

## DEPARTMENT OF HEALTH SERVICES

714/744 P STREET  
 SACRAMENTO, CA 95814  
 (916) 445-1912



June 29, 1979

TO: All County Welfare Directors

Letter No. 79-16

MEDI-CAL SHARE OF COST DETERMINATIONS FOR APPLICATIONS DATED JULY 1, 1979  
 AND SUBSEQUENT; REFERENCE: ALL COUNTY WELFARE DIRECTORS' LETTER NO. 79-13

At this time the annual cost-of-living increases for financial eligibility for the various assistance programs are still unknown. This letter transmits to you the actions we recommend for Medi-Cal-only cases beginning July 1. These instructions are meant to keep duplication of work to a minimum, by 1) minimizing the number of eligibility recomputations generated by the delayed increases, and 2) minimizing the number of overstated-share-of-cost adjustments which will occur once the increases are known.

We are recommending that, whenever possible, applications which will produce a share of cost be held pending the announcement of 1979-80 maintenance needs. These applications can be processed up to the point of recording the maintenance need on the MC 176 M and computing the share of cost. This approach appears to be the least disruptive for the intake work flow.

APPLICATIONS FOR ELIGIBILITY EFFECTIVE JULY 1

1. Process those applications in which the July net income (including July Title II benefits increase), minus the current maintenance needs, results in a zero share of cost. Process applications, for persons in LTC who have no family members at home, using July income and \$25 maintenance needs.
2. Process applications, in which the July Title II benefits increase would result in a share of cost, using the June Title II benefit amount providing the June benefit amount, minus the current maintenance need results in a zero share of cost. To determine the June benefit level, divide the July amount by 1.099 and round up to the nearest \$0.10. Verify the July benefit amount only. Flag such cases as a reminder to use the full Title II income amount when recomputing the case, once the new maintenance levels are known.
3. For the remaining applications, those which will have a share of cost, explain to the applicants that pending their applications until the new maintenance levels are known would result in a lower share of cost.
  - a. With applicant's concurrence, pend the application until new maintenance need levels are known.
  - b. If the applicant prefers that the application be processed immediately and the applicant receives Title II benefits, use the June benefit amount to compute the share of cost. Flag such cases as a reminder

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to use the full Title II income amount when recomputing the case once the new maintenance need levels are known.

3. If all other income for the applicant is known that the application be processed immediately, use July income in the share-of-cost computation. Flag such cases as a reminder to perform retroactive adjustments for overstated shares of cost once the new maintenance levels are known.

CONTINUING CASES

1. Except for LIC cases in which there is no allocation to family members at home, do not apply the Title II increase until the new maintenance levels are known.
2. Apply all other reported increases in income to the share-of-cost determination. If a share of cost results, flag cases for retroactive adjustment of the share of cost when the new maintenance levels are published.

If you have any questions regarding this letter, contact your Medi-Cal field representative.

Sincerely,

Original signed by

Barbara V. Carr for  
Doris Z. Soderberg, Chief   
Eligibility Branch

cc: Medi-Cal Liaisons  
Medi-Cal Field Representatives

Expiration Date: December 31, 1979