

## DEPARTMENT OF HEALTH SERVICES

714/744 P STREET  
SACRAMENTO, CA 95814



April 29, 1988

TO: ALL COUNTY MEDI-CAL LIAISONS  
ALL COUNTY WELFARE DIRECTORS

LETTER NO. 88-29

SUBJECT: SSI RECIPIENTS WHO REQUEST A GOOD CAUSE DETERMINATION

Supplemental Security Income (SSI) recipients may be contacting the county welfare departments (CWDs) for a determination of good cause for failing to cooperate with respect to certain federal Medicaid requirements. The purpose of this letter is to explain why these recipients may be coming to the CWDs and what the CWD response should be.

Background Information:

Federal regulations require that Medicaid applicants as a condition of eligibility:

- (a) assign to the State their rights to any medical support,
- (b) cooperate with the State in establishing paternity for the purposes of securing medical support and identify any third party who may be liable to pay for care and services unless the individual has good cause for refusing to cooperate.

State law and regulations are not as encompassing as the federal requirements. State requirements presently provide that all Medi-Cal applicants and beneficiaries are to report information about other health coverage, use certain health coverage before Medi-Cal, and reimburse the Department for any payment received for health care services which were paid by Medi-Cal in specific circumstances. Current regulations allow the county to consider other health coverage unavailable to a child if obtaining this information would create an undue hardship on the parent (Title 22 California Code of Regulations (CCR) Sections 50763, 50765, 50771).

State law also provides an automatic assignment of rights to medical support from legal and contractual entitlements. The Department may recover third party liability payments for costs incurred in rendering care (22 CCR Sections 50769 and 50771).

Present Requirements:

The Social Security Administration (SSA), which determines Medi-Cal eligibility for California SSI recipients, is nationally informing SSI recipients of the above federal Medicaid requirements and requiring such recipients to sign a "cooperation" agreement.

If an SSI recipient refuses to cooperate, SSA informs him/her that the state agency will be directed to stop SSI-based Medicaid. (In California, this department is notified by the State Data Exchange (SDX) if an SSI recipient/applicant either has or has not agreed to cooperate.) The SSI recipient is advised of his/her right to apply for Medicaid directly with the state/county and to claim good cause for failing to cooperate. However, since we have not implemented all the federally required provisions at this time (such as cooperation in the establishment of paternity and the good cause criteria), we have not been denying SSI-based Medi-Cal for those recipients who have been identified as refusing to cooperate.

Nevertheless, SSA may begin referring these recipients to the county welfare offices for a "good cause" determination.

County Response:

If you are contacted by an SSI applicant who has been referred by SSA for refusing to cooperate, no action is required. You need only tell the SSI recipient that he/she will continue to receive the Medi-Cal card until he/she is further notified.

If you have any further questions, please contact Margie Buzdas at (916) 324-4972.

Sincerely,

Frank S. Martucci, Chief  
Medi-Cal Eligibility Branch

cc: All County Administrative Officers  
All County Program Consultants

Expiration Date: April 30, 1989