

Medi-Cal Program Guide Letter #630

March 6, 2008

Subject 2008 FEDERAL POVERTY LEVELS (FPL)

Effective Date January 1st, 2008

Reference ACWDL 08-05, 08-06, 08-05E

Purpose The purpose of this letter is to inform staff of the following:

- Increases to the FPLs and the Sneed v. Kizer prorated FPLs for Section 1931(b)
- Revised income disregard for couples in the A & D FPL Program for April 1, 2008 through May 2008 and for June 1, 2008 through December 2008.
- A Cost of Living Adjustment (COLA) Mass Update run is scheduled for March 08, 2008 to apply the SSA COLA increases that were previously disregarded until the new FPLs are released.

Background Every year, the Social Security Administration (SSA) Title II COLA for all FPL based programs is disregarded until the new FPLs become effective on April 1st. The FPL based programs include:

- 100% FPL for children ages 6 to 19
- 133% FPL for children ages 1 to 5
- 200% FPL for pregnant women and children under 1
- Aged and Disabled (A & D) FPL
- Medicare Savings Programs (i.e. Qualified Medicare Beneficiary (QMB), Specified Low Income Beneficiary (SLMB), and Qualified Individual 1 (QI-1))
- Section 1931(b) Applicant or Recipient Budget Method B
- 250% Working Disabled

The Sneed v. Kizer prorated FPLs for Section 1931(b) are derived from the annual FPL figures.

The income disregard for couples in the A & D FPL is determined by subtracting the FPL for two from the SSI/SSP couple payment standard.

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- Changes** For most individuals whose eligibility is determined based on the FPL, the following adjustments are effective April 1, 2008:
- FPLs increased
 - Sneeve v. Kizer prorated FPLs increased

Exceptions:

- For QMB, SLMB, or QI-1 applicants and recipients **without** SSA Title II income, the FPL increase shall be effective January 1, 2008.
- For QMB, SLMB, or QI-1 applicants and recipients **with** SSA Title II income, the FPL increase shall be effective March 1, 2008.

The revised income disregard for couples in the A & D FPL Program are as follows:

- For determinations for April 1, 2008 and May 2008, the income disregard will be \$357.
 - For determinations from June 2008 through December 2008, the income disregard will be \$391.
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- COLA Mass Update** A COLA Mass Update is scheduled for March 08, 2008 to apply the SSA COLA increases that were previously disregarded until the new FPLs are released.
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- Exception Lists** As with previous COLA Mass Updates, cases that did not process successfully during the COLA Mass Update will be identified on the Exception Lists, which will be distributed to FRCs following the COLA Mass Update. A case may exception out during the COLA Mass Update run due to four primary Error Types (EDBC Error, Authorization Error, Pre-EDBC Exceptions and Pre-Authorization Exceptions). Descriptions and possible reasons for the errors and instructions for processing cases appearing on the Exception Lists are attached to this Letter (Attachment A). Workers are required to review each case on the Exception List and take appropriate action to resolve the error.
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Notices of Action (NOAs)

The COLA Mass Update scheduled for March 08, 2008 will produce NOAs. Similar to the previous COLA run, certain NOAs will be deleted from the print queue while others will be mailed automatically and require no additional action by the worker. However, some NOAs will require worker's review and will be set to stay in On-line status. A list of cases identifying NOAs placed in Online status will be distributed to FRCs on **03/12/08** (*Note: Date dictated by the CalWIN Project & may be subject to change*). Workers must review their Print Queue before the March 2008 NOA deadline in order to verify that the information is correct before issuing the NOA to the beneficiary.

Priority shall be given to those cases which are negatively affected as these must be sent out by the March NOA deadline to meet the 10-day requirement. The worker must review and determine:

If the NOA is...	Then the worker must...
Correct	Set Print Mode to either "Immediate" or "Batch."
Inappropriate	Delete the NOA.
Incorrect	Make the appropriate corrections by using the "Manual Variables" button and enter the correct information.

Required Action

Workers are required to:

- Ensure that effective April 1, 2008, the new FPL figures provided in MPG Article II, Appendices A and B are used when determining eligibility for Medi-Cal programs that utilize FPL income levels (such as 100%, 133%, 200%, A & D FPL, etc.).
- Apply the new FPL figures effective January 1, 2008 for QMB, SLMB, or QI-1 applicants and recipients **without** SSA Title II income.
- Use the new FPL figures effective March 1, 2008 for QMB, SLMB, or QI-1 applicants and recipients **with** SSA Title II income.
- Review and process any NOAs that were generated from the COLA Mass Update.
- Review each case on the Exception List and take appropriate action to resolve the error.

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QMB, SLMB, and QI-1 Listings

Since the effective date for the FPL increases for QMB, SLMB, QI-1 applicants and recipients is dependent on whether the case consists of SSA Title II income, certain QMB/SLMB/QI-1 cases must be reviewed to determine if the income is below the new standard and eligibility re-established, if otherwise eligible. Listings of cases needing review will be generated by the CalWIN Project and forwarded to FRCs as they become available. Upon receipt of the list, the worker must take the following actions:

- For QMB, SLMB, or QI-1 cases **without** SSA Title II income that were denied/discontinued between (01/01/08 – 03/31/08) due to excess income, the worker must review the case to determine if eligibility exists for January 2008 and on-going. The worker must re-run EDBC and indicate “Y” on Capture Discrepancy window for January 2008 through March 2008.
- For QMB, SLMB, or QI-1 cases **with** SSA Title II income that were denied/discontinued between (03/01/08 – 03/31/08) due to excess income, the worker must review the case to determine if eligibility exists for March 2008 and on-going. The worker must re-run EDBC and indicate “Y” on Capture Discrepancy window for March 2008.

Automation Impact

The following CalWIN Referenced Tables (RTs) have been updated to reflect the increases in the FPLs, the Sneeve vs. Kizer prorated FPLs for Section 1931(b), and the A & D FPL couple disregard amount.

RT Name	Description
RT_DED_TYPE	Deduction Type for update of the A & D FPL couple disregard
RT_SNEEDE_MAINT_NEED	Sneeve Maintenance Need for Update of the 1931(b) Applicant Sneeve income limits
RT_FPL	FPL Limit for update of all FPL amounts related to Medi-Cal

Forms Impact None.

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Quality Assurance Impact

Effective with April 2008 sample month, Quality Assurance will cite with the appropriate error any case which does not follow the requirements of this letter.

Summary of Change

The table below shows the changes made in the Medi-Cal Program Guide (MPG).

Section	Summary of Change
Article 11 Section 1 Appendix A & B	Updates to FPLs, Sneed prorated FPLs, and A & D FPL couple disregard amount

Filing Instructions

The following pages shall be removed and replaced as follows:

Action	Pages
Remove	MPG 11-1-A & 11-1-B
Replace	MPG 11-1-A & 11-1-B

Manager Approval

ORIGINAL SIGNED BY:

DANN CRAWFORD, Assistant Deputy Director
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Strategic Planning and Operational Support

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