

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



California
Department of
Health Services

SANDRA SHEWRY
Director



ARNOLD SCHWARZENEGGER
Governor

May 14, 2004

MEDI-CAL ELIGIBILITY PROCEDURES MANUAL LETTER NO.: 288

TO: ALL HOLDERS OF THE MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

**SUBJECT: ARTICLE 5B – FOUR-MONTH CONTINUING ELIGIBILITY,
TRANSITIONAL MEDI-CAL, AND WEDFARE**

Enclosed are updated pages and forms for the Transitional Medi-Cal (TMC) program. The changes and additions are marked with a black line in the right hand margin.

Statements and questions, which reference the second year of state-only TMC, have been removed including the Notices of Action (NOAs) for this program. The TMC NOAs and the flyer have been revised so that they no longer include a statement about a second year of TMC and the back now includes a box for date of birth and case number. The Spanish version of MC 357 is also provided.

Filing Instructions:

Remove Pages:

Article 5
Page 5B 3-14
Pages 5B 23-28
Pages 5B 32 and 33

Insert Pages:

Article 5
Pages 5B 3-14
Pages 5B 23-28
Page 32

If you have any questions, please contact Ms. Margie Buzdas at
(916) 552-9481

Original signed by

Beth Fife, Chief
Medi-Cal Eligibility Branch

Enclosures



MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

2. TRANSITIONAL MEDI-CAL (TMC)

Effective in California on April 1, 1990, (pursuant to the Family Support Act of 1988, which added Section 1925 to Title XIX of the Social Security Act), the TMC program increased no-cost continuing Medi-Cal from four to a maximum of twelve months for families who were discontinued from AFDC due to an increase in the earnings or hours from employment of the caretaker relative, or principal wage earner. Section 1925 also replaced the Nine-Month Continuing Eligibility program which offered nine months of continuing eligibility for persons who were discontinued from AFDC due solely to the expiration of the \$30 plus 1/3 or the \$30 earned income disregard. Under TMC, persons received a maximum of 12 months of no-cost Medi-Cal providing that they were members of a family who received AFDC in at least three of the six months immediately preceding the month in which they became ineligible for AFDC. Since this program was an incentive for families to obtain full time employment, increases in non-job related earned income such as state disability income which cause AFDC ineligibility did not qualify the family for TMC.

On January 1, 1998, pursuant to PRWORA and state law, Section 1931(b) of the Social Security Act as described above in Four-Month Continuing Coverage, was implemented. Now, any reference to AFDC has been changed to mean the CalWORKs or the Section 1931(b) program. Neither CalWORKs nor Section 1931(b) has time limits on their earned income disregard although there are time limits on receipt of aid for adults. For recipients, these programs do not base unemployment on the 100-hour rule, i.e., on hours of employment; however, increased earnings from employment can make them ineligible for both programs. As with Four-Month Continuing Medi-Cal, all persons terminated from CalWORKs for increased earnings from employment must first be evaluated for Section 1931(b). If they are eligible, they may remain on the Section 1931(b) program indefinitely. If they are not eligible, they are evaluated for TMC.

Effective October 1, 1998, Section 73 of AB 2780 (Chapter 310, Statutes of 1998) added Section 14005.81 to the Welfare and Institutions (W&I) Code which established a second year of state-only funded TMC for persons who received the first year of TMC and who are age 19 years old or older. Counties were requested to report any pregnant women to MEDS if they were eligible for the Income Disregard (200 Percent) program with the second year TMC aid code and the appropriate Secondary Percent program aid code in order to claim federal financial participation. There was no Edwards process for those being terminated from the second year of TMC. Counties were to evaluate those persons for any other Medi-Cal program as usual. Effective September 30, 2000, Senate Bill 87 (Chapter 1088, Statutes of 2000) amended Section 14005.81 of the W&I Code that eliminated quarterly status reporting for the second year of Transitional Medi-Cal. A request to waive federal law and eliminate status reporting for the first year of TMC was denied by the Centers for Medicare and Medicaid Services (formerly the Health Care Financing Administration). AB 1762 (Chapter 230, Statutes of 2003) eliminated the state-only second year of TMC. No new persons were added to this program after September 30, 2003. Counties were required to determine whether those persons were eligible for any other program prior to terminating them.

The following examples illustrate situations in which the family may or may not be eligible for TMC coverage:

Example 1: A family received CalWORKs for 18 months. The parents were terminated because the time limit to receive aid expired, but the children continued on CalWORKs. The parents were determined eligible for Section 1931(b) (Aid Code 3N). In the next month, because the PWE's earnings increased, the family was terminated from cash and Section 1931(b). Because the children were eligible for CalWORKs and the parents for Section 1931(b) in three of the last six months, the family is entitled to TMC.

MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

Example 2: A family is receiving CalWORKs. The PWE just started working over 100 hours. The PWE would not be subject to the 100-hour rule. However, assume the increase in earnings makes the family ineligible for CalWORKs. The county evaluates the family for Section 1931(b). Assume the family's income does not exceed the Section 1931 (b) limits. This family is on Section 1931(b) and does not need TMC.

A. Period of Eligibility

Benefits shall begin the month in which the family became ineligible for CalWORKs or Section 1931(b). If the family received no share-of-cost Medi-Cal under aid code 38 or a CalWORKs overpayment occurred after the date the family became technically ineligible for CalWORKs, those months count towards the 12 month TMC limit and the family would only receive the remainder the 12 months depending on how many months were remaining. The same rule applies if the family should have been terminated from Section 1931(b) Only or the family moves out of state then returns within the Initial or Additional TMC period.

Example 1. (Prior to the Implementation of the Section 1931(b) program)

If the family inadvertently received Medi-Cal-Only under aid code 38 rather than TMC for three months, the family would only receive the remaining three months of initial TMC (aid code 39). Since the same zero share-of-cost Medi-Cal is available under TMC and aid code 38, counties do not have to make any retroactive adjustments for the first three months. However, if theoretically, the family received Medi-Cal with a SOC during the first three months, the county would have to ensure the family received zero SOC TMC for the first three months.

Example 2. (After the Implementation of the Section 1931(b) program)

Persons terminated from CalWORKs must be evaluated for Section 1931(b) prior to the county determining eligibility for TMC. If they are eligible for Section 1931(b), they would remain on that program until some change caused them to be ineligible. Those persons who received CalWORKs for three of the last six month, were terminated from CalWORKs due to increased earnings and are not eligible for Section 1931(b) would then receive TMC. Persons who received Section 1931(b)-Only for three of the last six months and are terminated for increased earnings or hours of employment are also eligible for TMC even if they were never a recipient of CalWORKs.

B. Conditions of Eligibility

1. Initial Six-Month Period

The first six-month period has no eligibility requirements other than the family must continue to have a child living in the home and the family must reside in California. Persons age 18 or older are not eligible as children for CalWORKs, Section 1931(b), or the first year of TMC unless they are 18, enrolled in school and expected to graduate before their 19th birthday.

2. Additional Six-Month Period

The additional six-month period requires that in addition to the above requirements, that the family must remain employed unless good cause exists, received Initial TMC for the entire six-month period, and meet certain reporting requirements unless good cause for failure to report exists. The family's average gross monthly earnings less child care costs necessary for the employment of the caretaker relative or principal wage earner may not exceed 185 percent of the FPL for a family of the same size.

MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

Example A: The only child left the home in the third month of the Initial TMC period. The family was terminated from TMC. In the fifth month, the child returned. The family is eligible to receive the remaining two months of the Initial TMC period; however, they are not eligible for additional TMC because they did not receive the entire initial six months of TMC.

Example B: The family moved to another state in the first month of the Initial TMC period. Although the family continues to meet all the TMC requirements, benefits must be discontinued because they are no longer in California. The family returned to California in the third month of the Initial TMC period. They may receive the remainder of the Initial six-month period and the six months of Additional TMC if they are otherwise eligible since the family continued to be eligible for TMC even though they did not actually receive TMC when they were living out of state. This is an exception to the rule that the family must have actually received the entire Initial period of TMC. This rule also applies to the second six month period.

C. Determining the TMC Family Members

1. Eligible Persons

In addition to the individuals who were included in the CalWORKs or Section 1931(b) family unit at the time the family lost eligibility, those who did not receive, but who were members of a family who received CalWORKs or Section 1931(b) and family members who enter the home during the Initial or Additional six-month period may be added to the TMC case.

These persons include:

- Newborn or adopted children.
- Persons under CalWORKs sanction for failure to cooperate with GAIN or other sanctions whose income was included in that unit.
- Persons who would have been considered family members for CalWORKs or Section 1931(b) if they had been in the home in the month the family was determined to be ineligible or whose income and resources would have or were counted in the budget regardless of whether deprivation exists now.
- Persons in the family who were terminated from Supplemental Security Income (SSI) due to increased earnings from other family members on CalWORKs or Section 1931(b).
- Other CalWORKs sanctioned or ineligible persons such as undocumented aliens, fleeing felons, etc. whose income but not needs were included in that unit or who were receiving Section 1931(b).
- Children, parents, or spouses who are members of a family who are eligible for TMC.

The earned income of an individual who has entered or returned must be included in the gross family TMC income assessment if he/she wishes to receive TMC. Persons added to the TMC case only receive TMC for the remainder of the family's TMC period. NOTE: An absent parent or spouse who returns home with earnings from employment which causes the family to lose CalWORKs or Section 1931(b) no longer qualifies the family for TMC. (See Wedfare). NOTE: MEDS allows counties to add persons to TMC who were not in a CalWORKs, Edwards, or Section 1931(b) aid codes in the previous month.

MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

2. Ineligible Persons

The following persons are not eligible for TMC:

- Persons who were not eligible for CalWORKs or Section 1931(b) and whose income and resources were not counted when determining family members who were receiving CalWORKs or Section 1931(b) such as the non-needy caretaker relative.
- Persons terminated from CalWORKs or Section 1931(b) due to the change in the treatment of state disability insurance (SDI) payments from unearned to earned income are not eligible for TMC since this is not considered actual earnings from employment.
- Persons who were convicted of fraud during the last six months in which the family was receiving Section 1931(b)-Only are also not eligible for TMC.
- Persons who remain eligible for Section 1931(b) because they are a Sneed class member and they are in a separate MBU.
- Persons who do not meet the CalWORKs definition of a child (over 18 and not enrolled in school and expected to graduate by age 19) are not eligible for TMC unless they met the definition of a child when Initial TMC was approved. A child who becomes an adult during the TMC period may remain in TMC unless he/she is the youngest child in the home. In that case, the entire family must be terminated from TMC.
- Family members who were terminated from CalWORKs or the 1931(b) program due to the loss of deprivation when a parent or spouse with earnings from employment returns home or is added to the family. This was a Welfare case and that program has ended.

3. Persons Leaving the Home

TMC will continue for families if the parent/spouse or children leave the home in either the Initial or Additional TMC period; however, the remaining TMC family must continue to reside in the State and include a child. The family size will be reduced when comparing average earned income during the Additional six-month period since the person(s) who left will no longer be included in the MBU. The family's earned income may also be reduced to the extent the person who left had earned income. If the family size has changed during the preceding three-month period, use the current family size.

D. Determining the Causal Relationship ("Entirely or Partially")

Loss of CalWORKs or Section 1931(b) eligibility would be considered to be "because of" an increase in hours or earned income if the increase in hours or earned income from employment was, by itself or in combination, sufficient to make the family ineligible.

Step 1.

Determine if the increase in hours or earnings from employment would have resulted in the loss of CalWORKs or Section 1931(b) eligibility if all other factors in the case remained the same (i.e., as if there were no other change in income, no change in family composition, no change in income standards, etc.) If yes, the family is eligible for TMC. If no, go to Step 2

Step 2.

Determine if events other than the increase in hours or earnings from employment would have resulted in loss of CalWORKs or Section 1931(b) eligibility if the income (hours or disregards) had stayed the same. If yes, the family is not eligible for TMC. Do not go to Step 3. If no, go to Step 3.

MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

Step 3.

Determine whether the family is ineligible for CalWORKs or Section 1931(b) when all changes are considered. If yes, the family is eligible for TMC. The increase in earnings from employment was essential to the loss of CalWORKs or Section 1931(b) eligibility. Without that increase, the family would not have lost CalWORKs or Section 1931(b) eligibility.

Example A: The caretaker relative, in a family with no other income, becomes employed on June 1 and reports countable earned income of \$400 in June. At the same time the caretaker relative reports that beginning with June, the family is receiving monthly unearned income of \$800. Assume the CalWORKs standard is \$775 and the family is no longer eligible for CalWORKs or Section 1931(b) in June due to excess income which is both earned and unearned.

Step 1. Did the increase in income result in termination if all other factors remained the same? The answer is "no". The earned income of \$400 alone did not result in the loss of CalWORKs or Section 1931(b). That is, if all other factors in the case remained the same, (the \$800 unearned income did not begin), the \$400 would not have caused ineligibility. Continue to Step 2.

Step 2. Did other events cause the termination? The answer is "yes". The unearned income alone would have resulted in the loss of CalWORKs or Section 1931(b). Therefore, the family is not eligible for TMC. Do not continue to Step 3.

That is, the \$800 increase in unearned income was sufficient alone to make the family ineligible for AFDC even if all other factors stayed the same.

Example B: The principal wage earner (PWE), in a family with no other income, becomes employed on June 1 and reports countable earned income of \$700 in June. In July, one child leaves the household. As a result, the income standard for the family in July is reduced to \$624. The family is no longer eligible for Section 1931(b) in July due to excess income, all of which is earned. However, the family is not eligible for TMC because the earnings of the PWE did not increase in July, the month in which Section 1931(b) eligibility was lost.

Example C: A caretaker relative is employed and has monthly countable earned income of \$375. The caretaker relative reports that she no longer has to pay for day care in June because free care is available. Without child care expenses, her countable earned income increased to \$750 in June.

The family is no longer eligible for Section 1931(b) in June because of excess income. However, the family is not eligible for TMC because the earnings of the caretaker relative did not increase in June, the month in which Section 1931(b) eligibility is lost.

Example D: A mother and her child are recipients of Section 1931(b) on the basis of absence of the father. The father returns home and is determined to be the PWE. He is working over 100 hours and the parent's earned income is over the U- Parent limit which is required because there has been a change in deprivation. The family's income is also over the Section 1931(b) limit. This family is not eligible for TMC because the family was discontinued from Section 1931(b) due to loss of deprivation (and a change in family composition) rather than increased hours or earnings from the father's employment. NOTE: The Welfare program (described in Section 3) is no longer applicable.

MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

E Reporting Requirements

1. The family should receive a Notice of Action (NOA) upon approval of TMC which also inform them to keep their earning and child care receipts.
2. In the third month, the MC 176 TMC status report should be sent to the family informing them to report by the 21st day of the next month (fourth), the family's gross monthly earnings and the cost for child care necessary for the employment of the caretaker relative or principal wage earner for the preceding three months (months 1, 2, and 3). In the sixth month, the MC 176 TMC status report should be sent to the family informing them to report the same information by the 21st day of the next month (seventh), for each of months 4, 5, and 6 and in the tenth month for months 7, 8, and 9.

This status form (MC 176 TMC) has been revised so that more information is requested so that the county can evaluate the family for other Medi-Cal programs if the family is no longer eligible for TMC. The earnings from employment and child care costs are used to determine whether the family is eligible for the additional six months. If the income goes down, the family should be reevaluated for Section 1931(b) or other no cost Medi-Cal programs. Families who fail to report by the 21st day of the required months must be provided a ten-day notice prior to termination unless the county determines that they have good cause for filing late as specified in Title 22, Section 50175 of the California Code of Regulations.

F. Determining Earned Income

Family earnings must remain at or below 185 percent of the FPL to be eligible for additional TMC. The average monthly gross earnings for the preceding three-month period after deduction of any monthly child care expenses necessary for the employment of the caretaker are compared to 185 percent of the FPL for the current family size even if some family members are not eligible for TMC. Child care expenses that are reimbursed by the State are not allowable nor are any other deductions. Family earnings include those of a child as well as the parent(s) or parent and stepparent. Sneed rules apply. Persons who are not eligible for TMC and are receiving Medi-Cal under another program such as the Section 1931(b), Medically Needy, or Medically Indigent program (except PA or Other PA) are included in the TMC case to determine family size. Their earnings from employment are counted to determine whether the family is eligible for the second six months of TMC. A person who is not receiving any Medi-Cal benefits and does not wish to be added to the TMC case, such as a absent parent returning home during the TMC period of his family, is not required to be included and his/her income is not counted, nor is he/she considered in the family size.

Example: The Smith family budget (four members of the household).

<u>Month</u>	<u>Gross Earned Income</u>	<u>Child Care Expenses</u>
May	\$200	\$ 95
June	\$300	\$105
July	<u>\$400</u>	<u>\$100</u>
Total	\$900	\$300

Average Monthly Gross Income = \$900 divided by 3 = \$300

Average Monthly Child Care = \$300 divided by 3 = \$100

Adjusted Monthly Income \$200

A family is income eligible for TMC when its "adjusted" monthly income is less than or equal to 185 percent of the FPL for a family of that size. For purposes of the TMC program, adjusted monthly income is the family's average monthly gross income less the family's average monthly expenses for child care. Thus, in the above example the family is income

MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

eligible for TMC because its adjusted monthly income of \$200 is less than 185 percent of the FPL for four persons. After calculating the adjusted monthly income, round it to the nearest dollar before comparing to the 185 percent of the FPL income standard. Use the usual Medi-Cal rounding rules: if the decimal number is .49 or less, round down; and if the decimal number is .50 or larger, round up. Unearned income is not counted when computing this income test. Individuals receiving TMC are not affected by excess resources.

NOTE: Self employed persons are allowed to deduct actual business expenses from their gross earnings, but they are not allowed the 40 percent "deduction" from their total business revenue as may be allowed in the Section 1931(b) program.

If the family had no earnings in one or more of the months in the preceding three-month period unless the lack of earnings were due to involuntary loss of employment or illness, the family is no longer eligible for TMC. Evaluate the family for Section 1931(b). NOTE: It may be more beneficial to put the family back on Section 1931(b) even though they are still eligible for TMC if they involuntarily lost their job or the PWE is now incapacitated.

G. Intercounty Transfer

Persons receiving TMC who move to another county are treated no differently from any other family receiving regular Medi-Cal in accordance with Section 50137.

H. Aid Codes

39 Initial TMC Full Scope

Persons who are eligible for initial TMC should be reported to MEDS under aid code 39.

59 Additional TMC Full Scope

Persons who are eligible for additional TMC should be reported to MEDS under aid code 59.

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

This initial six-month aid code should be used for aliens who do not have satisfactory immigration status (SIS).

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.

I. MFBU Composition, Linkage, and Sneede v. Kizer

Persons receiving TMC shall be ineligible members of the MFBU of those persons who are not eligible for TMC when determining Medi-Cal eligibility for other family members and may use their noncovered Medi-Cal health care costs to reduce other family members' or responsible relatives' share of cost in accordance with Section 50379 and the Sneede v. Kizer lawsuit settlement.

It is possible that some persons will be eligible for Section 1931(b) and some will be eligible for TMC because deprivation still exists for certain family members. For example, assume unmarried parents with mutual and separate children are eligible for Section 1931(b) based on the father's incapacity. The father recovers and is determined to be the Principal Wage Earner. Since he is working 100 hours or more and there has been a change in

MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

circumstances, the earned income U-Parent test is required to determine whether deprivation continues. The family fails this test. Dad and the mutual children are eligible for TMC due to increased hours of employment, but the mother and her separate children are still income eligible for Section 1931(b) as recipients based on absence of the separate children's father. It is also possible that a family is eligible for TMC, but their 20 year old "child" is not because he/she does not meet the definition of a child for Section 1931(b) or the first year of TMC. He is aided as an MI.

Due to Sneed rules, some persons may continue to be eligible for Section 1931(b) even if some of the other family members are over the income or resource limits and eligible for TMC. Section 1931(b) persons may continue to receive Medi-Cal until they are no longer eligible. If they have received Medi-Cal under the Section 1931(b) program for three of the last six months, and have been terminated for increased hours or earnings from employment, they are then entitled to TMC for the entire TMC period if they remain eligible even though other members of the family have already been receiving TMC in prior months. They will have status reporting due dates different from the other members of the family who began TMC in earlier months.

J. Returning to CalWORKs or Section 1931(b)

If a family returns to CalWORKs or Section 1931(b) during any of the TMC periods and is then terminated due to another reason which does not meet the requirements of TMC, e.g., is not related to employment or does not meet the three out of the preceding six-month requirement, the family is eligible for the remainder of the original TMC period if they are otherwise eligible. The months of zero share-of-cost Medi-Cal which the family received when they returned to CalWORKs, aid code 38, or Section 1931(b) are counted as if TMC were received in those months, i.e., they are counted as part of Initial or Additional TMC for purposes of determining the remaining months in the original TMC period. If they meet the requirements of TMC when terminated, they are evaluated again for a new initial TMC period.

Example: The family was terminated from CalWORKs due to increased hours or earnings from employment of the caretaker relative. They received TMC for four months. The caretaker became unemployed and the family was again eligible for CalWORKs. After two months, the caretaker found another job and was terminated from CalWORKs. The family is not eligible for a new Initial TMC period because they did not receive CalWORKs or Section 1931(b) for three out of the preceding six-month requirement. They are eligible to receive an additional six months of the original TMC period (if all other eligibility criteria are met) because the two months of CalWORKs cash-based Medi-Cal counted as if TMC were received and this completes the initial TMC period.

K. The TMC Flyer

Senate Bill (SB) 391, Chapter 294, Statutes of 1997, amended Section 14005.76 of the Welfare and Institutions (W&I) Code to require the Department of Health Services (DHS) to implement certain informing provisions in the TMC program. The first informing provision was to be implemented May 18, 1998. This section now requires that:

- A written TMC notice (flyer) be given to CalWORKs and Section 1931-Only recipients at the time that Medi-Cal eligibility is conferred and every six months thereafter. The Department developed a TMC flyer and form to meet this requirement. Counties are responsible for providing the flyer and form to new beneficiaries. Counties may provide the flyer and notice to applicants rather than newly approved beneficiaries if it is more convenient. DHS will mail the flyer and notice to these persons every six months.

MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

- The above flyer and form are to be provided to recipients when they are terminated from Section 1931-Only for failure to meet reporting requirements

Assembly Bill 2780, Chapter 310, Statutes of 1998, Section 11265.9 of the Welfare and Institutions Code required the Department of Social Services (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 for reasons other than fraud. However, DSS stated in All County Information Notice No I-08-02 on January 28, 2002, that this flyer and form will be discontinued because SB 87, Chapter 1088, Statutes of 2000, requires that all persons who are terminated from CalWORKs must continue to receive ongoing Section 1931(b) benefits until they are determined ineligible

L. Questions and Answers

1. Should counties terminate the family from TMC if the only child turns 18 and is not enrolled in school and expected to graduate before age 19 or was enrolled in school and turns 19 during the TMC period?

Yes. The family must have at least one eligible child living in the home to receive TMC.

2. If married parents with mutual and separate children were terminated from Section 1931(b) due to increased earnings and are eligible for TMC, but one child with income was previously only eligible for the Percent programs and now has a share of cost, is the child also now eligible for TMC?

Yes. The child may be added to the TMC case with the parent.

3. Is the family eligible for TMC if they lose CalWORKs or Section 1931(b) due to increased earnings from State disability, or temporary Workers Compensation?

No. Only an increase in earnings from actual employment can make the family eligible for the TMC program.

4. If a family's income drops while receiving TMC, should counties redetermine eligibility for Section 1931(b) or CalWORKs?

Yes. Section 1931(b) is more beneficial to the family since there are no time limits. However, the family must pass the U-Parent earned income test if the PWE is working 100 hours or more and must meet applicant rules if they do not return to Section 1931(b) within four months.

5. If a family received CalWORKs for two months before being terminated and Section 1931(b) for two months before being ineligible due to increased earnings from employment, can they have TMC based on receiving CalWORKs or TMC for three of the last six months?

Yes.

6. In the second six months, do we use the limit for the entire family even if there is a 20-year-old who is not receiving TMC when comparing the TMC family's average last three month's earnings minus child care deductions to 185 percent of the Federal Poverty Level? If yes, do we also include the income of other family members receiving Medi-Cal who are not eligible for TMC?

MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

Yes. The family size includes everyone who is a family member in the household if they are receiving TMC or other Medi-Cal with the exception of a person who is PA or Other PA. The earned income of the other family members who are being aided in another aid code is also included when comparing the total to the 185 percent limit.

7. If the TMC flyer is returned months after the CalWORKs or Section 1931(b) case has been terminated and it is determined that the family was terminated for increased earnings from employment, should the county process the case for TMC?

Yes. If the family still meets the TMC eligibility criteria, they may be eligible for TMC if they are not eligible for Section 1931(b). The county must report the TMC aid code 39 retroactively to MEDS immediately following the CalWORKs, aid code 38, or Section 1931(b) aid code when they were terminated and the family may only receive the remainder of the initial TMC period. If eligible for the next six months, they may continue.

8. May an employed parent return home and be added to the TMC case with the other parent and children?

Yes. He/she may be added if his/her income/resources would have been included in the CalWORKs or Section 1931(b) case. If he/she chooses to be added, his/her income will be counted. Once added, he/she may not be later excluded.

9. May an 18-year-old child who is not enrolled in school return home and be added to the TMC unit?

Not unless he/she would have met the definition of a child if he/she had been in the home at the time that TMC began.

10. May undocumented parents be added to the TMC unit with their children if their citizen children were terminated from CalWORKs due to increased earnings of the PWE and the family is not eligible for Section 1931(b) even if the parents never received benefits under Section 1931(b)?

Yes. The parents could receive restricted TMC benefits because they were members of a family who received CalWORKs and their income was used in the CalWORKs determination.

11. If the family is determined to have excess property during the TMC period or at the time of the TMC determination, is the family still eligible for TMC?

Yes. There are no property requirements for the TMC program.

12. May a family be discontinued from TMC for failure to complete a request for information that is not required for the TMC program?

No. Redeterminations are not required for TMC coverage and such failure to cooperate has no effect on TMC. However, counties should request the completion of forms, information, or verifications that are required to conduct a redetermination of eligibility for other Medi-Cal programs that may begin when TMC coverage ends. The redetermination for ongoing eligibility under other Medi-Cal programs must be conducted prior to discontinuance so the beneficiary is transitioned into the appropriate aid code without a break in aid.

MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

13. If the stepparent with no children of his/her own is not the PWE and his/her earnings from employment cause the family to lose Section 1931(b), is the family eligible for TMC?

Yes, if the parent and the stepparent agree that the stepparent is the caretaker relative. Counties are not required to verify this for TMC purposes.

14. Is there a limit to amount of child care expenses which are necessary for the employment of the parents or spouse of a parent?

No.

15. If the county receives information that would cause the TMC family to lose eligibility, e.g., the earned income went above the 185 percent FPL limit in the Additional TMC period, may the county take action to terminate the family prior to the date the TMC status report is due?

No. Federal law only requires the family to report on specific dates and the earned income must be the average of the previous three months minus child care expenses.

16. A caretaker relative aunt and child were receiving CalWORKs until the aunt became employed and was discontinued from CalWORKs. The child continues to be eligible for CalWORKs. The aunt was determined not eligible for Section 1931(b). Is she eligible for TMC?

Yes. A parent or a caretaker relative may receive TMC if he/she meets the criteria even though the child is still receiving CalWORKs.

17. If a family exceeds the 185 percent TMC income limit in months one, two, and three, but reports that in month four their income will remain below 185 percent, would they be eligible for the additional six months of TMC?

No. The income test is the average of the last three months; however, they may be eligible for Section 1931(b) if their income was below that limit.

3. WEDFARE

Wedfare was a federal demonstration project initiated by the Department of Social Services that was effective October 1, 1995, and provided TMC to families who were discontinued from AFDC due to marriage or the reuniting of spouses. These families were discontinued because of excess assets, excess income, or they no longer met the deprivation requirements. This program did not apply to unmarried parents who reunited. This program did not apply to certain control cases in some counties. The same basic rules, regulations, and aid codes applied to persons receiving TMC due to the Wedfare program as those receiving TMC due to the loss of the disregard or increased hours or earnings from employment. Wedfare persons were not eligible for the Second Year of TMC. This special waiver group ended June 30, 1999. Families who were receiving TMC under the Wedfare provision continued receiving benefits until their maximum of one-year federal TMC benefits was completed.

MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

4. FORMS (English and Spanish)

1. MC 176 TMC Quarterly Status Report	Revised	11/00
2. MC 176 TMC (SP) Quarterly Status Report	Revised	11/00
3. MC 176 TMC A Quarterly Status Report (Pin Fed)	Revised	11/00
4. MC 176 TMC A (SP) Quarterly Status Report (Pin Fed)	Revised	11/00
5. MC 239 TMC-1 Approval	Revised	9/03
6. MC 239 TMC-1 (SP) Approval	Revised	9/03
7. MC 239 TMC 2 Denial/Discontinuance	Revised	8/03
8. MC 239 TMC 2 (SP) Denial/Discontinuance	Revised	8/03
9. TMC Flyer and the MC 325 Back	Revised	1/04
10. MC 323 Four-Month Continuing Approval	Revised	8/01
11. MC 323 (SP) Four-Month Continuing Approval	Revised	8/01
12. MC 357 Four-Month Continuing Denial/Discontinuance	New	11/01
13. MC 357 (SP) Four Month Continuing Denial/Discontinuance	New	11/01

MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

State of California—Health and Human Services Agency

Department of Health Services
Medi-Cal Program

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

(COUNTY STAMP)

Notice date: _____
Case number: _____
Worker name: _____
Worker number: _____
Worker telephone number: _____
Office hours: _____
Notice for: _____

TMC IS A PROGRAM THAT PROVIDES CONTINUING MEDI-CAL BENEFITS FOR UP TO ONE YEAR FOR PERSONS NO LONGER ELIGIBLE FOR THE 1931(b) MEDI-CAL PROGRAM AS A RESULT OF EARNINGS FROM EMPLOYMENT.

- ☐ You are eligible for initial TMC for the period _____ through _____.
- ☐ You are entitled to full benefits.
- ☐ You are entitled to emergency and pregnancy-related benefits.

You will continue to receive TMC during this period if you have an eligible child in the home and remain employed. Receiving these Medi-Cal benefits does not count against any CalWORKs program time limits.

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

- Return the status report which the county will send you by the 21st day of _____ and are 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 six months for the period _____ through _____.

To remain eligible for the additional six 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 six-month period. You must also:

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

When your additional six months of TMC benefits have ended, you will be evaluated for other Medi-Cal programs.

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.

MC 229 TMC-1 (1/03)

MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

State of California—Health and Human Services Agency

Department of Health Services
Medi-Cal Program

NOTIFICACIÓN DE ACCIÓN DE MEDI-CAL APROBACIÓN DE BENEFICIOS COMPLETOS O LIMITADOS BAJO EL PROGRAMA DE MEDI-CAL DE TRANSICIÓN (TMC)

(COUNTY STAMP)

Fecha de la notificación _____
Número del caso: _____
Nombre del trabajador: _____
Número del trabajador: _____
Número de teléfono del trabajador: _____
Horas hábiles: _____
Notificación para: _____

EL TMC ES UN PROGRAMA QUE PROPORCIONA BENEFICIOS CONTINUOS DEL PROGRAMA DE MEDI-CAL, DURANTE UN MAXIMO DE UN AÑO, A PERSONAS QUE YA NO REÚNEN LOS REQUISITOS BAJO EL PROGRAMA DE MEDI-CAL 1931(b), DEBIDO A SUS INGRESOS DE EMPLEO.

- ☐ Usted reúne los requisitos para recibir beneficios iniciales bajo el TMC durante el periodo del _____ al _____.
- ☐ Usted tiene derecho a beneficios completos.
- ☐ Usted tiene derecho a beneficios en caso de emergencia y relacionados con el embarazo.

Usted continuará recibiendo beneficios bajo el TMC durante este periodo, si usted tiene un(a) niño(a) que reúna los requisitos viviendo en su hogar, y usted sigue trabajando. El recibir estos beneficios de Medi-Cal no se toma en cuenta para cualesquier límites de tiempo del programa de CalWORKs.

Es posible que reúna los requisitos para recibir seis meses adicionales de beneficios del TMC, sin costo alguno, si usted:

- Devuelve el reporte sobre su situación, que el condado le enviará, a más tardar el día 21 de _____ y cae dentro de los límites de ingresos.
 - Adjunta, al reporte sobre su situación, una prueba de los ingresos mensuales en bruto de su familia, y los costos reales de cuidado de niños que usted pague. Guarde todos sus estados de cuenta de ingresos y sus recibos de cuidado de niños.
- ☐ Usted reúne los requisitos para recibir seis meses adicionales de beneficios durante el periodo del _____ al _____.

A fin de seguir reuniendo los requisitos para recibir los seis meses adicionales de beneficios del TMC, a usted se le requerirá completar y devolver dos reportes sobre su situación, que el condado le envíe durante este periodo. El primer reporte se vencerá el día 21 del primer mes, y el segundo reporte se vencerá el día 21 del cuarto mes de este periodo adicional de seis meses. Además, usted tiene que:

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

Cuando sus seis meses adicionales de beneficios del TMC se hayan terminado, se evaluará su situación, para determinar si reúne los requisitos para otros programas de Medi-Cal.

Siempre presente su Tarjeta de Identificación de Beneficios (BIC) a su proveedor médico, cada vez que necesite atención. Esta tarjeta es válida, mientras usted reúna los requisitos para recibir beneficios de 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

MC 239 TMC (ISP) (9/03)

MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

State of California—Health and Human Services Agency

Department of Health Services

MEDI-CAL NOTICE OF ACTION Transitional Medi-Cal (TMC) Denial or Discontinuance of Benefits

(COUNTY STAMP)

Notice date _____
Case number: _____
Worker name _____
Worker number _____
Worker telephone number: _____
Office hours _____
Notice for _____

- ☐ Your benefits under TMC will be discontinued effective the last day of _____.
- ☐ Eligibility for benefits under the initial TMC program ends _____
because:
- ☐ There is no longer a child in the home.
 - ☐ Other: _____
- ☐ Eligibility for benefits for the additional six months of TMC ends because:
- ☐ There is no longer a child in the home.
 - ☐ You failed to return a completed status report.
 - ☐ Your family's gross average earnings (less child care costs) exceed the limit.
 - ☐ The caretaker relative or principal wage earner is no longer employed.
 - ☐ Other: _____
- ☐ You are not eligible for:
- ☐ Initial TMC
 - ☐ Additional TMC
 - ☐ Any other Medi-Cal program

Here is the reason: _____

- ☐ You will receive a separate notice about your eligibility for the regular Medi-Cal program.

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.

MC 239 TMC-2 (8/03)

MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

State of California—Health and Human Services Agency

Department of Health Services

NOTIFICACIÓN DE ACCIÓN DE MEDI-CAL Medi-Cal de Transición (*Transitional Medi-Cal—TMC*) Negación o Suspensión de Beneficios

(COUNTY STAMP)

Fecha de la notificación _____
Número del caso. _____
Nombre del trabajador: _____
Número del trabajador. _____
Número de teléfono del trabajador _____
Horas hábiles. _____
Notificación para: _____

- ☐ Se descontinuarán sus beneficios bajo el Medi-Cal de Transición (*TMC*), a partir del último día de _____.
- ☐ La elegibilidad para recibir beneficios bajo el programa inicial del *TMC* termina el _____ porque:
- ☐ Ya no hay un(a) niño(a) en el hogar.
- ☐ Otro: _____
- ☐ La elegibilidad para recibir beneficios por los seis meses adicionales del *TMC* termina porque:
- ☐ Ya no hay un(a) niño(a) en el hogar.
- ☐ Usted no devolvió un reporte completado de situación.
- ☐ El promedio de los ingresos, en bruto, de su familia (menos los costos para el cuidado de los niños) sobrepasa el límite.
- ☐ El/la pariente encargado(a) del cuidado o el/la asalariado(a) principal ya no está empleado(a).
- ☐ Otro: _____
- ☐ Usted no reúne los requisitos para:
- ☐ El *TMC* Inicial
- ☐ El *TMC* Adicional
- ☐ Cualquier otro programa de Medi-Cal

Esta es la razón: _____

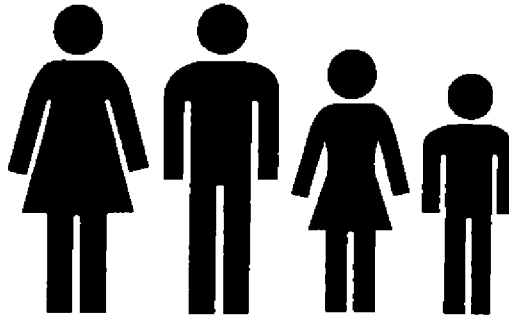
- ☐ Usted recibirá una notificación, por separado, acerca de su elegibilidad para el programa de Medi-Cal regular.

Siempre presente su Tarjeta de Identificación de Beneficios (*Benefits Identification Card—BIC*) a su proveedor médico, cada vez que necesite atención. Esta tarjeta es válida, siempre que usted reúna los requisitos para recibir beneficios de Medi-Cal. **NO TIRE A LA BASURA SU BIC.**

La regulación que requiere esta acción se establece en la Sección 50244, del Título 22, del Código de Regulaciones de California.

MC 238 TMC-2 (SP) (9/03)

TRANSITIONAL MEDI-CAL (TMC)



***TMC May Provide You and Your Family with
FREE Continued Medical Coverage For Up To 12 Months.***

If you:

- ☛ **Get a job, or**
- ☛ **Get more money from your job, or**
- ☛ **Get child or spousal support,**

tell your worker right away or complete the back of this form and mail it to your worker. You may still be eligible for no-cost Medi-Cal. Your worker will determine whether your Medi-Cal health coverage can continue.

Health care is important for you and your family. Receiving Medi-Cal does not affect your CalWORKs time limits.

If you can't read this notice, ask your worker for a translation.

Spanish: Si no puede leer esta notificación, pídale a su trabajador que se la traduzca.

Cambodian: បើអ្នកមិនអាចអានសេចក្តីជូនដំណឹងនេះទេ អ្នកអាចសួរការបកប្រែពីអ្នកការសុំសំណើរចូលរួមសេវាអ្នក ។

Chinese: 假如你看不懂这份通知，可以要求你的工作人员帮助你翻译。

Russian: Если Вы не можете прочитать и (или) понять это извещение, попросите Вашего работника перевести

Vietnamese: Nếu quý vị không biết tiếng Anh để hiểu nội dung thông báo này, hãy xin nhân viên phụ trách tìm người dịch giúp cho quý vị

MC 325 (1/04)

MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

State of California—Health and Human Services Agency

Department of Health Services

REQUEST FOR TRANSITIONAL MEDI-CAL (TMC) OR FOUR MONTH CONTINUING MEDI-CAL

Did your Medi-Cal or CalWORKS cash aid stop and:

• You or your family has earnings from a job, self-employment, or a pay raise?

☐ Yes ☐ No

• You or your family started receiving or had an increase in child/spousal support payments?

☐ Yes ☐ No

If you answered "YES" to either of these questions, you and other family members may still be eligible for Medi-Cal. Complete the form and attach your and your spouse's or other parent's most recent pay stubs or other proof of earnings. If you are self-employed, list business costs on a separate sheet of paper and attach proof of income and costs.

RETURN THIS REQUEST FORM TO YOUR COUNTY WORKER OR YOUR WELFARE OFFICE. DO NOT RETURN THIS FORM TO THE CALIFORNIA DEPARTMENT OF HEALTH SERVICES.

Please type or print clearly.

Name	TOTAL HOURS WORKED IN REPORT MONTH	DATE PAID	MM DD YY	MM DD YY	MM DD YY	MM DD YY	MM DD YY
Employer/source		GROSS AMOUNT	\$	\$	\$	\$	\$
Name	TOTAL HOURS WORKED IN REPORT MONTH	DATE PAID	MM DD YY	MM DD YY	MM DD YY	MM DD YY	MM DD YY
Employer/source		GROSS AMOUNT	\$	\$	\$	\$	\$
Name	TOTAL HOURS WORKED IN REPORT MONTH	DATE PAID	MM DD YY	MM DD YY	MM DD YY	MM DD YY	MM DD YY
Employer/source		GROSS AMOUNT	\$	\$	\$	\$	\$

Did your family have any other changes, such as someone moved in or out of the house or was married, divorced, or became pregnant? ☐ Yes ☐ No If yes, please explain _____

I declare under penalty of perjury that all information provided is true and correct.

Name	Date of birth	Social security number
Signature	County case number	Telephone number
Address (number street)	City	ZIP code
Signature of witness, interpreter or person assisting	Date	Telephone number

MC 325 (1/04)

MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

State of California—Health and Human Services Agency

Department of Health Services
Medi-Cal Program

NOTIFICACIÓN DE ACCIÓN DE MEDI-CAL NEGACIÓN O DESCONTINUACIÓN DE BENEFICIOS DEL PROGRAMA DE CUATRO MESES CONTINUOS

(COUNTY STAMP)

Fecha de la notificación _____
Número del caso: _____
Nombre del trabajador: _____
Número del trabajador: _____
Número de teléfono del trabajador: _____
Horas hábiles: _____
Notificación para _____

El programa de Cuatro Meses Continuos de Medi-Cal es para familias a las que se les descontinuaron los beneficios de CalWORKs o de la Sección 1931(b) de Medi-Cal, debido a un aumento o recibo de pagos de mantenimiento para hijos o para cónyuges.

- ☐ Sus beneficios bajo el programa de Cuatro Meses Continuos se descontinuarán a partir del último día de _____.
- ☐ Usted no reúne los requisitos para el programa de Cuatro Meses Continuos.

Ésta(s) es/son la(s) razón(es):

- ☐ Usted no tiene un(a) niño(a) que reúne los requisitos viviendo en el hogar.
- ☐ Su único(a) niño(a) que reúne los requisitos sobrepasa la edad límite.
- ☐ Usted no recibió beneficios de CalWORKs o de la Sección 1931(b) durante tres de los últimos seis meses.
- ☐ Usted se mudó fuera de California.
- ☐ Otra: _____

Usted recibirá otra notificación, si usted reúne los requisitos para otro programa de Medi-Cal.

NO TIRE SU TARJETA DE IDENTIFICACIÓN DE BENEFICIOS (B/C) DE PLÁSTICO. Usted puede usarla de nuevo, si vuelve a reunir los requisitos, o si reúne los requisitos para otro programa de Medi-Cal.

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

MC 357 (SP) (11/01)