

DEPARTMENT OF HEALTH SERVICES

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May 21, 1998



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

Letter No.: 98-19

**IMPLEMENTATION OF THE APPLICATION/MAIL-IN PROCESS FOR THE
MEDI-CAL/HEALTHY FAMILIES PROGRAMS**

Ref.: All County Welfare Directors Letter Nos. 98-06 and 98-16

I. BACKGROUND

The purpose of this letter is to provide counties with instructions and implementation dates for the simplified mail-in application process mandated by Senate Bill (SB) 903 and Assembly Bill (AB) 1126. SB 903 provides for expansion of coverage to children under Medi-Cal. This mandate includes development of a simplified application package and mail-in process for pregnant women and children. **A face-to-face interview for this population is no longer required except at the applicant's request or if the county feels it is necessary for good cause, suspicion of fraud, or completion of the application process.**

The Department of Health Services (DHS) and the Managed Risk Medical Insurance Board (MRMIB), in accordance with AB 1126, have developed a common application form for the Healthy Families program and the Medi-Cal mail-in process. Both the Healthy Families program and the Medi-Cal mail-in application process are for children under age 19 only. However, the mail-in application form may also be used by pregnant women (including undocumented aliens) under 200 percent of the federal poverty level (FPL) when applying for Medi-Cal. It may also be used when applying for children with undocumented alien status. Resources are disregarded for Healthy Families and for children in the Percent programs for Medi-Cal. Resources are also disregarded for pregnant women and infants up to age one for Medi-Cal.

If the county determines the child or pregnant woman is not eligible for no share-of-cost (SOC) Medi-Cal, a face-to-face interview must be conducted and the family resources must be considered in the eligibility determination process.

PLEASE NOTE THAT THE CHANGES TO MEDI-CAL ARE ONLY THE EXPANSION OF COVERAGE TO CHILDREN AND THE ESTABLISHMENT OF A MAIL-IN APPLICATION PROCESS. THERE ARE NO OTHER CHANGES IN MEDI-CAL POLICIES AND PROCEDURES. COUNTIES ARE STILL REQUIRED TO VERIFY ALL INCOME, INCLUDING THAT FROM PROPERTY, EVEN IF THE PROPERTY IS NOW EXEMPT DUE TO RESOURCE DISREGARD

II. APPLICATION PACKET FOR MEDI-CAL MAIL-IN PROCESS AND HEALTHY FAMILIES

- A. The common application form and the corresponding forms needed to apply for Medi-Cal and/or Healthy Families will be available in booklet form through community based organizations and programs, as well as the counties, the Healthy Families program, and other agencies, schools and neighborhood businesses. General information, an explanation of both programs, and instructions for completing the application are also included in the booklet. An envelope for each program is provided for return of the forms by the applicant to a central clearinghouse where it will be forwarded to either the Healthy Families program or the local county welfare department. The envelope for Medi-Cal lists the 58 counties on the back, and the applicant will check the county of residence. **Part A is the application form both for Medi-Cal (replaces SAWS 1) and Healthy Families.**
- B. The application booklet also contains the following forms (see Section IV below for more information):
- **MC 320: "Application for Health Care"**
 - "Step 1: Getting Started-To Estimate Your Family's Income"
 - "Step 2: Family Income Estimate Form"
 - "Step 3: Qualifying for Medi-Cal and Healthy Families"
 - **MC 321A: "Application for Health Care Part A"**
 - **MC 321B: "Application for Health Care"**
 - "Part B: The Healthy Families Program"
 - **MC 321C: "Application for Health Care"**
 - "Part C: Medi-Cal Program"
 - **MC 13 Mail-in: "Statement of Citizenship, Alienage, and Immigration Status" (Medi-Cal Applicants Only)**

- **MC 219 Mail-in:** “Important Information for Persons Requesting Medi-Cal”

The CA 2.1 "Child/Spousal and Medical Support Notice and Agreement" and the CA 2.1(Q) "Support Questionnaire," will be available separately in the same locations as the booklet. The MC 322 "Real and Personal Property Supplement to Medi-Cal Mail-In Application" will be available in county welfare department offices only.

The application booklet includes a worksheet which allows families to determine the program they apply to for their children. To facilitate this self-screening process, information about income and allowable income deductions is included in the booklet. When families have completed the income section of the worksheet, they compare their net household income to the FPL chart which is also provided in the booklet. **(Please note this chart will be updated yearly to reflect the changes made each April by the federal government.)** The FPL chart, along with the instructions, will help them determine which program is appropriate for their family situation.

- C. **Families may apply for both programs if one child appears eligible for no-SOC Medi-Cal and another may be eligible for Healthy Families.**

Once the worksheet and application form (**Part A**) have been completed, families will fill out the companion form for Medi-Cal (**Part C**) or the companion form for the Healthy Families program (**Part B**) and mail the forms to the program they have chosen.

III. CHANGES IN APPLICATION PROCESS FOR MEDI-CAL

- A. The common application form (**Part A**) and the companion Medi-Cal form (**Part C**) must be submitted along with the **MC 13 Mail-in**, the **CA 2.1** and **CA 2.1 (Q)** if required. The **MC 219 Mail-in** and **MC 13 Mail-in** are included in the application booklet. The **CA 2.1** and **CA 2.1 (Q)** will be available separately at the same locations as the application booklet. **Verification of income, income deductions, and identity should be mailed with the application forms. There are no changes in income verification requirements.**

- B. The application date for Medi-Cal is the date the application form (**Part A**) is received by the county office. (**NOTE: See exception under Section V below.**) The allowable county processing time is the same as with any Medi-Cal application. Pregnancy, pregnancy-related services, and other urgent health care needs are still to be processed expeditiously. The procedures for retroactive Medi-Cal also remain unchanged.
- C. When the county receives the application, it must be evaluated for Medi-Cal eligibility. If more information is required, the applicant should be contacted by phone, if possible. Although a face-to-face interview is no longer required, one may be conducted at the request of the applicant or if the county feels it is necessary for good cause, suspicion of fraud, or completion of the application process.
- D. If the county determines the child or pregnant woman is ineligible for no-share-of-cost Medi-Cal due to family income above the appropriate percentage level (133 percent for children ages 1 to 6, 100 percent for children ages 6 to 19, and 200 percent for pregnant women and infants up to age one), a face-to-face interview must be conducted to complete the application as a SOC case.
- E. When the eligibility determination has been completed, an approval or denial notice must be sent to the applicant. If the application is approved with a SOC, the appropriate notice must be sent. Counties have been instructed to include information on the Healthy Families program on appropriate notices of action.
- F. There may be an active SOC Medi-Cal case as well as an active Healthy Families case. Children are ineligible for Healthy Families only if they are eligible for no SOC Medi-Cal or have family income over 200 percent of the FPL.

NOTE: Families wishing to apply for Medi-Cal for everyone in the household, including adults and children, must still complete the MC 210 (Statement of Facts) and the face-to-face interview. However, if the family has already completed the Medi-Cal form, MC 321C, they may finish the application process by completing only the supplementary forms required, such as the MC 322 ("Real and Personal Property Supplement To Medi-Cal Mail-In Application"). In these cases, the forms MC 321A, MC 321C and the MC 322 may substitute for the MC 210.

- G. A face-to-face interview is not required for children in the Percent programs and pregnant women applicants up to 200 percent of FPL using the streamlined application process except at the request of the applicant or if the county thinks it is necessary for good cause, suspicion of fraud, or completion of the application process.
- H. A face-to-face interview is still required for families applying for Medi-Cal for adults or when applying for both adults and children or in cases where income is too high to qualify for no SOC Medi-Cal.
- I. DHS will issue policies and procedures for the redetermination process for Medi-Cal cases approved through the mail-in process prior to June 1999. As these policies and procedures are developed, Medi-Cal Eligibility Quality Control (MEQC) will be developing its review policies and procedures as well. MEQC will work with Policy staff to develop policies and procedures which will further the goals and the integrity of the program.

IV. FORMS

The forms included in the application booklet will be reproduced individually and available to counties from the state warehouse. Medi-Cal mail-in supplemental forms will also be available when needed. **Since these forms were developed for the mail-in program only, they are not to be used in lieu of the existing forms for regular Medi-Cal programs.**

- A. Forms common to Healthy Families and Medi-Cal include the following:

MC 320: This four-page form is a self-screening worksheet designed to assist the applicant through the income computations to determine which program to apply to for their children. It consists of four parts/steps:

Step 1: Getting Started - To Estimate Your Family's Income (Pages 1 and 2). Gives the applicant a step-by-step guide to compute each family member's monthly income.

Step 2: Family Income Estimate Form (Page 3 of 4). Monthly income for all family members from previous two pages is summarized and allowable income deductions for Medi-Cal are applied to calculate the total monthly family income. The Healthy Families eligibility determination is based on gross income.

Step 3: Qualifying for Healthy Families and/or Medi-Cal (Page 4 of 4). Contains federal income guideline chart and children's age groups for percentage programs. The families will compare their household income (net countable for Medi-Cal and gross for Healthy Families) to the FPL chart to determine which program is appropriate for their children. (Please note FPL chart will be updated yearly to reflect the changes made each April by the federal government.)

MC 321A: Part A: Application for Health Care-Healthy Families and/or Medi-Cal. This two page form is the initial application for Healthy Families and the mail-in Medi-Cal process (replaces the SAWS 1 for mail-in Medi-Cal applications only).

B. Application for Healthy Families Program:

MC 321B: Part B: Application for Healthy Families Program. This form has three pages back to back and will be mailed with MC 321A and other appropriate forms to the Healthy Families Program for children ages 1 to 19.

C. Application Forms for Medi-Cal mail-in process only:

MC 321C: Part C: Application for Medi-Cal Program. This two-page form is sent in with the MC 321A and will be mailed with the corresponding forms for no cost Medi-Cal for children up to age 19 and for pregnant women.

MC 13 Mail-in: Medi-Cal Statement of Citizenship, Alienage, and Immigration. This form was developed for the mail-in application process only and allows families to list all applicants on one form. It is not to be confused with the existing MC 13. For all other Medi-Cal applications, it is still mandatory to use the regular MC 13 form.

MC 219 Mail-in: Important Information for Persons Requesting Medi-Cal. This is the reformatted and revised MC 219 for the mail-in application process only. It does not include the county welfare department representative's verification of the face-to-face explanation of the applicant's rights and responsibilities. The applicant certifies understanding of the information on this form by signing the MC 321C. The MC 219 Mail-In form itself is not returned to the county but is retained by the applicant. This form is not to be used in place of the existing MC 219 for other Medi-Cal applications.

- D. Supplemental forms not included in the application booklet but available in the same locations:

CA 2.1: Child/Spousal and Medical Support Notice and Agreement, and CA 2.1 (Q): Support Questionnaire: These are **existing** supplemental forms used for all Medi-Cal applications when needed. There are no changes to accommodate the mail-in process.

Supplemental form available in county welfare departments only:

MC 322: Real and Personal Property, Supplement to Medi-Cal Mail-in Application. This is a **new supplemental form** to the Medi-Cal mail-in application when the family's income exceeds the FPL limits for no-cost Medi-Cal. Information regarding the family's property will be required to determine eligibility for SOC Medi-Cal. The form combines property questions from the MC 210 (Statement of Facts) and the property supplemental form MC 210 S-P. It is to be used in conjunction with the mail-in process only.

All forms used in the mail-in process will be reproduced as single individual forms and will be available no later than June 1, 1998, from the warehouse. To order the forms, counties should send order form DHS 2031 to:

Department of Health Services Warehouse
1037 North Market Boulevard, Suite 9
Sacramento, CA 95834

As soon as the new forms are available, DHS will send camera-ready copies to all counties. It is acceptable to photocopy the originals.

The Healthy Families/Medi-Cal for children application booklet will be available to counties in June. It is suggested counties make these booklets available in the lobby area so that applicants may pick them up without waiting in reception lines or asking to speak to an employee. An explanatory poster or sign should indicate who may use these applications, that it is a mail-in process, and that assistance in completing the forms is available at specific locations in the community.

V. INTERACTION BETWEEN MEDI-CAL AND HEALTHY FAMILIES

- A. The applicant may check a box on the common application form (Part A) if they want the application forwarded to Healthy Families for evaluation if the children are found ineligible for no-SOC Medi-Cal. In that case, the county must forward a copy of the application form (keeping the original for the case record), along with verifications received, to the Healthy Families program. Please note that counties must pursue the SOC application with families and not deny the application based on ineligibility for no SOC Medi-Cal.

The Healthy Families program may also forward applications to the county if eligibility is denied for that program and the applicant wishes to have the children evaluated for Medi-Cal.

- B. If the application is received by Healthy Families first and forwarded to Medi-Cal, the date stamped on the form by Healthy Families is the Medi-Cal application date.

To protect counties in the event the application pends beyond the 45 day limit, counties should note in the case file when the application was received from Healthy Families.

- C. The implementation date for the Medi-Cal/Healthy Families simplified application and mail-in process is June 1, 1998.

This letter will be followed by updated Medi-Cal Eligibility Procedures and Medi-Cal Eligibility Regulations manual sections.

If you have any questions about the expansion of Medi-Cal for children, please contact Ms. Margie Buzdas at (916) 657-0726. If you have any questions about the Healthy Families program, please call 1-800-880-5305. If you have any questions about forms, please call Ms. Kveta Simon at (916) 657-2767. If you have any questions about the Medi-Cal application booklet or mail-in process, please contact Ms. Helen Vaughn at (916) 657-1064.

Sincerely,

ORIGINAL SIGNED BY

Glenda Arellano, Chief
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Medi-Cal Policy Branch