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Director

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



ARNOLD SCHWARZENEGGER
Governor

June 25, 2009

TO: ALL COUNTY WELFARE DIRECTORS Letter No.: 09-33
ALL COUNTY ADMINISTRATIVE OFFICERS
ALL COUNTY MEDI-CAL PROGRAM SPECIALIST/LIAISONS
ALL COUNTY HEALTH EXECUTIVES
ALL COUNTY MENTAL HEALTH DIRECTORS
ALL QMB/SLMB/QI-1 AND 250 PERCENT WORKING DISABLED
COORDINATORS

SUBJECT: PROCESSING ELIGIBILITY DETERMINATIONS FOR THE
250 PERCENT WORKING DISABLED PROGRAM

The purpose of this All County Welfare Directors Letter is to remind counties to instruct staff on the existence and benefits of the 250 Percent Working Disabled Program (WDP) when conducting eligibility determinations. While we have seen a slight increase in enrollment for the WDP, we want to ensure that individuals that are determined with high share-of-cost (SOC) are made aware of the WDP.

The benefits of the WDP include:

- Immediate payment certification on the first day of each month.
- Low monthly premiums as opposed to a high SOC.
- Medi-Cal coverage for services which Medicare does not cover, including In-Home Supportive Services benefits.
- If dually eligible, Medi-Cal pays for Medicare Part B premiums. May also separately qualify for Medi-Cal's co-pay and/or premium payment programs for qualified Medicare Beneficiaries (Medicare Savings Programs).
- Automatic enrollment in Medicare Part D Prescription Drug Plan.
- If dually eligible, automatic eligibility for the Medicare Part D Low Income Subsidy.
- Possible enrollment in Medi-Cal managed care.

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Counties must place working disabled individuals in the WDP whenever their Medi-Cal SOC exceeds their WDP premium amount, if otherwise eligible. Counties must then contact the individual to explain the advantages and disadvantages of the WDP versus the Medically Needy program with a SOC. Upon providing an explanation about both programs, the counties must allow the individual to choose which program they prefer.

Enclosed are two informational tools that county staff can provide to applicants for individuals undergoing Medi-Cal eligibility determinations. These informational tools will assist county staff in explaining the differences between the two programs:

- WDP Advantages/Disadvantages Sheet
- 250 Percent WDP Brochure

If you have any further questions, please contact Ms. Debra J. Hader at (916) 449-5280 or at debra.hader@dhcs.ca.gov.

Original Signed By:

Vivian Auble, Chief
Medi-Cal Eligibility Division

Enclosures

Enrollment in the 250 Percent Medi-Cal Working Disabled Program Compared to the Medically Needy Program With a Share-of-Cost

Potential Advantages to Enrolling in the Medi-Cal Working Disabled Program (WDP):

- Low monthly premium payments instead of a high share-of-cost.
- Access to medical care and In-Home Supportive Services benefits without a share-of-cost.
- If dually eligible, Medi-Cal pays for Medicare Part B premiums. May also separately qualify for Medi-Cal's co-pay and/or premium payment programs for qualified Medicare Beneficiaries (Medicare Savings Programs).
- Automatic enrollment in Medicare Part D Prescription Drug Plan.
- If dually eligible -automatic eligibility for the Medicare Part D Low Income Subsidy.
- Allows individuals to build or keep IRS-approved retirement accounts (i.e. 401k, 403b, deferred compensation plans, etc.). These accounts do not count towards the typical \$2,000 or \$3,000 asset/resource limit for Medi-Cal.
- Disability-related income (such as Social Security Disability Insurance, State Disability Insurance, Workers Compensation, etc.) **is not counted** when calculating countable income for monthly premium amount or maximum earnings.
- Allows individuals the choice to work full time, part time, or to be self-employed.
- Work is undefined for the purposes of qualifying for this program.
- After July 1, 2009, allows individuals that reside in Medi-Cal managed care counties to enroll in health plans resulting in additional providers to choose from and access to some no cost Medicare advantage plans.

Potential Disadvantages to Enrolling in the Medi-Cal Working Disabled Program:

- Requires monthly premium payments as opposed to paying a share of cost only when Medi-Cal services are required.

- Must be earning some amount of income every month and be able to prove earned income (letter from employer, photocopy of payment, paystub, contract or documentation of income from self-employment, such as W-2 forms, etc.).
- Disability income received after the age of 65 or after an individual reaches their full retirement age **is no longer exempt**. This income is considered retirement income and is counted when determining premium amount and maximum earnings.

Quick Facts

If you have a share of cost because of your earnings, or if you have been denied for Medi-Cal because you are working, you may qualify under this program.

If you also receive Medicare, enrolling in the Medi-Cal Working Disabled Program will automatically qualify you for the Medicare Part D Low Income Subsidy (plan-covered prescription drugs between \$1 and \$5).



What is required of me?

To qualify for the Medi-Cal Working Disabled Program you need to:

- Be a resident of the United States living in California.
- Meet Social Security's definition of a disability.
- Be employed full-time or part-time, including self-employment, with countable earnings at, or below, 250 percent of the Federal Poverty Level. "Work" is undefined for the purposes of this program and there is no minimum work requirement in order to qualify; however, you must be able to prove you are working and earning income.

Who should I contact for more information?

Contact your County Social Services Office if you think you may qualify for the Medi-Cal Working Disabled Program, or if you would like more information. Contact information for local programs can be found at the California Health Incentives Improvement Project website www.chiip.org.

Knowledgeable benefits planners are available to assist you in determining how your salary will affect your government benefits. The website www.db101.org offers current information on the Medi-Cal Working Disabled Program, other information for workers and job seekers with disabilities, a directory of local benefits planners, and benefits calculators which can help you determine how earning income may impact your cash benefits.

Request this information in alternate formats or languages (Spanish, Tagalog, Korean, Vietnamese, Chinese, Russian or Cambodian) by calling (916) 654-8194.

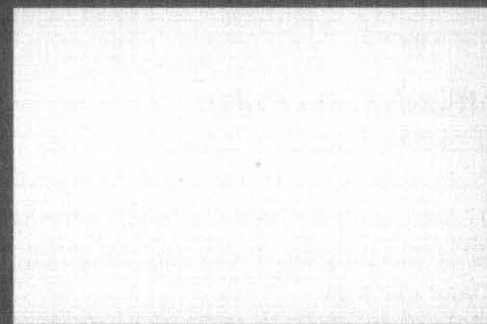
800.695.0350 Voice

916.654.9820 TTY

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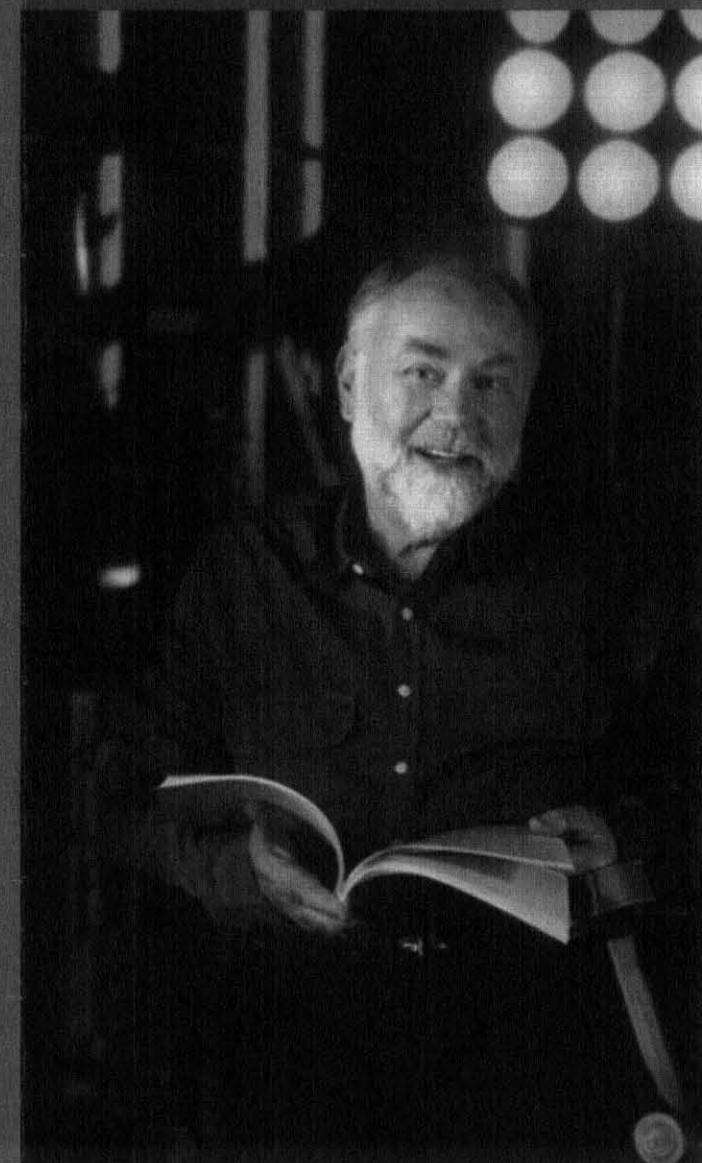
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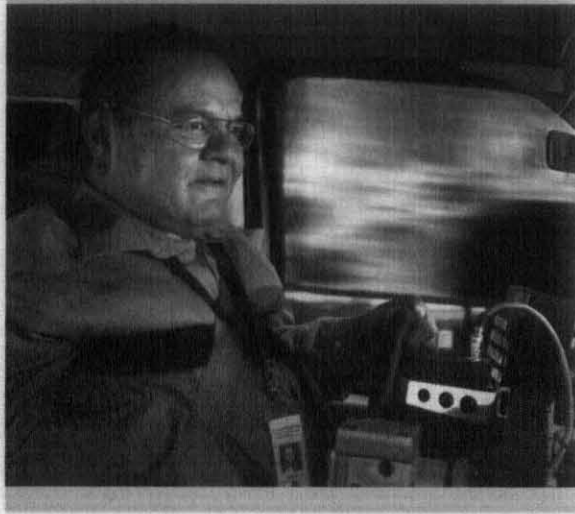


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The Medi-Cal Working Disabled Program

Talent Knows No Limits





Are you a person with a disability who wants to work?

If you have a share of cost because of your earnings, or if you have been denied for Medi-Cal because you are working, you may qualify under this program.

If you also receive Medicare, enrolling in the Medi-Cal Working Disabled Program will automatically qualify you for the Medicare Part D Low Income Subsidy (plan-covered prescription drugs between \$1 and \$5).

If you are a person with a disability and you work full-time, part-time, or are self-employed, you may be able to receive Medi-Cal health coverage. The Medi-Cal Working Disabled Program allows you to earn up to \$52,092 a year, or more, as an individual and still qualify for affordable Medi-Cal coverage.

What is Medi-Cal?

Medi-Cal is California's name for the federal Medicaid Program. Medi-Cal provides health coverage (including medical, dental, vision and personal assistance services) for low-income families and persons with disabilities who lack sufficient health coverage.

Why is continuing health coverage important?

Health coverage ensures that you receive on-going care, when you need it, by health providers who know your medical history. Health coverage provides preventive services and allows you to receive care when you are sick or injured.

How much can I earn?

As a single individual, for example, you can earn about \$4,300 a month in gross wages in 2007 and qualify for Medi-Cal health coverage, because this program does not count about half your earnings.

For your total monthly gross earnings, \$85 will be subtracted, and then only half of what remains is considered as countable earned income when Medi-Cal decides you are eligible. You may also be able to subtract your work expenses that are related to your disability.

Is there a premium?

Enrollees in the Medi-Cal Working Disabled Program pay a small monthly premium based on countable earned income.

Disability Income, such as Social Security Disability Insurance (SSDI), is not counted as income for this program.

For example:

- An individual whose gross income is between \$1,287 and \$1,485 (approximately) pays a monthly premium of \$25.
- A couple whose gross income is between \$1,287 and \$1,485 (approximately) pays a monthly premium of \$40.

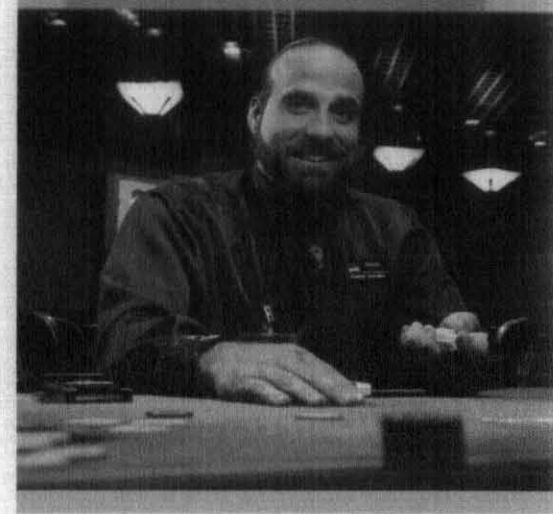
Using the Medi-Cal for the Working Disabled Calculator at **www.db101.org**, you can figure out the monthly premium amount you would pay.

Can I receive personal assistance where I work?

You may be eligible to receive personal assistance through Medi-Cal's In-Home Supportive Services (IHSS) program. Medi-Cal is unique compared to other health coverage in that it provides funding for personal assistance services through the IHSS program.

To use personal assistance services at work, you must first qualify for the IHSS program at home. After being approved for IHSS, you can transfer some of the service hours from the home to the workplace.

California law allows individuals with disabilities to use IHSS service hours to obtain, retain, or return to work. A county social services worker can advise you on the IHSS program.



What am I allowed?

- You can have \$2,000 as an individual, or \$3,000 as a married couple, in personal property, including cash, stocks, and some other items.
- You can own one car and the home you live in.
- You can have Individual Retirement Accounts (IRAs), Individual Development Accounts (IDAs), retirement plans, and deferred compensation plans. These kinds of savings are exempt and not counted in this program.
- You can receive disability income from Social Security, state or private disability insurance, or Worker's Compensation. Disability income is exempt and not counted in this program. However, your disability income may be impacted by the income you are earning from work. For more information on Social Security work incentives, visit **www.db101.org**.