

Medi-Cal Program Guide (MPG) Special Notice (SN) 13-09 Addendum G

June 3, 2014

Subject HEALTH CARE REFORM (HCR) MEDI-CAL AND LOW INCOME HEALTH PROGRAM (LIHP)

Effective Upon receipt

Reference Medi-Cal Eligibility Division Letters (MEDIL) I 14-17, I 14-20 I 14-21, I 14-29

Purpose To inform staff of the following:

- Suspension of paper verification requirements for residency
- Statement of Citizenship, Alienage and Immigration Status Form (MC13)
- Requests for discontinuance
- Continued benefits for beneficiaries reaching certain milestones
- Burman Holds
- Non-MAGI beneficiaries in need of Long Term Care (LTC) services
- Notices of Action (NOA)

Background The Affordable Care Act (ACA) became law on March 10, 2010. The law enacted comprehensive health insurance reform through the expansion of Medi-Cal, creation of the Health Insurance Exchange, and new regulations for health insurance plans.

The Department of Health Care Services (DHCS) has been providing guidance on new policies and interim procedures to expedite application processing and minimize negative impacts to current Medi-Cal beneficiaries.

Suspension of Paper Verification Requirements for Residency Effective immediately, paper verification requirements are suspended until August 1, 2014. Staff will accept residence verification for all pending and current applications if the applicant attested to living in California by verbal contact, or if they listed a California address as their physical address on the paper or on-line application.

Verbal attestation or entry of a California physical address on the application will satisfy the residence requirement for applications

processed until 07/31/14.

A P.O. Box address will not meet the residence requirement if listed as the physical address. A P.O. Box can be used as a mailing address.

The temporary suspension of the paper verification does not preclude staff from requesting a fraud referral if residency is questionable.

**Statement of
Citizenship,
Alienage and
Immigration
Status Form
(MC13)**

With the implementation of ACA, applicants who claim to be U.S. citizens/nationals or to have satisfactory immigration status (SIS) on the Single Streamlined Application (SSApp), SAWS 2 Plus, or CF 285 application forms will have their citizenship or immigration status electronically verified via CalHEERS through the Federal data Hub. Additionally, self-attestation of citizenship via telephonic signature and electronic signature for applications submitted on-line will be an acceptable form of attestation.

The MC13 form is required for applicants who do not claim to be U.S. citizens/nationals or to have SIS.

The MC 13 form is **not** required for applicant(s) who meet one of the following conditions:

- They attest to being a U.S. citizen/national or to having SIS on one of the application forms indicated above **AND** their citizenship/immigration status is verified via electronic means, including the federal data hub, California birth match, or the Social Security Administration (SSA) citizenship verification process.
- They are secondary adults on a case who did not sign the application and the primary applicant attests the individual is a U.S. citizen/national **AND** their citizenship/immigration status is verified via electronic means, including the federal data hub, California birth match, or the Social Security Administration (SSA) citizenship verification process.

Staff will grant full scope benefits during verification of citizenship or SIS to otherwise eligible applicants without further documentation from the applicant. If an applicant's immigration status **cannot** be verified via CalHEERS through the federal data hub, or the application information is not "reasonably compatible" with information from the federal data hub, staff must submit a manual SAVE verification request. If the manual SAVE process does not successfully verify immigration status or resolve the inconsistency, the applicant has a 90-day reasonable opportunity period to resolve the inconsistency. If citizenship or immigration status is not verified within the 90-day

reasonable opportunity period, the Medi-Cal level of benefits will be reduced to limited scope.

Requests for Discontinuance

Beneficiaries that request discontinuance of their Pre-ACA Medi-Cal benefits will be discontinued in accordance with current Medi-Cal policy. If this action results in a negative impact to the individuals remaining on the case, staff must ensure that the Medi-Cal benefits for these individuals is not affected.

DHCS is still working with CalWIN and CalHEERS to implement functionality that will allow for requested discontinuances for MAGI-based Medi-Cal beneficiaries. Additional guidance will be provided once this functionality is available.

Continued Benefits for Beneficiaries Reaching Certain Milestones

Based on guidance from DHCS to not process negative actions until system functionality is available, Medi-Cal benefits for individuals that reach certain milestones will continue.

Medi-Cal eligibility will be extended for individuals that reach the following milestones:

- Aging out of the children's federal poverty level (FPL) program
- Reaching age 21
- Children leaving the home causing a change in household composition
- Pregnant women reaching the end of their pregnancy/postpartum period
- Reaching the end of the program time limit such as Transitional Medi-Cal (TMC), Continuing Eligibility for Children (CEC) and Four Month Continuing Medi-Cal.

Programs, such as CEC, TMC and Four Month Continuing that have an established end date in MEDS will go into Burman Hold if eligibility is continued beyond the termination date. If staff is unable to continue the beneficiary in the same aid code, or a comparable aid code with the same level of benefit, a bottom line override and MEDS online transaction will be processed in order to continue benefits at the same level.

Comparable aid codes:

- 34 for full scope, no SOC
- 37 for full scope, SOC
- 38 for continuing, no SOC
- 58 for restricted scope, both no SOC and SOC
- 44 for pregnancy related citizen

- 48 for pregnancy related non-citizen
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Burman Holds Burman holds that are generated as a result of bottom line overrides or MEDS online transactions to extend Medi-Cal benefits do not require action until the negative change can be processed and the correct benefits are determined.

Non-MAGI Beneficiaries in Need of Long Term Care Services Non-MAGI individuals that are currently receiving Medi-Cal benefits and are in need of Long Term Care services will be assigned the LTC aid code. The SOC, if any, will remain the same, unless spousal impoverishment rules can be applied to reduce the existing SOC for the individual in LTC.

If necessary, a bottom line override will be processed to assign the LTC aid code and keep the SOC at the same level.

Income, when retained, becomes property in the month following the month of receipt. Since these non-MAGI beneficiaries who are admitted to LTC would otherwise have a SOC, but for the fact that no negative actions can be taken at this time, will have their property re-evaluated when change processing is resumed.

Upon resumption of change processing, staff must follow the steps outlined below:

- Ensure that the following Medi-Cal Information Notices about the property limits and options for spend-down have been provided:
 - **MC 007** – Medi-Cal General Property Limitations
 - **DHCS 7077** – Notice Regarding Standards for Medi-Cal Eligibility
 - **DHCS 7077 A** – Notice Regarding Transfer of a Home for Both a Married and an Unmarried Applicant/Beneficiary
- Request property verification to ensure that there is no excess property. If excess property exists for the full calendar month immediately preceding the current month, send the 10-day notice for the adverse action.
- If there is a community spouse, refer to MPG [09.13.01](#) for information on the treatment of property of institutionalized spouses and their community spouses.
- Provide information to the beneficiary about the processes for paying excess property on medical bills or making a payment of excess property to DHCS.

Notices of Action (NOA)

To avoid confusion, NOAs that are generated as a result of action taken to continue the Medi-Cal benefits must not be sent to the beneficiary.

Automation Impact

Staff can refer to [How To 154](#) **Process a Bottom Line Override** for instructions on the override process.

ACCESS Impact

No impact

Document Processing Center

No impact

PA (CalFresh or CalWORKs) Program Impact

No impact

Quality Control (QC) Impact

Upon resumption of desk reviews, Quality Control (QC) will cite the appropriate error when instructions in this material are not followed.

Approval for Release



A. White, 6-3-14

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