REVERSE SIDE OF THIS NOTICE FOR APPEAL INFORMATION.**

**MEDI-CAL  
NOTICE OF ACTION  
DENIAL OR DISCONTINUANCE OF BENEFITS UNDER  
THE INCOME DISREGARD PROGRAM FOR  
PREGNANT WOMEN AND INFANTS**

(COUNTY STAMP)

Notice date: \_\_\_\_\_

Case number: \_\_\_\_\_

Worker name: \_\_\_\_\_

Worker number: \_\_\_\_\_

Worker telephone number: \_\_\_\_\_

Notice for: \_\_\_\_\_

(Name)

The Income Disregard Program is a special program for pregnant women and infants up to one year old with family income at or below 200 percent of the federal poverty level. It provides zero share-of-cost pregnancy-related services and postpartum care to women and medical care to infants under one year of age. A review of your case shows that:

- Your child does not qualify for this program because your family's income is over the allowable limit. You will receive a separate notice about regular Medi-Cal.
- You do not qualify for this program because your family's income is over the allowable limit.
- This does not affect your regular Medi-Cal eligibility.
- You will receive a separate notice about regular Medi-Cal.
- You do not qualify for this program because your family's income is over the allowable limit. You are not eligible for regular Medi-Cal because your family's property is above the limit.
- Your child does not qualify for this program because your family's income is over the allowable limit. Enclosed are forms that you need to complete and return to us to determine if he/she is eligible for regular Medi-Cal with a share-of-cost. Please return this information within ten days. If we do not receive this, your child's benefits will end \_\_\_\_\_.
- Your child has reached age one.
- You will receive a separate notice about his/her eligibility for other Medi-Cal programs. If your child is hospitalized, let your worker know right away.
- Enclosed are forms that you need to complete and return to us to determine if he/she is eligible for regular Medi-Cal with a share-of-cost. Please return this information within ten days. If we do not receive this, your child's benefits will end \_\_\_\_\_.
- You are no longer pregnant and your 60-day postpartum period has ended. If you are eligible for regular Medi-Cal, you will receive a separate notice.
- Eligibility for benefits under the 200 Percent Program ends \_\_\_\_\_ because:

The regulations which require this action are California Code of Regulations, Title 22, Section 50260, 50262, and 50401. If you have any questions about this action, please write or telephone. We will answer your questions or make an appointment to see you. You may reapply for Medi-Cal at any time. DO NOT THROW AWAY YOUR BENEFITS IDENTIFICATION CARD (BIC). You can use it again if you become eligible for Medi-Cal.

**PLEASE READ THE REVERSE SIDE OF THIS NOTICE FOR APPEAL INFORMATION.**

(1) Amend Section 50262 to read:

(a) No change.

(1) - (4) No change.

(5) ~~If the pregnant woman and/or infant meet the requirements of the 200 Percent Program, but have assets which exceed the resource limit, the assets shall be waived for those applicants or beneficiaries in accordance with Section 50401(b).~~ When determining eligibility for the 185 and 200 Percent programs, resources shall be disregarded in accordance with Section 50401(b).

(b) No change

(c) No change

NOTE: Authority cited: Sections 10725 and 14124.5, Welfare and Institutions Code.  
Reference: Sections 14005.23, 14007.5, 14148, 14148.1, and 14148.5, Welfare and Institutions Code.



(2) Amend Section 50262.5 to read:

(a) No change.

(1) - (3) No change.

(4) When determining eligibility for the 133 Percent Program, resources shall be disregarded in accordance with Section 50401(b).

(b) No change.

(c) No change.

NOTE: Authority cited: Sections 10725 and 14124.5, Welfare and Institutions Code.  
Reference: Sections 14005.1, 14005.23, 14007.5, and 14050.1, Welfare and Institutions Code; and Title 42, Sections 1395(a)(3)(E), 1396a(a)(10)(A)(i)(VI), (e)(7), ~~11~~ 11 and 1396b(v), United States Code.

(3) Amend Section 50262.6 to read:

(a) Children with a share of cost who have attained six years of age but have not attained nineteen years of age, ~~who were born after September 30, 1983,~~ are eligible to receive Medi-Cal benefits under the 100 Percent program if the following conditions are satisfied:

(1) - (3) No change.

(4) When determining eligibility for the 100 Percent Program, resources shall be disregarded in accordance with Section 50401(b).

(b) Period of Eligibility:

(1) ~~For children born after September 30, 1983,~~ the The period of eligibility for the 100 Percent program shall begin no earlier than the first day of the month of the child's sixth birthday unless the child is an inpatient for whom medical services are provided during a continuous period that began before his/her sixth birthday and he/she remains eligible under Section 50262 or 50262.5. Once the continuous inpatient stay ends, the child must be evaluated for the 100 Percent program if he/she has not attained age nineteen.

(2) No change.

(c) No change.

NOTE: Authority cited: Sections 10725 and 14124.5, Welfare and Institutions Code.

Reference: Sections 14005.1, 14005.23, 14007.5, and 14050.1, Welfare and Institutions Code; and Title 42, Sections 1395(a)(3)(E), 1396a(a)(10)(A)(i)(VII), (e)(7), (U), and 1396b(v), and 1396a(U)(1)(D), United States Code.