

# Medi-Cal Program Guide Letter (MPG) #724

April 13, 2011

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**Subject**            **2011 FEDERAL POVERTY LEVELS (FPLs) AND 2011 STATEWIDE AVERAGE PRIVATE PAY RATE (APPR) FOR NURSING FACILITY SERVICES**

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**Effective**            January 1, 2011

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**Reference**            ACWDL 11-13 and 11-16

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

- Increase to the FPLs and the Sneede v. Kizer prorated FPLs for Section 1931(b).
- Revised income disregard for couples in the A & D FPL Program.
- A CalWIN Cost of Living Adjustment (COLA) Mass Update (MU) ran **April 9<sup>th</sup> and 10<sup>th</sup>, 2011** to apply the new FPL limits.
- Instructions for processing cases not processed successfully during the COLA MU.
- Instructions for processing Notice of Actions (NOAs) generated from the COLA MU.
- Instructions for processing cases discontinued or denied in March and April 2011 for income exceeding the 2010 FPL.
- 2011 Average Private Pay Rate (APPR) for Nursing Facility Services.

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**Highlighted Changes**            **Federal Poverty Levels**  
For individuals whose eligibility is determined based on the FPL, the following are effective **April 1, 2011**.

- FPL increase.
- Sneede v. Kizer prorated FPL increase.

**Average Private Pay Rate**  
The 2011 Statewide APPR for nursing facility services is \$6840. The increase shall be effective **January 01, 2011**.

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**COLA Mass Update**            A COLA Mass Update ran April 9<sup>th</sup> and 10<sup>th</sup>, 2011 to apply the new FPL limits to the case budget for on-going eligibility determinations.

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**Exception Lists**

Cases that did not process successfully during the COLA MU are identified on the [Exception List](#) posted in SharePoint. A case may exception out during the COLA Mass Update run due to four primary Error Types:

- EDBC Error
- Authorization Error
- Pre-EDBC Exceptions
- 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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**Discontinued or Denial List**

Cases previously discontinued or denied are identified on the [Discontinued/Denied List](#) posted in SharePoint. Workers are required to review each case on the Discontinued/Denied list and rerun EDBC to apply the new FPL and take appropriate action.

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**Notices of Action (NOA)**

The COLA Mass Update produced a large volume of NOAs. Certain NOAs will be mailed automatically and require no additional actions by the worker. NOAs that will require worker’s review and will be set to stay in On-line status are:

- MC 239 A – Discontinuance of Benefits General
- MC 239 J – Medi-Cal NOA QMB Approval
- MC 339 – Medi=Cal Approval for 1931(b) Benefits
- M44-350A – CW Grant Change – Overpayment Adjustment
- M44-352C – CW Grant Change – Overpayment Adjustment – Overpaid in Different Case
- DFA 377.9 – Notice of Back Food Stamps Benefits

A [list of cases](#) identifying NOAs placed in Online print mode is posted on SharePoint.

Workers must review their Print Queue before the April 2011 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 mailed by the April NOA deadline to meet the 10-day requirement. The worker must review and determine:

<b>If the NOA is...</b>	<b>Then the worker must...</b>
Correct	Set Print Mode to either “immediate” or “batch.”

Inappropriate	Delete the NOA.
Incorrect	<ul style="list-style-type: none"> <li>• Make the appropriate corrections by using the “Manual Variables” button and enter the correct information.</li> <li>• Set Print Mode to either “immediate” or “batch.”</li> </ul>

**Required Action**

**Federal Poverty Levels**

Workers are required to:

- Ensure that effective April 1, 2011, the new FPL figures provided in [MPG 11.1A](#) are used when determining eligibility for Medi-Cal programs that utilize FPL income levels.
- Review and process any [NOAs](#) generated from the COLA MU remaining in On-Line Status.
- Review each case on the [Exception List](#) and take appropriate action to resolve the error.
- Review each case on the [Discontinued/Denied list](#), rerun EDBC to apply the new FPL and take appropriate action

**Average Private Pay Rate**

Workers will use the 2011 APPR for nursing facility services in calculating period of ineligibility for transfers of non-exempt property for less than fair market value. This amount shall be used whenever the application date or date of institutionalization (whichever is more recent) occurs in 2011.

**Automation Impact**

The MASS Update ran the weekend of **April 9<sup>th</sup> and 10<sup>th</sup> 2011**. The following CalWIN Reference Tables (RTs) have been updated to reflect the increases in the FPLs: [Sneede vs. Kizer](#) prorated FPLs for Section 1931(b), and APPR.

<b>RT Name</b>	<b>Description</b>
RT_DED-TYPE	Deduction Type for update of the A & D FPL couple disregard.
RT_SNEEDE_MAINT_NEED	Sneede Maintenance Need for Update of the 1931 (b) Applicant Sneede income limits.
RT_FPL	FPL Limit for update of all FPL amounts related to Medi-Cal.
RT_AVG_PVT_PAY_RATE	APPR update for the year 2011.

**Forms Impact** None

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**Access  
Impact**

None

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**Imaging  
Impact**

None

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**QC/QA Impact**

Effective with the May 2011 review month Quality Assurance will cite appropriate error on any case that does not comply with the requirements outlined in this letter.

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**Summary of  
Changes**

The table below shows the changes made in the MPG cites.

<b>Section</b>	<b>Summary of Change</b>
Article 11 Section 1A Appendix	Update to FPLs, Sneed prorated FPLs, A&D Couple Disregard, and APPR amounts.

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**Manager  
Approval**



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DMH