

## DEPARTMENT OF HEALTH SERVICES

714/744 P STREET  
SACRAMENTO, CA 95814



November 25, 1986

TO: All County Welfare Directors  
All County Administrative Officers

Letter No.: 86-69

SUBJECT: DISABLED MEDICALLY NEEDY (MN) PERSONS SUBSEQUENTLY  
DENIED SSI BENEFITS

The purpose of this letter is to issue new policy and procedures for cases involving a disabled MN beneficiary who is subsequently determined not to be disabled by the Social Security Administration (SSA) for the SSI program. This new policy does not involve Title II disability determinations or any person receiving Medi-Cal based on Title II disability.

I Background

Previous policy on treatment of Disabled MN persons who have a subsequent SSI denial due to lack of disability has been that the county must refer such cases to DED for reexamination. This policy was developed by the Department pursuant to the Ninth Circuit Court order in Lopez v. Heckler and the Disability Benefits Reform Act (DBRA) of 1984. The Health Care Finance Administration (HCFA) has subsequently ordered the Department to terminate disability-based Medi-Cal benefits for any beneficiary later determined not disabled by SSA for SSI purposes. Such terminations will include only those individuals denied SSI disability status on medical or vocational grounds and will not include such non-substantive disability denials as failure to cooperate with SSA, insufficient evidence due to failure to attend a consultative examination, etc. In order to ensure that only substantive SSA disability denial cases are terminated, the Department will provide to the county on a monthly basis a list of the disabled MN cases to be terminated. This list will be generated monthly by computer match of DED federal program records against MEDS records to identify currently eligible individuals to be discontinued. This system will be known as the Disability Tape Match and Terminate System (DTMTS).

## II DTMTS Procedures

During the first week of each month, DTMTS will generate a list of cases denied SSI due to lack of disability. This list will be sent to the county in triplicate. A copy of the format is attached. Upon receipt of the list the county must take the following actions:

- A. Review the case to determine if another basis for eligibility exists (i.e., AFDC linkage, residence in long-term care, etc.).
- B. If another basis for eligibility exists, the county shall institute an interprogram transfer and take any other necessary action, such as recomputation of the share of cost.
- C. If no other basis for eligibility exists, the beneficiary shall be discontinued and a timely Notice of Action issued. This Notice shall contain the following regulation citations as a basis for discontinuance:

Title 22, CAC, Section 50203, 50223, 50167, 50169.

Notice Language: The Social Security Administration (SSA) has determined that you do not meet the disability criteria for the State Supplemental Income (SSI) Program. The federal Department of Health and Human Services has therefore ordered that the Medi-Cal benefits you are receiving based on disability must be discontinued.

## III Time Requirements

The DTMTS list shall be produced and sent to the county the first week of each month. The data matched will include the SSA disability denials and the MEDS eligibility history file for the previous month. The county shall discontinue or perform an interprogram transfer as quickly as possible considering timely Notice requirements. In no case should the time required for action delay the action beyond the end of month following the month the list is received in the county office. Example: Mr. A is determined to be disabled as of his application date of November 1, 1984 and is placed

on Medi-Cal. In November 1986 he applies for SSI. In December, 1986 Mr. A is denied SSI benefits on the basis that he has been determined not to be disabled for medical or vocational reasons. On January 3, 1987 the DTMTS matches December 1986 data and a list is issued to the county showing that Mr. A has been denied SSI due to lack of disability. The county reviews Mr. A's file and determines that there is no other basis for eligibility. The county should issue a timely Notice of Action which discontinues Mr. A no later than February 28, 1987.

#### IV DTMTS Listing Issuance

DTMTS listings will be issued to counties on a monthly basis in triplicate. Cases on these listings will be sorted by county first, then district office and finally worker identification number. Each page in the listing will be headed Disability Tape Match and Terminate System Worker Alert but will otherwise follow the standard MEDS Worker Alert format. DTMTS Worker Alerts will not, however, be issued along with regular MEDS Worker Alerts but will be mailed separately during the first week each month to the Medi-Cal Program Manager in each county. An individual other than the Medi-Cal Program Manager may be designated to receive the DTMTS listings provided the individual's name and address are provided as quickly as possible, but no later than December 15, 1986 to Maria Enriquez, Operations Section, Medi-Cal Eligibility Branch, (916) 324-7977.

#### V DED Referrals and Responsibilities

DED State Programs is not responsible for, and does not have any jurisdiction over, SSI disability determinations. Therefore, effective January 1, 1986, DED will only accept disability referrals on cases where there is no SSI application or the SSI application was prior to or concurrent with the Medi-Cal application period. DED will continue to take appropriate actions on such packets, i.e., adopt the federal decision where applicable or perform a full evaluation if required. However, where disability has already been established for Medi-Cal and the beneficiary is later denied SSI due to lack of disability no referral is to be submitted to DED. Such SSI denials which are based on a medical or vocational basis will be reported to the county through the

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DTMTS listing. DO NOT request a DED reexamination or review of DTMTS cases. SSI disability decisions made after the Medi-Cal disability decisions are final by HCFA order and must take precedence.

VI Hearing Requests

Timely hearing requests for discontinuances resulting from the DTMTS are to be granted Aid Paid Pending as set forth in state hearing requirements.

If you have any questions regarding the DTMTS listing, please contact Maria Enriquez, Operations Section, at (916) 324-7977. If you have any questions regarding the above procedures, please contact Toni Bailey, Policy Section, at (916) 324-4953.

Sincerely,

Original signed by

Frank S. Martucci, Chief  
Medi-Cal Eligibility

Attachment

cc: Medi-Cal Liaisons  
Medi-Cal Program Consultants

Expiration Date: January 1, 1988

## STATE OF CALIFORNIA

## DEPARTMENT OF HEALTH

REPORT NO.	REPORT DATE	.....TITLE.....	.....COUNTY.....	DISTRICT	WORKER
To Be Assigned	01/01/87	Disability Tape Match/Terminate	Sacramento	001	Menr
CASE NAME	PERSON NAME	BIRTHDATE	COUNTY ID	MEDS ID	
Disabled	Disabled, Adult	12/15/54	34-6X-1234567-0-01	123-04-5678	
Blind	Blind, Person	12/25/55	34-2X-1234567-0-02	123-45-6789	