

DEPARTMENT OF HEALTH SERVICES

714/744 P STREET

P.O. BOX 942732

SACRAMENTO, CA 94234-7320
(916) 657-2941

April 21, 1994

TO: All County Welfare Directors
All County Administrative Officers
All County Medi-Cal Program Specialists/Liaisons

Letter No.: 94-40

IMPLEMENTATION OF THE CALIFORNIA ALTERNATIVE ASSISTANCE PROGRAM (CAAP)

The purpose of this letter is to explain the CAAP and to inform the counties about the new aid codes to be used for this program.

IMPLEMENTATION DATE: May 1, 1994

BACKGROUND

SB 35 (Chapter 69, Statutes of 1993) requires the California Department of Social Services (CDSS) to implement an Alternative Assistance Program. The purpose of this program is to help families' transition from welfare to work. The program would allow recipients of, and applicants eligible for, Aid to Families with Dependent Children (AFDC) who have earned income to be eligible for this program if they decline or refuse a cash grant. These CAAP recipients are AFDC recipients for purposes of Medi-Cal.

CAAP recipients are eligible for child care assistance and AFDC cash-based Medi-Cal benefits. The CDSS has an approved federal waiver to consider CAAP recipients to be zero-base grant AFDC recipients.

NEW AID CODES

DHS is establishing two new aid codes (3A and 3C) to identify CAAP individuals who decline or refuse an AFDC cash grant and otherwise are designated in the AFDC-Family Group (FG) or AFDC-Unemployed Parent group (U). An AFDC recipient may choose to receive CAAP benefits at application or at recertification or redetermination. A CAAP participant may choose to receive an AFDC grant at any time.

Aid code 3A--CAAP AFDC (FG) is to be used to identify CAAP recipients who otherwise would be in federal AFDC-FG.

Aid code 3C--CAAP AFDC (U) is to be used to identify CAAP recipients who otherwise would be in the federal AFDC-U group.

PROCESS - CAAP

Counties will be using the same procedures including notice requirements that are used currently for AFDC aid codes 30 and 35. Counties will report aid codes 3A and 3C to the Medi-Cal Eligibility Data System in the same manner as they do aid codes 30 and 35. Worker alerts for the CAAP program will be the same as in the regular AFDC program.

BENEFICIARY REPORTING REQUIREMENTS - CAAP

Counties will be using the same procedures including the beneficiary reporting requirements that are used currently for AFDC aid codes 30 and 35.

NOTICES - CAAP

Counties will provide CAAP recipients the same ten day notices of action (NOAs) as for AFDC families, including the NOAs when a family becomes ineligible for AFDC.

DISCONTINUANCE FROM CAAP - TRANSITIONAL MEDI-CAL (TMC)

A family whose eligibility for CAAP terminates due to increased earnings shall be eligible for TMC benefits to the extent that any other discontinued AFDC recipient is eligible. The CAAP recipients must meet the eligibility requirements of TMC including having been on AFDC three out of the last six months. (CAAP recipients are considered AFDC recipients.)

Please refer to All County Welfare Directors Letter No. 90-32 and 90-66 for information about the TMC program.

MEDS REPORTING

Recipients discontinued from CAAP (whether in aid code 3A or 3C) who are eligible for Initial TMC should be reported to MEDS under aid code 39 (Initial TMC). When beneficiaries are discontinued from Initial TMC and they qualify for Additional TMC, they would be eligible under aid code 59. Both aid code 39 and aid code 59 must be reported with the appropriate ELIG-INFO-EFF-DATE and TERM DATE.

The CDSS will issue an All County Letter (ACL) detailing the CAAP prior to program implementation.

If there are any questions, please contact Karen Kennedy at (916) 657-3400 for the CAAP and Mary Maestas-Sandoval at (916) 657-1248 for the Medi-Cal implementation.

Sincerely,

ORIGINAL SIGNED BY,

Frank S. Martucci, Chief
Medi-Cal Eligibility Branch