Update 2016-8: Medi-Cal

Background
The FPL amounts change annually in April and are derived from the Federal Poverty Level figures published in the Federal Register. The new Federal Poverty Level (FPL) figures, effective April 1, 2016 are listed in the Medi-Cal (MC) chapter of the Charts Handbook.

Changes
This Update includes the following changes:

• 2016 monthly FPL amounts.
• 2016 annual FPL amounts.

Programs Affected
The following programs are affected by the change in FPL amounts:

• Modified Adjusted Gross Income (MAGI) coverage groups
• Medi-Cal Access Program (MCAP)
• MCAP-Linked Infants
• Aged and Disabled Federal Poverty Level (A&D FPL) program
• Blind FPL (FPL-B) program
• FPL Programs for Pregnant Women and Children
• Optional Targeted Low-Income Children (OTLIC)
• Healthy Kids Program
• Medicare Savings Programs (MSP)
• 250% Working Disabled Program
• Disabled Individuals in New Adult Group
• County Children’s Health Initiative Program (C-CHIP)

Effective Dates
For most individuals whose eligibility is based on a percentage of the FPL, including some MAGI coverage groups, and individuals who receive Retirement, Survivor’s, and Disability Insurance (RSDI) Title II income, the effective date of the revised FPL amounts is April 1, 2016.
**ACA Adult Group**

For applicants and beneficiaries who are parent/caretaker relatives, pregnant women and non-Medicare recipients who are age 19 up to 65, whose eligibility is determined based upon MAGI methodologies, the new FPLs are effective January 1, 2016.

Due to delays in implementing these FPLs in the California Healthcare Eligibility, Enrollment, and Retention System (CalHEERS), the Department of Health Care Services (DHCS) is preparing a notice to be sent to these beneficiaries who may be potentially impacted by the change, to inform them of the FPL increase and that they may request a redetermination of MC eligibility from January 1, 2016.

The Centers for Medicare and Medicaid Services has decided that there will be no reimbursement for premiums paid. The notice will state that no premium reimbursements will be available.

Eligibility Workers (EWs) must retroactively change eligibility only for those OTLIC Program eligible children and Advance Premium Tax Credit eligible individuals who did not enroll in a plan or did not pay a premium, and individuals who are eligible only for the MC programs with a share-of-cost in the same month.

EWs must move pregnant women eligible in aid code M9 to aid code M7 only on or after January 1, 2016 to ensure continuity of care as of the date these FPLs are implemented.

**MSP Programs**

For applicants and recipients of the Medicare Savings Programs (MSP) including Qualified Medicare Beneficiary (QMB), Specified Low Income Beneficiary (SLMB), and Qualified Individuals 1 (QI-1), the effective date is dependent on receipt of Title II benefits as follows:

<table>
<thead>
<tr>
<th>Population Affected</th>
<th>FPL Effective Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>MSP applicants/recipients that do not receive RSDI Title II income</td>
<td>January 25, 2016</td>
</tr>
<tr>
<td>MSP applicants/recipients that receive RSDI Title II income</td>
<td>March 1, 2016</td>
</tr>
</tbody>
</table>

**Note:**

MSP applicants or recipients who were denied or discontinued must be reviewed back to the date specified using the revised FPL amounts for possible rescission or restoration.

**A&D FPL Program**

The April 1, 2016 income limits for the Aged and Disabled Federal Poverty Level (A&D FPL) program are as follows:

- The A&D FPL income limit for an individual is $1,220. This is equal to 100% of the FPL for one ($990) plus the $230 standard disregard.
• The A&D FPL income limit for a couple is $1,645. This is equal to 100% of the FPL for a couple ($1,335) plus the $310 standard disregard.

QMB/SLMB/QI MSPs that Fail will exception out as follows:

• Individuals who were denied or discontinued from QMB, SLMB or QI-1 in January and February 2016 who are NOT receiving RSDI income.

• Individuals who were denied or discontinued from QMB, SLMB or QI-1 in March 2016 whether or not they are receiving RSDI income.

Reminder: EWs must reevaluate all QMB/SLMB/QI-1 denials and discontinuances based on the FPL effective dates.

Exception Criteria The FPL Mass Update will not update cases that have Error Prone, override conditions, or other case exceptions. These exceptions will appear on the MRT015R report and the Mass Update Exception (MU0003R) report. EWs must review all cases listed on the MU0003R report and take appropriate action so that client’s benefits are not delayed.

Client Correspondence Notices of Action (NOAs) and other client correspondences will be generated for cases with a change in benefits. All appropriate NOAs and other correspondences produced will be mailed out automatically. No client correspondence will remain in online mode. EWs should review the Search for Printed Correspondence window for the deleted and mailed NOAs. Cases that exceptioned out of the batch process would not generate client correspondences.

Reminder: A 10-day NOA is required if the client is adversely affected.

Data Systems

CalWIN The FPL reference tables is scheduled to be updated in CalWIN in April 2016.

The FPL mass update is scheduled to be completed in CalWIN in April 2016 for all open and pending cases with MC aid codes based on FPL.

CalWIN Project will identify all MC FPL cases with RSDI income that would have impacted budgets for the month of April 2016.

CalHEERS The FPL reference tables are scheduled to be updated in CalHEERS in May 2016.
The following forms will be updated to reflect the 2016 FPL amounts:

- “Medi-Cal Budget Chart” (SCD 1470)
- “Children’s Health Initiative” (SCD 2206)
- “Medi-Cal Application Guidelines” (SCD 2210).

**Note:**

The SCD 2206 and SCD 2210 are screening tools available on the SSA Intranet.

These changes are effective April 1, 2016, except as noted above.

Eligibility Work Supervisors must review this update with their respective units at their next unit meeting and ensure that the correct FPLs are being used.

These changes also affect the MCAP and Healthy Kids programs.

The 2016 FPL amounts are updated in the MC chapter of the Charts Handbook.

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