ARTICLE 4

SECTION 14

STATUS REPORTING

1. GENERAL

ACWDL 03-41

Form MC 176, the Midyear Status Report (MSR), provides Medi-Cal beneficiaries with a method of reporting income and changes in circumstances. This section clarifies MSR completion requirements and describes procedures to be followed when an MSR is not submitted timely or is incomplete.

Form MC 176 TMC/TCC is used exclusively for Transitional Medi-Cal (TMC). Information about the MC 176 TMC is found in Article 5, Section 7, Item 4.1. Note: individuals on TMC must complete the MC 176 TMC. They are exempt from the MSR requirement. ACWDL 04-06

2. MSR

Effective August 1, 2003, unless specifically exempted from the requirement, all Medi-Cal beneficiaries must complete and return an MSR (MC 176 S) six months after the month of application or the month benefits are redetermined for the following year (see Appendix B for sample MSR). The following Medi-Cal beneficiaries are exempted from the MSR requirement:

A. All children under the age of 21 are exempt through the end of the month in which they turn 21. This includes married minors and emancipated minors. ACWDL 04-06

B. Individuals whose basis for eligibility is their status as aged, blind or disabled. Individuals who become 65 are exempt from the first day of the month in which they turn 65. ACWDL 04-06

C. Individuals receiving Medi-Cal through Aid for Adoption of Children Program.

D. Individuals who have a Public Guardian.

E. Pregnant women (through the 60-day postpartum period). ACWDL 04-26

F. Individuals in the Breast and Cervical Cancer Treatment Program (BCCTP).

G. CalWORKs individuals.

H. 1931(b) Categorically Eligible individuals.

Note: Beneficiaries in aid code 53 are not exempt from MSR reporting since they have not been determined disabled. ACWDL 04-06

Only non-exempt individuals are affected by the MSR requirement. For families in which parents are active in a case along with their child(ren), if the parents are not in any of the above exempted categories, they must complete and return an MSR. However, their children are exempt from the requirement. In two-parent households, if one parent is exempt and the other is not, the household must still complete and return the MSR. If the MSR is not returned or if it is returned incomplete and not subsequently completed, only non-exempt parents are to be discontinued from the Medi-Cal case. They become ineligible household members. ACWDL 04-06

3. MSR REPORT MONTH

In the MSR process, the mail out month and the report month are the same.

4. MSR ISSUANCE ACWDL 03-41

The mailing of the MSR is automated. All non-exempt beneficiaries are sent an MSR; if the entire household is exempt from the MSR reporting requirements, they will **not** be issued an MSR.

EXAMPLE: A household consisting of an unaided father who is employed full-time, a mother whose eligibility is based on pregnancy, and a child under the age of 19 receiving Medi-Cal through the Medically Indigent Program, will not receive an MSR.

Upon approval of Medi-Cal eligibility, all non-exempt beneficiaries will be sent an MSR by the 10th day of the 6th month of the certification period. Thereafter, it will be issued each year by the 10th day of the 6th month of the certification period. ACWDL 04-34

EXAMPLE: If a beneficiary applies for Medi-Cal in January and his/her application is approved effective January 1, he/she will receive an MSR in June for the month of June. As long as the case remains open, and the beneficiary continues in an MSR non-exempt category, he/she will continue to receive an MSR each year in June.

Example 1: Application approved in application month											
1/04	**2/04**	**3/04**	**4/04**	**5/04**	**6/04**	**7/04**	**8/04**	**9/04**	**10/04**	**11/04**	**12/04**
Application & approval month					MSR mail month	MSR due month			RV mail month	RV return month	RV due month
1/05	**2/05**	**3/05**	**4/05**	**5/05**	**6/05**	**7/05**	**8/05**	**9/05**	**10/05**	**11/05**	**12/05**
Benefits re-determined for 2nd year					MSR mail month	MSR due month			RV mail month	RV return month	RV due month
Example 2: Application approved in month following application month											
1/04	**2/04**	**3/04**	**4/04**	**5/04**	**6/04**	**7/04**	**8/04**	**9/04**	**10/04**	**11/04**	**12/04**
Application month	Approval month					MSR mail month	MSR due month			RV mail month	RV return month
1/05	**2/05**	**3/05**	**4/05**	**5/05**	**6/05**	**7/05**	**8/05**	**9/05**	**10/05**	**11/05**	**12/05**
RV due month	Benefits re-determined for 2nd year					MSR mail month	MSR due month			RV mail month	RV return month

Shelf stock of the MSR is available in all FRCs. Shelf stock of the MSR is for direct issuance to beneficiaries who did not receive the automated report or who have lost their report.

5. MSR DUE DATE

The completed MSR is due by the 5th of the month following the report month. If the 5th of the month falls on a Saturday, Sunday or holiday, the MSR will be due on the first workday following the 5th of the month. FRC clerical staff will date-stamp all MSRs as they are received in the FRC. The worker will use the date stamped on the MSR as the date it was received.

6. PROCESSING THE MSR (for sample scenarios go to Appendix A)

While most parents in family groups must complete midyear reports, the eligibility of children is not affected by a failure to report. Non-exempt beneficiaries who fail to submit an MSR become ineligible members of their Medi-Cal household.

A. Complete MSR

1) The MSR is considered complete when the box in Section 1 is:

- checked and the report is signed and dated in Section 3; or
- not checked, but Sections 2 and 3 are completed.

2) Only one parent is required to sign the MSR. Additionally, the beneficiary may sign, date, and return the MSR anytime after receipt, including during the report month. For example, the August MSR, due September 5, may be signed, dated and returned by the beneficiary in August. ACWDL 04-06

3) When the beneficiary submits a complete MSR by the 5th of the MSR Due Month, the beneficiary has met the status reporting requirements. The worker will evaluate the MSR to determine if there is continuing Medi-Cal eligibility. ACWDL 03-41

4) When a completed MSR reflects a change in circumstances that may affect eligibility, workers are to evaluate the case for continuing Medi-Cal eligibility. Additionally, the worker will make any necessary revisions to the share of cost effective the first of the month for which timely notice can be given.

5) If the beneficiary reports a change in circumstances during the six-month MSR report period, the beneficiary is not required to re-report the change on the MSR. ACWDL 04-06

Note: Beneficiaries are not required to submit verification with the MSR. However, if workers cannot determine ongoing eligibility based on the information provided on the MSR or through ex parte review, they can request verification from the beneficiary, following SB 87 guidelines.

B. Incomplete MSR

1) The MSR is considered incomplete when:

- the box in Section 1 is not checked and there is no change reported in Section 2; or
- the box in Section 1 is not checked, but a box in Section 2 is checked “yes” and no explanation or an inadequate explanation is written in Section 2; or
- if Section 3 is not completed.

2) Signed Incomplete MSR

If an MSR is returned with a signature, but is otherwise incomplete, workers are to follow SB 87 guidelines. They must take the following steps:

a) conduct an ex parte review, and if the review does not provide the needed information;

b) attempt to contact the beneficiary by phone to get the needed information; and

c) if necessary, mail out the AL 971 request for information.

Workers must allow the appropriate SB 87 timeframes for the return of the AL 971. They are to allow 20 days for the initial AL 971 and 10 days if a subsequent AL 971 is mailed. If there is no response to the second AL 971, they are to discontinue the non-exempt individuals in the case at the end of the first month in which timely notice can be given. They are to send a timely Z NOA to inform the beneficiary of the action taken.

Note: Workers are allowed to clarify over the phone any missing or incomplete answers on the MSR. If they are able to clarify all missing or incomplete answers over the phone, they are not to return the MSR to the beneficiary for completion. They must always narrate the phone call and the information received from the call in the case file.

3) Unsigned Otherwise Complete MSR ACWDL 03-41

If the only thing missing on the MSR is the beneficiary's signature, workers do not have to conduct an ex parte review or call the beneficiary prior to mailing the incomplete MSR back to the beneficiary. They are to keep a copy of the incomplete MSR in the case file and mail the original back to the beneficiary instructing him/her to sign and return the MSR within 20 days. If it is not returned within 20 days, workers are to send a timely Z NOA to notify the non-exempt beneficiaries in the case that they will be discontinued. Workers are to discontinue the non-exempt individuals in the case at the end of the first month in which timely notice can be given.

C. MSR Not Received

If a beneficiary does not return an MSR in the month in which it is due, it is considered failure to cooperate. The worker must send the beneficiary a timely V NOA informing him/her that those family members who are not exempt from the MSR requirement will be discontinued effective the last day of the report due month.

D. MSR Returned as Undeliverable With No Forwarding Address

ACWDL 04-06

Any time the MSR is returned to the worker as undeliverable, the worker is required to follow the SB87 process to determine eligibility. The worker must not terminate eligibility for loss of contact before following these steps. After following the SB87

process, if the beneficiary's whereabouts remain unknown, the worker can terminate the entire case. ACWDL 04-06

E. MSR Received After the Discontinuance Date

If an MSR is received within one month after the discontinuance date, the worker must evaluate the case for ongoing eligibility. The worker shall take the following action as appropriate.

1) If the MSR is complete and continued eligibility exists, the worker shall rescind the discontinuance and send the beneficiary a NOA informing him/her of the action taken.

2) If the MSR is incomplete, the worker must follow the SB 87 process outlined above. If the beneficiary provides the necessary information within the timeframe allowed (20 days/10 days/10 days), and continued eligibility can be established, the worker must activate the discontinued individuals and send the beneficiary a NOA informing him/her of the action taken.

Note: If circumstances beyond their control cause the beneficiary to submit a completed MSR after the one-month deadline, the worker can rescind the discontinuance, if appropriate. The reason for the action must be narrated in the case. ACWDL 04-06

F. The MC 210, MC 321 HFP or the MC 321 HFP-AP (additional person) form can be used to add discontinued non-exempt beneficiaries back to an existing case instead.

G. Discontinued non-exempt beneficiaries can apply for retroactive benefits when requesting to be added back to an existing case. The beneficiary must meet retroactive regulation requirements before eligibility is established for any retro month. To be added back to the existing case, the beneficiary must complete the MC 210A requesting retroactive eligibility and the MC 321 HFP-AP form (or the MC 321 HFP, or MC 210).

7. MSR AND CONTINUOUS ELIGIBILITY FOR CHILDREN (CEC)/DEEMED ELIGIBILITY

When taking case action based on changes reported on the MSR, workers are to follow CEC guidelines outlined in MPG Art 4, Sect 15, Item 2. Based on CEC, children under 19 receiving zero SOC Medi-Cal cannot be made ineligible to zero SOC Medi-Cal due to changes reported on the MSR. In instances where the parents remain eligible on the case, the child must be placed in a CEC case to avoid negatively affecting the child's Medi-Cal eligibility. However, when an MSR is not returned, workers do not have to open a separate CEC case and can leave the child active in their current zero SOC aid code in the same FBU.

A child discontinued for whereabouts unknown must have his/her benefits reinstated retroactively if his/her whereabouts become known, and the child is covered by CEC (or Deemed Eligibility). For CEC, do not change the RV due date when the child is added back. ACWDL 04-06

Reminder: Parents discontinued for no MSR become ineligible household members.

MIDYEAR STATUS REPORT (MSR)
EXAMPLE CASE SITUATIONS

Scenario #1 – Using the same case information, six different situations are presented to illustrate worker action based on the beneficiary's submission of the MSR and change of circumstances.

Case Information:
1931(b) Medi-Cal Only, single parent with one child.
MFBU: Father and one child age 8.
Deprivation: Absent Parent.
Aid Code: 3N.
MSR non-exempt beneficiary: Father
MSR exempt beneficiary: 8-year old child.
MSR sent to non-exempt beneficiary by June 10, 2004.

Situation #1 – Beneficiary fails to submit MSR

Client Action:
- ✓ Fails to submit the MSR by July 5, 2004, the due date of the Midyear Status Report.

Worker Action:
- ✓ Terminates the father's Medi-Cal benefits under aid code 3N effective August 1, 2004, the first month following the Status Report Due Month.
- ✓ Sends timely V Notice of Action to the father notifying him of termination.
- ✓ Changes the father to an ineligible member of the MFBU.
- ✓ Child continues to receive Medi-Cal under aid code 3N.

Situation #2 – Beneficiary submits complete MSR with no changes, 25 days after termination

Client Action:
- ✓ On August 25, 2004, submits the completed MSR 25 days after the termination date.
- ✓ States he has no changes in Section 1 and completes Section 3.

Worker Action:
- ✓ Evaluates MSR for completeness.
- ✓ Determines father is currently eligible for Medi-Cal under Section 1931(b).
- ✓ Rescinds the father's discontinuance action and reinstates the father's Medi-Cal benefits under aid code 3N effective August 1, 2004.
- ✓ Sends appropriate Notice of Action informing the father that his discontinuance is rescinded and Medi-Cal benefits are reinstated under aid code 3N effective August 1, 2004.

Situation #3 – Beneficiary submits complete MSR with changes, 25 days after termination

Client Action:
- ✓ On August 25, 2004, submits the completed MSR 25 days after the termination date.
- ✓ States he has changes. In Section 2, the Income box is checked and the father states he is now disabled and receives $1800 a month in Social Security benefits.

Worker Action:
- ✓ Evaluates MSR for completeness.

- ✓ Determines father is now eligible for Medi-Cal under the Aged, Blind or Disabled (ABD) Medically Needy (MN) Share of Cost (SOC) program from the information reported on the completed MSR.
- ✓ Rescinds the father's discontinuance action and reinstates the father's Medi-Cal benefits under aid code 67 (ABD MN-SOC).
- ✓ Sends appropriate Notice of Action informing the father discontinuance is rescinded effective August 1, 2004, and his Medi-Cal benefits are reinstated under ABD MN-SOC aid code 67.
- ✓ Determines father is now an exempt beneficiary from MSR reporting due to disability status.
- ✓ 8-year old child is placed in CEC aid code 7J until the next annual redetermination.

Situation #4 – Beneficiary submits incomplete MSR with changes, 25 days after termination

Client Action:

- ✓ On August 25, 2004, submits the MSR 25 days after the termination date.
- ✓ Reports in Section 2 the start of a new job, but does not provide any other information.

Worker Action:

- ✓ Evaluates MSR for completeness and determines it is incomplete.
- ✓ Ex parte review results in insufficient information to redetermine eligibility.
- ✓ Forwards the AL 971 (request for information) requesting needed information about the reported change in circumstances since the beneficiary does not have a telephone number.
- ✓ Redetermines Medi-Cal eligibility from the requested information received from the beneficiary. (Beneficiary completes the AL 971 and forwards it back to the county within the SB 87 timeframes.)
- ✓ Rescinds the father's discontinuance action and reinstates the father's Medi-Cal benefits under TMC aid code 39 effective August 1, 2004.
- ✓ Determines income received from the father's new job; changes his Medi-Cal benefits from 1931(b) to TMC aid code 39 effective August 1, 2004.
- ✓ Changes the father's aid code from 3N to 39 and changes the 8-year old child's aid code from 3N to 39 effective August 1, 2004.
- ✓ Sends appropriate Notice of Action informing the beneficiary about change in Medi-Cal benefits from the 1931(b) program to the TMC program.

Situation #5 – Beneficiary submits complete MSR 29 days after termination and there is no eligibility

Client Action:

- ✓ On August 29, 2004, submits MSR 29 days after the effective date of the termination notice.
- ✓ States he has changes. In Section 2, the Income and Living Situation boxes are checked. The father states he started a new job and is working full-time. He also states that the 8-year old child moved out of state to live with the mother.

Worker Action:

- ✓ Evaluates MSR for completeness.
- ✓ Determines the father is ineligible for Medi-Cal under any program.
- ✓ Discontinues the 8-year old child for loss of residence effective October 1, 2004.
- ✓ Sends appropriate Notice of Action informing the father about termination of Medi-Cal benefits for the 8-year old child.

Situation #6 – Beneficiary submits MSR 45 days after termination

Client Action:

- ✓ On September 14, 2004, submits the MSR 45 days after the termination date.
- ✓ Reports no changes.

Worker Action:

- ✓ Notifies the father through telephone contact or written correspondence that he must re-apply for benefits.
- ✓ Reapplication requires completion of appropriate application forms, including the MC 321 HFP, MC 321 HFP-AP (Additional Family Members Requesting Medi-Cal) or MC 210.

ACWDL 04-06

Scenario #2 – Using the same case information, two different situations are presented to illustrate worker action based on the beneficiary's submission of the MSR and change of circumstances.

Case Information:
Medically Needy (MN) with a SOC, single parent with two children.
MFBU: Mother and two children, ages 10 and 13.
Deprivation: Absent Parent. The mother works full-time; grosses $2,000 per month.
Aid Code: 37. The children are not in CEC or a percent program.
MSR non-exempt beneficiary: Mother
MSR exempt beneficiaries: 10 and 13-year old children.
MSR sent to non-exempt beneficiary by June 10, 2004.

Situation #1 – Beneficiary's income decreases

Client Action:

- ✓ MSR is completed and returned by July 5, 2004, the due date of the Midyear Status Report.
- ✓ States she has changes. In Section 2, the Income box is checked. The mother states she has been laid off and is now receiving $50.00 per week in unemployment benefits.

Worker Action:

- ✓ Reviews MSR for completeness.
- ✓ Redetermines Medi-Cal eligibility for the month of August 2004, based on the information reported in the MSR.
- ✓ Due to the reported income change, mother and children are now eligible for no SOC Medi-Cal.
- ✓ Changes aid code for mother and children from 37 to 3N.
- ✓ Sends appropriate Notice of Action informing the mother about change from SOC to no-SOC Medi-Cal. Children would thereafter be entitled to CEC benefits, if needed.

Situation #2 – Beneficiary reports Absent Parent returns to the home

Client Action:

- ✓ MSR is completed and returned by July 5, 2004, the due date of the Midyear Status Report.
- ✓ States she has changes. In Section 2, the Income and Living Situation boxes are checked. The mother states her husband returned to the home, he works full-time and she provides all the necessary information about his job.

Worker Action:

- ✓ Reviews MSR for completeness.
- ✓ Redetermines Medi-Cal eligibility for the month of August 2004, for mother and children based on the changes reported in the MSR.
- ✓ Adds father as an ineligible member of the MFBU.
- ✓ Determines he is the Primary Wage Earner and is working over 100 hours per month.
- ✓ Discontinues mother due to no deprivation since Absent Parent has returned to the home and no other deprivation exists.
- ✓ Determines SOC for children increases due to the reported changes in the MSR.

- ✓ Sends appropriate Notice of Action informing the mother about her discontinuance and the increase to the children's SOC.

Scenario #3 – Using the same case information, two different situations are presented to illustrate worker action based on the beneficiary's submission of the MSR and change of circumstances.

Case Information:
Married couple with three children.
Father, mother and three children, ages 20, 18 and 15.
Deprivation: Unemployed Parent. The father is the Primary Wage Earner.
Aid Code: Father, mother and 15-year old in aid code 3N.
20 and 18-year old in aid code 34. The 18-year old is not expected to graduate by age 19 and
is therefore ineligible for 1931(b) Medi-Cal.
MSR non-exempt beneficiaries: Father and mother.
MSR exempt beneficiaries: 20, 18 and 15-year old children.
MSR sent to non-exempt beneficiary by June 10, 2004.

Situation #1 – Beneficiary submits timely MSR with changes

Client Action:
- ✓ The MSR is completed and returned by July 5, 2004, the due date of the Midyear Status Report.
- ✓ States he has changes. In Section 2, the Income box is checked. The father states he started a new job and provides the name of the employer, gross income, how often paid, etc.

Worker Action:
- ✓ Redetermines Medi-Cal eligibility for the month of August 2004, based on the information provided in Section 2 in the MSR. The new reported net non-exempt income is over the Section 1931(b) MFBU limit for a household of three.
- ✓ Transfers the father, mother and 15-year old child into TMC aid code 39. The household received Section 1931(b) for at least three months out of the last six months.
- ✓ Transfers the 18-year old child into the CEC program aid code 7J.
- ✓ Transfers the 20-year old child into SOC aid code 37.
- ✓ Sends appropriate Notice of Action informing the father about all the changes to case. Father, mother and 15-year old in TMC, 18-year old in CEC and 20-year old in SOC aid code 37.

Situation #2 – Beneficiary fails to submit MSR

Client Action:
- ✓ Fails to submit the MSR by July 5, 2004, the due date of the Midyear Status Report.

Worker Action:
- ✓ Sends timely V Notice of Action informing father and mother about termination of Medi-Cal benefits effective August 1, 2004.
- ✓ Changes father and mother to ineligible members of the MFBU.
- ✓ 15-year old continues to receive Medi-Cal under aid code 3N.
- ✓ 20 and 18-year old continue to receive Medi-Cal under aid code 34.

MEDI-CAL STATUS REPORT

ATTENTION: STATE LAW NOW REQUIRES YOU TO COMPLETE A MIDYEAR MEDI-CAL STATUS REPORT

YOU MUST RETURN THIS REPORT BY: _____
TO KEEP YOUR MEDI-CAL.

Notice date:

Case number:

Worker name:

Worker number:

Worker telephone number:

Office hours:

If the only persons in your family receiving Medi-Cal are aged, blind or disabled or individuals under the age of 21; and/or pregnant women whose eligibility is limited to pregnancy-only benefits, **you do not have to complete and return this report**.

If you need help in completing this report, call your worker whose name and telephone number are listed above.

SECTION 1: No changes to report

If in the last **6 months** you have not had any changes to the items listed in Section 2, check this box:

NO CHANGES ☐

- Do not fill out Section 2. Go directly to Section 3.
- **Sign** and **date** this report in Section 3 on the back of this page. You must return the report in the enclosed pre-addressed postage-paid envelope by the date on the top of this page.

CHANGES TO REPORT

If in the last **6 months** you have changes to report you must complete Section 2 and Section 3.

- In Section 2, for each item where you had a change, mark the 'Yes' box and explain the change.
- Do not send any documentation with this form.
- Go to Section 3, **sign** and **date** this report. You must return the report in the enclosed pre-addressed postage-paid envelope by the date on the top of this page.

REMEMBER YOU MUST SIGN THE BACK

MC 176 S (7/03)

CONTINUE ON REVERSE SIDE

DO NOT SEND ANY DOCUMENTATION WITH THIS FORM

SECTION 2: Check "Yes" for all changes and explain

INCOME CHANGES **Yes** ☐

Did your household's income decrease or increase? Did someone in your household over the age of 14 start a new job or quit their job? For example: hourly wage, child support received, unemployment benefits, tips, government benefits, tax refunds, gifts, etc. **PLEASE EXPLAIN:**

EXPENSES PAID CHANGES **Yes** ☐

Have you had any changes in the amounts you pay for child care, health insurance, court-ordered child support, or educational expenses? **PLEASE EXPLAIN:**

LIVING SITUATION CHANGES **Yes** ☐

Did someone move in or out of your household (for example; child was born, household member got married,
etc.)? If so, do they want Medi-Cal? [ ] Yes [ ] No **PLEASE EXPLAIN:**

OTHER CHANGES **Yes** ☐

Did someone in your household have a change in the amount of property they have (for example; money in
bank accounts, vehicles, real estate, etc.), their immigration status, or other health insurance benefits?
PLEASE EXPLAIN:

DISABLED **Yes** ☐

Has anyone in your household become disabled?
If yes, who?

PREGNANT **Yes** ☐

Has anyone in your household become pregnant?
If yes, who?
If yes, what is the expected due date?

SECTION 3: Must be completed

SIGNATURE and CERTIFICATION: I understand that I must report all changes in income, property, and/or other changes to the county. I declare under penalty of perjury that all information provided above is true and correct.

Signature:_____ Phone: ( ) _____ Date:_____

Witness Signature:_____ Phone: ( )_____ Date:_____
(If person signed with a mark)

Signature of Person Acting for Beneficiary: _____ Relationship to Beneficiary_____
Date_____

MC 176 S (7/03)