

Medi-Cal Program Guide Letter (MPG) # 741

December 12, 2011

Subject **IMPLEMENTATION OF NEW AID CODES FOR FOSTER CARE (FC) CHILDREN AND KINSHIP GUARDIAN ASSISTANCE PAYMENT (KIN-GAP) PROGRAM**

Effective Upon Receipt

Reference ACWDLs 10-28 AND 11-06

Purpose The purpose of this letter is to inform counties that the Department of Health Care Services (DHCS) is adding the aid codes in the table below.

<u>Aid Code</u>	<u>Definition</u>
<u>4H</u>	FC children placed with relative in CalWORKs
<u>4L</u>	FC children placed with relative in Section 1931(b)
<u>4T</u>	Title IV-E Kin-GAP program.

Background Current State law exempts FC children from mandatory enrollment into Medi-Cal managed care. Because some FC children placed with relatives do not meet the eligibility criteria for AFDC-FC, those children are not identified as FC when they are included in the CalWORKs or 1931(b) which is mandatory for Medi-Cal managed care enrollment. This mandatory enrollment may cause access-to-care issues for this vulnerable population.

The Kin-GAP program establishes a separate payment rate for children placed with relatives who obtain guardianship. It specifically serves children who are leaving the foster care system and who enter a guardianship with a relative. Two aid codes are designated for the Kin-GAP program:

<u>Aid Code</u>	<u>Purpose</u>
<u>4F</u>	Kin-GAP program for children in relative placement receiving cash assistance with federal financial participation (FFP) on cash payments. Children in this aid code receive full-scope Medi-Cal benefits. There is

	no share of cost (SOC).
<u>4G</u>	Kin-GAP program for children in relative placement receiving cash assistance with no FFP on the cash payments. This is a state-only cash assistance program in which children will receive full-scope Medi-Cal benefits. There is no SOC.

Highlighted Changes

In order to enable children in FC to remain in a voluntary Medi-Cal managed care status and to easily identify these children for other FC-linked benefits, such as former FC services after they turn age 18. DHCS has created two new aid codes that are full scope, no SOC, and are to be used as follows:

4H-CalWORKs Foster Care

Aid code 4H replaces the current aid code for FC children receiving CalWORKs. These children are in FC living with a relative residing in California.

The following conditions apply to aid code 4H:

1	This is a mandatory categorically eligible population with full-scope Medi-Cal. No separate application, income, or asset test is required to establish Medi-Cal for these children.
2	Eligible individuals in this aid code have voluntary enrollment status for Medi-Cal managed care plans.
3	Annual redetermination of Medi-Cal will be conducted as with other CalWORKs recipients. This change in service delivery options does not impact eligibility requirements.
4	This population will be eligible for the Former Foster Care Children Program (FFCCP), aid code 4M, upon aging out of the FC system.

4L-1931(b) Foster Care

Aid code 4L replaces aid code 3N for FC children receiving Medi-Cal under 1931(b).

The following conditions apply to aid code 4L:

1	This is a mandatory eligible population with full-scope Medi-Cal.
2	Eligible individuals in this aid code have voluntary enrollment status for Medi-Cal managed care plans.
3	Annual redetermination of Medi-Cal will be conducted as with other 1931(b) recipients. The aid code change for service

	delivery options does not have any impact on the current 1931(b) program eligibility requirements.
4	This population will be eligible for the FFCCP, aid code 4M, upon aging out of the FC system.

Kin-GAP

Effective January 1, 2011 Kin-GAP Program has two components:

- A federally funded component when the child is eligible for Title IV-E foster care and;
- A new state funded component when the child is not eligible for Title IV-E foster care.

New and existing Kin-GAP cases determined eligible for the federally-funded Kin-GAP program will be placed into new aid code 4T.

Required Action for FC

Workers will put FC children in the new aid codes at application, annual redetermination, or at the earliest the county becomes aware of a FC child in a CalWORKs or 3N aid code.

If workers are contacted by the child’s caretaker relative or FC placement worker regarding the child’s managed care enrollment, workers shall:

- Immediately complete a case review; and
- Change the child’s current aid code (CalWORKs or 3N) to the appropriate new aid code if otherwise eligible.

Required Action for Kin-GAP

Existing Kin-GAP cases, coded to either aid codes 4F or 4G, will remain in 4F and 4G until assessment for eligibility in the new State or federally-funded Kin-GAP Program is complete.

<u>Aid Code</u>	<u>Used for</u>
4G	State-funded Kin-GAP Program
4T	Federally-funded Kin-GAP Program

Automation Impact

A bottom line override of the aid code is required to assign the 4H, 4L or 4T aid code.

Forms Impact

No impact.

Access Impact

No impact.

**Imaging
Impact**

No impact.

**CalWORKs
Program
Impact**

The California Department of Social Services is issuing separate instruction to CalWORKs program workers to put FC children in the 4H aid code since this aid code is linked to CalWORKs eligibility requirements and no separate Medi-Cal determination is conducted.

**QC/QA
Impact**

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

**Summary of
Changes**

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

Section	Summary of Change
Article 5, Section 11	<ul style="list-style-type: none">• Two new aid codes, 4H and 4L, to identify children placed with relatives who are in FC and in CalWORKs or Section 1931(b).• New 4T aid code for federally-funded Kin-GAP program.

**Manager
Approval**

Sylvia Melena, Assistant Deputy Director
Self Sufficiency Programs
Strategic Planning and Operational Support Division

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Article 5, Section 11 – Adoption Assistance Payments (AAP), Foster Care, and KinGAP

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05.11.01 Introduction

A. General

Children may receive a federally funded adoption assistance subsidy under Title IV-E or a state-funded subsidy per state guidelines. Payments to the parents of an eligible child with special needs can take the form of either one-time (nonrecurring) adoption assistance or ongoing (recurring) adoption assistance. These funds are paid through the State agency or through another public or nonprofit private agency in the state in which the child was adopted and are available for children being adopted from foster care.

Children placed under foster care supervision or those receiving AAP payments are not always eligible to receive Medi-Cal. Each case must be assessed individually and granted under the appropriate aid code if eligible. The dependency status of the child is not a factor in determining Medi-Cal eligibility.

Each AAP child is in his or her own MFBU. The income and resources of the parents and siblings are not considered in the child's Medi-Cal eligibility determination.

B. Basic Criteria

To receive Medi-Cal under any aid code children must meet certain basic Medi-Cal criteria. They must:

1. Be U.S. citizens or meet eligible alien status requirements per [MPG Article 7, Section 1](#).
2. Meet institutional status requirements per [MPG Article 6](#).
 - Children placed at Napa State Hospital (a public mental institution) under W&I Code 601 and 300 are under medical care and not custodial care and may be eligible for Medi-Cal.
 - Custodial care means maintenance provided by a psychiatric institution to individuals whose condition does not warrant medical treatment.
 - Medical treatment includes psychotherapy, counseling, rehabilitation training or other forms of medical treatment.
3. Not be under a penal hold. Because of the complexity of the penal system and the many types of penal holds certain clarifications are addressed here. They are not all inclusive and variations must be clarified on an individual basis. The Probation Department often refers to children as "602 Children" when they are not actually under

a penal hold. The following children are determined to be under a penal hold and are ineligible for Medi-Cal:

Hold Type	Clarification
Under Arrest	Children who have committed crimes, are detained and admitted to hospitals or held in Juvenile Hall (detained under Section 602) prior to and/or after a detention order being signed, are to be considered to be under arrest. Medical
Held Pending Hearing, Arraignment, Trial or Sentencing	Those released on bail are not considered "held" unless bail is revoked.
Serving a Sentence	a. Children who are placed on parole or probation pursuant to a dispositional order under Section 602 are not considered to be under a penal hold and may be eligible to Medi-Cal. They may still be in Juvenile Hall
Placement in a Mental Institution Under a Pre-Trial	a. Children placed at Camarillo or other State Hospitals must be evaluated to determine if they are still under a penal hold (ineligible)

or Pre-Sentencing Observation Order or Who Are Sentenced to Such an Institution	or have been placed on probation (potential eligibility). b. Children discontinued from Medi-Cal under any program must be evaluated for eligibility under any other Medi-Cal program.
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**C.
Foster Care
Coordinator**

A Foster Care Coordinator (FCC) has been approved to ensure that FC workers and Children’s Services workers have a contact for Medi-Cal eligibility. When there is a delay in immediate need Medi-Cal issuance, the FCC will intervene. The FCC will also be a contact for DHCS Medi-Cal Eligibility Branch.

When a FC worker or social worker requires assistance with immediate need Medi-Cal processing, the referral will be faxed to the FCC at:

FC Coordinator, MS W-94
Phone: (858) 694-5425
FAX: (858) 694-5491

The FCC will respond to the request for assistance within 24 hours regarding the child’s Medi-Cal eligibility status.

**D.
Kinship-
Guardian
Assistance
Program**

Kin-GAP establishes a separate payment rate for children who are leaving the foster care system and are placed with relatives who obtain guardianship.

The following conditions apply to Kin-GAP children:

- Has been living with a relative for at least 12 months;
- Has a guardianship established pursuant to Section 366.26 of the W&I Code;
- Had their dependency dismissed on or after January 1, 2000; and
- Qualified for federal or state-only TANF or AFDC-FC before dismissal of the dependency order.

Each Kin-GAP child is in his or her own MFBU, even if there are other siblings or a needy caretaker relative in the home.

MPG LTR NO. 665 (03/09)

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05.11.02 Aid Codes

A. General

This section defines the various aid codes, when they are to be used, necessary forms and the procedures to be followed.

B. Federally Eligible AAP

Aid Code 03 is used for federally eligible Title IV-E AAP children placed by the State of California. They are eligible for Medicaid but may not be eligible for Medi-Cal depending on where they reside.

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Requests may be received from either the placing state or the Adoption Social Worker.

Note: For the purposes of determining residence in this Aid Code, Puerto Rico, Guam, the Canal Zone and other U.S. territories are considered as other states.

If the Child is Placed:	Then:
In California or in another Country by California	Aid Code 03 will automatically issue a Medi-Cal BIC.
In another State by California	a. CWS is responsible for arranging Medicaid coverage for children placed out of state. b. The Medi-Cal worker must send a timely Notice of Action discontinuing Medi-Cal.

Aid Code 06 is used for children receiving a federal Title IV-E AAP cash subsidy from outside California through the Interstate Compact on Adoption and Medical Assistance (ICAMA). This aid code is full-scope zero SOC Medi-Cal.

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The following conditions apply to Aid Code 06:

- This is a mandatory categorically eligible population. Eligibility for Medi-Cal has been met through receipt of Title IV-E AAP benefits.
- No separate application form is required to establish Medi-Cal.
- No income or asset test is required.
- Enrollment in managed care plans is voluntary in GMC counties.
- Annual redetermination is conducted with the adoption state, not the adoptive parents.
- Inter-county transfer procedures apply if the child moves to a different county within California.
- Children are eligible to CEC if they are no longer eligible under AAP prior to their 18th birthday and if they age out of the AAP program at age 18 years.

**C.
Non-Federally
Eligible AAP**

Aid Code 04 is used for non-federally eligible AAP children placed by California. These children are eligible to Medicaid regardless of where they reside.

If the Child is Placed:	Then:
In California or in another Country by California	These children automatically receive a Medi-Cal card through the 04 case.
In a Non-ICAMA State by California	CA no longer provides Medi-Cal for these children. They must receive Medicaid from the state of residence.

Aid Code 4A is used for non-federally eligible AAP children placed in California by another ICAMA state and there is a state-only AAP agreement between that state and the adoptive parents.

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- This aid code is full-scope zero SOC Medi-Cal.
- Enrollment in managed care plans is voluntary.

**D.
Federally
Eligible
AFDC-FC**

Aid Code 42 is used for federally eligible children placed in AFDC-FC by California agencies.

Note: For the purposes of determining residence in this Aid Code, Puerto Rico, Guam, the Canal Zone and other U.S. territories are considered as other states.

Aid Code 46 is used for Title IV-E federally-funded children placed in California from another state through the Interstate Compact of the Placement of Children (ICPC). This aid code is full-scope zero SOC Medi-Cal.

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The following conditions apply to Aid Code 46:

- This is a mandatory categorically eligible population. Eligibility for Medi-Cal has been met through receipt of Title IV-E FC benefits.
- No separate application form is required to establish Medi-Cal.
- No income or asset test is required.
- Enrollment in managed care plans is voluntary in GMC counties.
- Annual redetermination is conducted with the placement state, not the foster parents.

- Inter-county transfer procedures apply if the child moves to different county within California.
- Children are eligible to CEC if they are no longer eligible to foster care prior to their 18th birthday.
- Children are eligible to the FFCC Program, aid code 4M, upon aging out of the foster care system.

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**E.
Non-Federally
Eligible
AFDC-FC**

Aid Code 40 is used for non-federally eligible children placed in FC by California.

Clarification: Aid Code 40 includes children who might be otherwise federally eligible but are placed in “for-profit” facilities inside or outside of the State of California such as Vision Quest, Rite of Passage, Sunny Mountain Ranch, or Boys Republic.

Workers must take care to assign the correct aid code so that children placed in “for-profit” facilities out-of-state will continue to receive their Medi-Cal.

**F.
Foster Care
Medi-Cal Only**

Aid Code 45 is used in a small number of cases for children placed in FC out of the home when a public agency is assuming financial responsibility for the child’s care and the agency has responsibility for the child’s placement, including:

- Children receiving aid under the CW Aid Codes (FC payments made through County Treasurer Funds) when they meet the basic criteria in [Section B.](#), above.
- Children placed in CMH when public funds are used for their personal needs.

This aid code is also used when a Medi-Cal only case is opened to meet the immediate medical need of a child who has not been placed or who’s AFDC-FC eligibility cannot be established, and the child is not currently active in an AFDC or No SOC Medi-Cal Case. Refer to [MPG 05-11-03](#) for Medi-Cal card issuance instructions.

Clarification: Children at the Door of Hope would not be eligible under this aid code unless receiving public funds. Their needs are usually met by Door of Hope, which are private funds. These children may be eligible under Aid Codes 82/83 or 34/37.

The following forms are required to establish eligibility:

Form/Verification	Description
SAWS-1	Any written request for aid.
MC250 Application Form	To be completed by a representative of the public agency assuming financial responsibility.

Forms MC 216 and MC 217 are not required.

**G.
Kin-GAP**

Aid Code 4F is used for children in Kin-GAP relative placement receiving cash assistance with FFP cash payments.

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Aid Code 4G is used for children in Kin-GAP relative placement receiving cash assistance with no FFP cash payments. This is a state-only cash assistance program.

The following applies to both 4F and 4G aid codes:

- The aid code is full-scope zero SOC Medi-Cal.
- Enrollment in managed care plans is voluntary.

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**H.
Medically
Indigent**

Aid Codes 82/83 are used for children (in or under FC supervision and others) who do not meet AFDC linkage requirements. Ref: MEM 50251 (a)(1), (2), (4), (5), and (6).

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50251

This category includes, but is not limited to:

- Children, not living in the home of a parent or relative, who are in a medical facility where a public agency is not assuming financial responsibility because the parent(s) is providing all personal needs. This includes state hospitals such as Camarillo when the parent(s)/relative(s) is providing for the child's personal needs.
- Children placed with non-relatives where the child's own income exceeds the FC rate.
- Children placed back with the parent(s) under FC supervision and there is no AFDC linkage.
- Children placed in LTC when no public agency is providing for personal needs wholly or in part.
- SED children with no AFDC linkage for whom disability has not been established. These children are determined to be "living in the home" and only temporarily absent for educational purposes.

The following forms and verifications are required to establish eligibility:

Form/Verification	Description
SAWS-1	Any written request for aid.
FC-2	a. Foster Care Statement of Facts. b. The person or representative of the agency having legal responsibility for the child must complete the FC-2. c. In a dependency situation, DSS has legal responsibility for the child. d. The person who has the most information should complete the Statement of Facts (SW or HSS).

Forms MC 216 and MC 217 are not required.

**I.
Medically
Needy**

Aid Codes 34/37 are used for children and adults who are AFDC linked (*i.e.*, meet a deprivation factor).

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This category includes, but is not limited to:

- Children placed back in the parent's home under FC supervision and the child is linked to AFDC.
- Children placed in the home of a relative who refuses or is ineligible to AFDC-FC payments.
- SEC children when AFDC linkage exists. See [Section H](#).

Forms and verifications: See [Section H](#).

05.11.03 BIC Issuance

A. General

This section provides instructions regarding the issuance of the BIC for children in FC and AAP aid codes.

B. Polinsky Children's Center (PCC)

The PCC worker will clear the child on the MEDS INXB Screen to determine if a BIC has ever been issued for the child.

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94-28, 94-25,
94-05, 93-53

If:	Then the Worker Will:
No BIC Issued	Initiate the appropriate aid code case using the address where the child is residing or is going to reside. If unknown, use the PCC address.
BIC Issued on Active CalWORKs, Aid Code 38, or No SOC Medi-Cal	a. Complete form #KM80, including the: <ul style="list-style-type: none"> • CIN • Child's date of birth • BIC issue date • OHC information b. Place one copy of the #KM80 in the child's medical file, which is given to the foster parent. c. FAX a disenrollment request to DHCS If the child is on a PHP. Note: At the request of the foster parent, the child may remain in the PHP.
BIC Issued on Inactive CalWORKs, Medi-Cal, or Active SOC Medi-Cal	a. Initiate the appropriate aid code case using the address where the child is residing or is going to reside. If unknown, use the PCC address. b. FAX a disenrollment request to DHCS if the child is on a PHP, unless the foster parent requests that the child remain in the PHP as noted above.

C. Probation

The following procedures are to be followed when providing Medi-Cal for wards after their Disposition Hearing. The worker handling post disposition cases will:

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Step	Action
1	Obtain the Medi-Cal application for the child completed by the Probation Department.
2	Clear the child on MEDS INQO Screen to determine if a BIC has ever been issued for the child.
3	<ul style="list-style-type: none"> • Initiate the appropriate aid code case using the following address:

	Prob Dept Plcmt Supver PO Box 23596 San Diego, CA 92139-3596
4	Request a replacement BIC only if the Probation Department requests a BIC and a BIC has previously been issued.

**D.
All Other
Placements**

The following procedures are to be followed when providing Medi-Cal for children in placements other than PCC and Probation.

The FC worker will clear the child on MEDS INQO Screen to determine if a BIC has ever been issued for the child.

If:	Then the Worker Will:
No BIC Issued	a. Initiate the appropriate payment case. b. Notify the foster parent on the NOA if the child has OHC.
BIC Issued	Notify the foster parent on the NOA if the child has OHC.

**E.
Removing
OHC Indicator**

To prevent barriers to medical service of FC children, DHCS will remove the OHC coding on MEDS at the request of a duly authorized party. A duly authorized party is:

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- A worker,
- An FC worker, or
- An enrolled Medi-Cal provider of service.

Staff may request the removal of the OHC indicator if they have either written documentation or documentation of oral communication from the other health insurer which confirms that the specific provider, service, service frequency or location is not covered by the OHC. If within fifteen days of a written or oral request made by a duly authorized party for confirmation of non-coverage, the other health carrier does not provide a written response or an oral response that can be documented, DHCS will grant the request to remove the OHC indicator. All documentation of non-coverage must be retained in the FC child's case.

The number to call to request the removal of the OHC indicator is 1-800-952-5294.

F.

Children entering the FC system will be treated as immediate need as

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**Detention
Orders –
Immediate
Need**

soon as the detention order is issued. The FC worker will receive the necessary information from the social worker to establish Medi-Cal eligibility for the child.

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In addition:

- Staff in the Court Unit at Levant Street will FAX the detention calendars, on a daily basis, to FC staff at the KMFRC at (858) 694-2536. The detention calendars list children who will have a detention hearing on that day. Each child will be cleared on MEDS to identify if he/she has a MEDS record.
 - Children with active MEDS require no further action.
 - Children who do not have active MEDS will require expedited Medi-Cal handling if they are in “out of home” care.
 - An expedited Medi-Cal Request Referral Form 04-280 will be faxed to the social worker’s supervisor (or duty worker of the day) requesting an MC 250, SAWS 1, and MC 13 to be faxed back within 24 hours for children in placement.
 - Medi-Cal eligibility will be established in CalWIN, upon receipt of the forms, for children who are not already Medi-Cal beneficiaries. The FC worker will submit an on-line entry request (14-1) to the MEDS clerk to immediately enter the Medi-Cal eligibility.
 - Upon completion of the on-line entry, the BIC number will be recorded on the 14-1 and returned to the FC worker.
 - Proof of Medi-Cal eligibility will be issued for children with no previous Medi-Cal record.
 - Proof of Medi-Cal will also be issued at the request of a child’s authorized representative for any child who has active Medi-Cal at the time of removal from the home, but does not have access to his/her BIC. Authorized representatives include the social worker or substitute care provider.
 - Proof of Medi-Cal eligibility includes:
 - A paper Medi-Cal card, or
 - The BIC number from the MEDS record.
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05.11.04 Retroactive Benefits

A. Retroactive Medi-Cal

When retroactive Medi-Cal is requested for a child placed in California by another state, the worker must obtain the following information, if not already obtained, from the placing state:

- Date the child moved to California; and
- Written verification that the child is federally eligible for AAP or AFDC-FC. The statement must include the following:
 - Name of child and adoptive/foster parent(s);
 - Child's SSN, date of birth, address;
 - Certification of Title IV-E federal eligibility to AAP/AFDC-FC;
 - Termination date of Medicaid benefits from the placing state;
 - OHC, if any;
 - For AAP cases, the adoption agreement termination/renewal date and a statement that the adoption agreement is on file with the placing state; and
 - For AFDC-FC cases, the name of the agency in the placing state with responsibility for care and custody of the child and verification that the child is receiving an AFDC-FC grant.

Retroactive Medi-Cal may not be granted prior to the month the child moved to California or three months prior to the month the MC 250 is dated, whichever is later.
