

DEPARTMENT OF HEALTH SERVICES

714/744 P STREET
SACRAMENTO, CA 95814



March 8, 1989

TO: All County Welfare Directors
All County Administrative Officers

Letter No.: 89-21

SUBJECT: PROVISIONS OF SENATE BILL (SB 2578) (CHAPTER 980, STATUTES OF 1988)
BERGESON

As you are aware, perinatal care is considered to be the most effective preventive measure against infant mortality and lifetime disability caused by low birthweight.

It is the intent of Senate Bill 2579 (SB 2579), which was signed by the Governor on September 19, 1988, to increase provider participation and encourage perinatal care to lower the risk of serious health problems in infants. This will be accomplished by expanding and expediting Medi-Cal eligibility, increasing provider participation through adoption of new policies and increased obstetrical reimbursement rates, and an outreach program targeted to high-risk pregnant women.

The purpose of this letter is to inform counties of the provisions of SB 2579 and the Department's date of implementation.

Provisions of SB 2579

- o Amends Section 14148 of the Welfare and Institutions Code to require the Department of Health Services (DHS) to adopt the federal Medicaid option available through the Omnibus Budget Reconciliation Act of 1987 (OBRA- 87) to extend Medi-Cal eligibility to all otherwise eligible pregnant women and infants up to the age of one year whose family incomes do not exceed 185 percent of the federal poverty level. The new law eliminates any share of cost (SOC) obligation for pregnancy-related services for pregnant women and full-scope benefits for infants up to the age of one.

Example: Under present law, a family of three whose income exceeds \$892 per month (approximately 111% of the federal poverty level) has a SOC. Under this bill, a pregnant mother (for pregnancy related services) and/or her infant (for full scope services), assuming a family of three, would be eligible with no SOC as long as the family income does not exceed \$1494 (185% of the federal poverty level).

NOTE: Due to state and federal requirements, benefits under this provision for infants who are undocumented or in temporary visitor status are limited to emergency services only.

- o Provides that all pregnant women applying for Medi-Cal shall be determined to have an immediate need, and counties, within existing resources, shall expedite the eligibility determination. Upon determination of eligibility, a Medi-Cal card shall be issued immediately.
- o Requires the Department to seek flexibility for Medi-Cal eligible women with confirmed pregnancies in implementing federal requirements regarding verification of the immigration status of all aliens.
- o Requires Maternal and Child Health (MCH) Comprehensive Community-Based Perinatal Services (CBPS) contractors to bill the Medi-Cal program for all Medi-Cal recipients.
- o Permits DHS to increase reimbursement rates for non-Caesarean-section obstetric services by up to 18% effective on January 1, 1989.
- o Requires DHS to determine the feasibility of providing perinatal services to pregnant women with family incomes above 185% but below 200% of the federal poverty level.

The implementation of this legislation is a high priority to DHS. DHS will implement the 185% provision on July 1, 1989. This information has been previously provided to members of the County Welfare Directors' Association (CWDA) Medical Care Committee at their monthly meetings. DHS and the Committee will be addressing items of concern relating to the implementation of SB 2579. These items include issues relating to dual cards for pregnant women who meet their SOC and are entitled to services not covered under the 185% Program; policies relating to establishing cases due to dual card issuance and policies relating to outreach efforts by counties to link providers with eligible pregnant women and to link eligible pregnant women to Medi-Cal providers.

It is essential that counties actively participate as regulations, procedures, forms, and MEDS systems design are being developed and submitted for review and comment at CWDA meetings. Attached is a summary of the new aid codes, services covered, categories of eligibles covered and their definitions. This summary will provide counties with information necessary to begin preparation for implementation of the 185% of Poverty Level Program scheduled for July 1, 1989. Counties are requested to begin designing the necessary system or procedural changes but to hold the installation of these changes until further notice from this Department.

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Questions regarding the MEDS changes should be directed to your state MEDS liaison. If you have any questions regarding the provisions of SB 2579, please contact Yvonne Lee at (916) 323-4129 or Marlene Ratner at (916) 324-4957.

Thank you for your cooperation.

Sincerely,

Original signed by

Sandra Duveneck, for
Frank Martucci, Chief
Medi-Cal Eligibility Branch

Enclousre

cc: Medi-Cal Liaisons
Medi-Cal Program Consultants

Expiration Date: February 10, 1990

DEFINITION OF AID CODES - 185 PERCENT PROGRAM

NEW CODES:

Aid code 44 - 185 Percent Program: Citizen/Lawful Permanent Status/PRUCOL/Conditional Resident -- Pregnant Women - (FFP)

185 percent program provides pregnancy related services, including services for conditions which complicate pregnancy, to otherwise eligible pregnant women who are either: (1) U.S. citizens, (2) lawfully admitted for permanent residence, (3) PRUCOL, or (4) conditional residents. The pregnant woman's family income shall not exceed 185 percent of the federal poverty level. Coverage may begin no earlier than the first day of the month for which pregnancy is verified. The pregnant woman's coverage shall continue for a 60-day period beginning on the last day of pregnancy and will end on the last day of the month in which the 60th day occurs. This Medi-Cal card will bear the phrase: "Valid for Pregnancy-Related Services Only." No share of cost required of the beneficiaries.

Aid Code 47 - 185 Percent Program: Citizen/Lawful Permanent Status/PRUCOL/Conditional Resident -- Infants - (FFP)

185 percent program provides benefits to otherwise eligible infants up to the age of one year old whose family income does not exceed 185 percent of the federal poverty level and who are either: (1) U.S. citizens, (2) lawfully admitted for permanent residence, (3) PRUCOL, or (4) conditional residents. Coverage for infants shall end upon attainment of their first birthday. Exception: if the infant is an inpatient for which medical services are provided during a continuous period which began before his/her first birthday, then the infant shall continue to be treated until the end of the stay for which the inpatient services are furnished. There will be no message on the Medi-Cal card. No share of cost required of the beneficiaries.

Aid Code 48 - 185 Percent Program: Undocumented Status/Temporary Visa (OBRA) -- Pregnant Women

185 percent program for Omnibus Budget Reconciliation Act of 1986 (OBRA) otherwise eligible undocumented/temporary visa pregnant women. Routine prenatal care is non FFP. Labor, delivery, and emergency prenatal care are FFP. The period of coverage and scope of benefits are the same as aid code 44. This card will bear the phrase: "Valid for Pregnancy Related Services Only." No share of cost required of the beneficiaries.

Aid Code 49 - 185 Percent Program: IRCA Pregnant Women -
(FFP) (50% Title XIX, 50% SLIAG funds)

185 percent program for Immigration Reform and Control Act - Alien otherwise eligible pregnant women. Same definition as aid code 44. This Medi-Cal card will bear the phrase: "Valid for Pregnancy Related Services Only." No share of cost required of the beneficiaries.

Aid Code 69 - 185 Percent Program: Undocumented
Status/Temporary Visa (OBRA) -- Infants (Limited Scope Medi-
Cal) - (FFP)

185 percent program for Omnibus Budget Reconciliation Act of 1986 - Alien. Otherwise eligible undocumented/temporary visa infants up to the age of one year old whose family income does not exceed 185% of the federal poverty level are eligible for limited scope Medi-Cal. Provides for treatment of emergency medical conditions only. See aid code 47 for period of coverage. This Medi-Cal card will bear the phrase: "Valid for Emergency Services Only." No share of cost required of the beneficiaries.