

## DEPARTMENT OF HEALTH SERVICES

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(916) 657-2941



February 1, 1996

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

Letter No.: 96-05

**4.9 PERCENT CUT BENEFICIARIES**

Chapter 307 of the Statutes of 1995 (Assembly Bill 908, Brulte) reduced the State Supplementary Payment (SSP) benefit levels to the minimum amounts allowed by federal law up to a maximum of 4.9 percent of the total Supplementary Security Income/State Supplementary Payment (SSI/SSP) payment standard, effective December 1, 1995. Normally, this cut would have resulted in approximately 1,600 beneficiaries (mostly couples) losing their zero share of cost (SOC) Medi-Cal also with losing their SSP grants. Grandfathering legislative language in the above chapter places the 4.9 percent beneficiaries into zero SOC Medi-Cal (with the State paying the beneficiaries SOC much like last year's 2.3 percent and 1993's 2.7 percent cut beneficiaries).

4.9 percent beneficiaries who lost their SSI/SSP due to this cut will receive zero SOC Medi-Cal until their incomes exceed the SSI/SSP benefit levels had the December 1, 1995 benefit reduction not occurred or their living arrangements, resources, and/or residency change in a way that would render them ineligible. Even though 4.9 percent beneficiaries are not, at this time, required to go to the county welfare departments (CWDs), CWDs may sometimes be informed of a 4.9 percent beneficiary's change in financial situation, such as becoming resource ineligible or entering a long-term care facility, death, or change of address. Please E-Mail or fax this information to BKINKADE, fax (916) 657-3224 and the State will make the appropriate changes to the Medi-Cal Eligibility Data System (MEDS) record. State MEDS programming will not allow counties to make changes to the 4.9 percent beneficiary records (also the 2.3 and 2.7 percent records).

2.3 percent/2.7 percent/4.9 percent beneficiaries who lose their eligibility for free Medi-Cal (for example, a person moves out of state and then moves back to California) are eligible to be reevaluated for this program, i.e., a break in coverage under this program does not preclude later eligibility for the 2.3/2.7 or 4.9 percent program. They would be eligible for the program they started under.

The State has placed the 4.9 percent persons on zero SOC Medi-Cal beginning December 1, 1995 and sent these persons a notice of action. Here is how to tell who is a 4.9 percent beneficiary.

All County Welfare Directors  
All County Administrative Officers  
All County Medi-Cal Program Specialists/Liaisons  
Page 2

MEDS will show:

- 14, 24, or 64 aid codes starting December 1995
- A "V" in the Pickle Type portion of the Pickle Indicator field (example: V0)
- A Government Responsibility Code of 3
- An eligibility status of X06 (example: 006, 306, etc.)

The county Ramos Coordinators were sent listings of the 4.9% beneficiaries, along with their Ramos listings (dated November 16, 1995 with the title "4.9% SSP Grant Reduction"). If your list is missing, you may request another copy by sending an E-Mail to BKINKADE. Include your address, phone number and fax number.

Here is the text for the 4.9 percent beneficiary notice that was sent in mid-November to the 4.9 percent beneficiaries.

Beneficiary Name:	Date:
Beneficiary C/O:	Social Security Number:
Beneficiary Address:	
Beneficiary City, Zip Code:	

#### IMPORTANT MEDI-CAL NOTICE

You may have already received a letter from the Social Security Administration informing you that, due to the 4.9% cut in SSI/SSP, your SSI/SSP check will stop effective December 1, 1995. However, you will not lose your free Medi-Cal coverage on December 1, 1995. You will continue to get FREE Medi-Cal unless your financial situation otherwise changes.

The State will send you a letter if you need to do anything to keep your free Medi-Cal. REMEMBER, YOU DO NOT NEED TO GO INTO THE COUNTY WELFARE OFFICE AT THIS TIME FOR YOUR MEDI-CAL! YOU WILL STILL CONTINUE TO RECEIVE YOUR FREE MEDI-CAL.

If you live with members of your immediate family who receive Aid to Families with Dependent Children (AFDC), you should contact YOUR FAMILY'S COUNTY AFDC WORKER IMMEDIATELY and tell him/her that you are no longer receiving SSI.

All County Welfare Directors  
All County Administrative Officers  
All County Medi-Cal Program Specialists/Liaisons  
Page 3

**BECAUSE YOU ARE NO LONGER RECEIVING AN SSI/SSP CHECK, YOU MAY BE ELIGIBLE FOR FOOD STAMPS. YOU CAN APPLY AT YOUR LOCAL WELFARE DEPARTMENT.**

If you are receiving In-Home Support Services (IHSS), please contact your IHSS social worker to advise him/her that your SSI/SSP benefit has stopped.

Please keep this notice.

(End of Notice)

If any potential 4.9 percent beneficiaries who were not placed on free Medi-Cal come to your attention, please fax the information to Bonnie Kinkade at (916) 657-3224 and the State will check the person's eligibility for the 4.9 percent program and work with the counties to make the appropriate changes to MEDS if necessary.

More information will be following soon pertaining to the future treatment of the 2.3 percent/2.7 percent/4.9 percent beneficiaries such as new aid codes, timelines, etc. Sometime next year, these beneficiaries will be instructed to go to their CWDs to apply for free Medi-Cal.

Thank you for your cooperation. If you have any questions, please contact Bonnie Kinkade of my staff at (916) 657-1469.

Sincerely,

ORIGINAL SIGNED BY

Frank S. Martucci, Chief  
Medi-Cal Eligibility Branch