

## DEPARTMENT OF HEALTH SERVICES

714/744 P STREET

P.O. BOX 942732

SACRAMENTO, CA 94234-7320

February 21, 1990

To: All County Welfare Directors  
All County Administrative Officers

Letter No.: 90-25

SUBJECT: IMPLEMENTATION OF ALL COUNTY WELFARE DIRECTORS LETTER 90-01  
CONTAINING PROVISIONS OF THE MEDICARE CATASTROPHIC COVERAGE  
ACT OF 1988 (MCCA)

MCCA Spousal Impoverishment training was provided to counties in October and November, 1989, for a January 1, 1990 implementation date. We understand that some counties still have not trained all their eligibility workers on the new MCCA provisions. We have heard of a number of cases where married applicants who correctly fall under the new spousal impoverishment provisions may have been misinstructed to divide their property in half and reduce the institutionalized spouse's one-half share before eligibility for Medi-Cal can be established.

Counties that have not yet trained all their Medi-Cal eligibility staff must immediately take steps to ensure that misinformation is not being provided to new applicants or potential applicants, i.e., that a couple who falls under the spousal impoverishment provisions inappropriately is advised to divide their property and reduce the property of the institutionalized spouse as if they were covered under the division of community property rules. If the particular eligibility worker is not sure if the couple falls under the division of community property provisions or the MCCA spousal impoverishment provisions, that worker should state that there have been recent changes in law which may affect the treatment of the couple's property. Then the staff member should provide the MC Information Notices 005 and 007 to the couple so that the couple will have the basic property information they need to answer their own questions.

The eligibility worker should accept the couple's application but that application should not be processed until the eligibility worker has been properly trained. Remember, you still have 45 days to process an application under Title 22, California Code of Regulations (CCR), Section 50177 and 60 days when blindness or disability must be established.

In addition, it has come to our attention that some eligibility workers have been advising applicants and potential applicants to leave the nursing facility or medical institution for a full calendar day in order to be covered under the new rules. Eligibility workers must never, under any circumstances, advise people to leave a medical institution. This advice

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could result in grave medical consequences, including the death of the patient or an inability to be readmitted to a facility. There is also the possibility that the eligibility worker could be held personally liable for giving such advice.

If you are asked what would happen if the applicant, or potential applicant, were to be discharged from the facility for a full calendar day, only then is the worker obliged to say that the new MCCA provisions would apply at that point.

If you have any questions on this issue, please call Sharyl Shanen at (916) 324-4956.

Sincerely,  
ORIGINAL SIGNED BY

Frank S. Martucci, Chief  
Medi-Cal Eligibility Branch

cc: Medi-Cal Liaisons  
Medi-Cal Program Consultants

Expiration Date: February 21, 1991