STATE OF CALIFORNIA—HEALTH AND WELFARE AGENCY PETE WILSON, *Governor*

DEPARTMENT OF HEALTH SERVICES
4744 P STREET
P.O. BOX 942732
SACRAMENTO, CA 94234-7320

June 1, 1993

TO: All Holders of the Medi-Cal Eligibility Manual
All County IV. D Directors
All County Welfare Directors
All County Administrative Officers
All County Medi-Cal Program Specialists/Liaisons

ERRATA NOTICE: Manual Letter No.: 104

Enclosed is the revised procedures on Medical Support Enforcement Program.

Procedure Revision	Description
1. Article 4R	Procedures for Medical Support Enforcement Program - added to implement the Medical Support Enforcement Program.

Filing Instructions:

Remove Pages	Insert Pages
Article 4 Table of Contents Second Page	Article 4 Table of Contents Second Page Third Page
4R-1 - 4R-5	4R-1 - 4R-10

If you have any questions concerning a specific revision, please contact Elena Lara at (916) 657-0712.

Sincerely,

Original signed by

Frank S. Martucci, Chief
Medi-Cal Eligibility Branch

Enclosure

4L -- RSDI/UI/DI REPORTS

I. BACKGROUND

II. INSTRUCTIONS FOR INTERPRETING THE REPORT OF RSDI

III. INSTRUCTIONS FOR INTERPRETING THE UI/DI FORMATS ON THE REPORT OF RSDI/UI/DI

4M -- VERIFICATION OF UNCONDITIONALLY AVAILABLE INCOME

4N -- TIMELY REPORTING BY PUBLIC GUARDIANS/CONSERVATORS OR BENEFICIARY REPRESENTATIVES

4O -- ONE MONTH EXTENDED ELIGIBILITY (EDWARDS V. MYERS)

4P -- CHILD HEALTH AND DISABILITY PREVENTION (CHDP) PROGRAM

I. INFORMING

II. DOCUMENTATION AND REFERRAL RESPONSIBILITIES

4Q -- PROCEDURES FOR LONG-TERM CARE (LTC) ADMISSIONS AND DISCHARGES FOR SSI/SSP AND MEDI-CAL RECIPIENTS

I. BACKGROUND INFORMATION

II. ADMISSIONS PROCEDURES

III. DISCHARGE PROCEDURES

4R -- PROCEDURES FOR MEDICAL SUPPORT ENFORCEMENT PROGRAM

I. BACKGROUND

II. PURPOSE

III. IMPLEMENTATION

IV. CONDITION OF ELIGIBILITY

A. Medi-Cal Only

B. AFDC/Medi-Cal

V. GOOD CAUSE FOR NONCOOPERATION

VI. PETITION TO THE COURT

A. Pregnant Women

B. OBRA Referrals

C. Continuing Eligibility

D. Adult Children

E. Foster Care Children

VII. MEDICAL SUPPORT REFERRAL PROCESS

A. FORMS REFERRAL

B. FORMS REFERRAL CHART

VIII. HEALTH INSURANCE ASSIGNMENTS

IX. NOTICES OF ACTION

X. DEPARTMENT OF SOCIAL SERVICES (DSS) CHILD SUPPORT PROCEDURES

4R - PROCEDURES FOR MEDICAL SUPPORT ENFORCEMENT PROGRAM

I. BACKGROUND

Title IV-D of the Social Security Act established the child and spousal support enforcement program. The Federal Deficit Reduction Act of 1989, the Consolidated Omnibus Budget Reconciliation Act of 1985, and the Omnibus Budget Reconciliation Act of 1987 amended sections 1902 and 1912 of the Social Security Act. These legislative changes required that, as a condition of Medi-Cal eligibility, applicants and beneficiaries must cooperate in medical support enforcement. Assembly Bill 1422 (Chapter 806, Statutes of 1988) added section 14008.6 to the Welfare and Institutions Code to adopt, at the state level, the federal requirements.

II. PURPOSE

The purpose of the Medical Support Enforcement Program is to reduce Medi-Cal costs by ensuring that absent parents are made responsible for their dependent child(ren)'s medical care. This is to be accomplished through referrals to County District Attorneys for child and medical support enforcement services. Referrals for medical support enforcement will be made for all children under 18 who are recipients of Medi-Cal or for whom Medi-Cal is being sought, and who have an absent parent.

III. IMPLEMENTATION

The new Medical Support and revised Third Party Liability (TPL) enforcement regulations for the Department of Health Services' (DHS's) Medi-Cal program will be effective April 16, 1993. County welfare departments shall implement these regulations on July 1, 1993.

IV. CONDITION OF ELIGIBILITY

A. MEDI-CAL ONLY

The county must inform an applicant for or beneficiary of Medi-Cal only that, as a condition of eligibility, the applicant or beneficiary must:

- o Assign to the State the applicant's or beneficiary's rights to any medical support and payments;
- o Cooperate in obtaining medical support and payments;
- o Cooperate in establishing paternity for a child born out of wedlock for whom aid is requested;
- o Cooperate in identifying and locating the absent parent; and
- o Provide information about possible entitlement to medical support and payments available through any third party.

If the applicant or beneficiary is found ineligible for Medi-Cal because of the above, this will not affect the child(ren)'s regular Medi-Cal eligibility. The applicant can withdraw the application, close the case, or become an ineligible member of the MFBU.

B. AFDC

Aid to Families with Dependent Children (AFDC) regulations have been amended to reflect that an applicant for AFDC must cooperate in both child and medical support enforcement as a condition of eligibility for AFDC. If the applicant refuses to cooperate when applying for AFDC with either child or medical support enforcement, he or she will be denied AFDC and Medi-Cal.

A recipient of AFDC/Medi-Cal who is terminated at redetermination for refusal to cooperate in child support and medical support is not entitled to Edwards Medi-Cal. A Medi-Cal eligibility worker must deny/discontinue these recipients for "failure to cooperate", termination reason "04".

V. GOOD CAUSE FOR NONCOOPERATION

Under certain conditions, the applicant or beneficiary may claim good cause for noncooperation in establishing paternity, medical support payments, or TPL. The county must then determine, based on criteria stipulated in CCR, Title 22, Section 50771.5, if the applicant or beneficiary, in fact, has good cause for failure to cooperate with medical support requirements. (No provision exists for a finding of good cause when the applicant or beneficiary refuses to assign to the State his or her rights to medical support, payments, care, and services.) If the county determines that good cause does not exist (Form CA 51; CCR, Title 22, Section 50101), the applicant or beneficiary should be given an opportunity to withdraw the application, close the case, or be designated as an ineligible member of the Medi-Cal Family Budget Unit (MFBU) (CCR, Title 22, Sections 50155, 50379).

VI. PETITION TO THE COURT

The county must notify each applicant or beneficiary placed in the following aid codes that the California Child Support Enforcement (IV-D) Agencies must, by law, petition to the court to include health insurance coverage in support orders when a child receives Medi-Cal. Referral in all aid codes will be for children under 18 with an absent parent. HOWEVER, NO UNDOCUMENTED PERSONS, NO PREGNANT WOMEN, AND NO ONE APPLYING FOR MINOR CONSENT SERVICES WILL BE REFERRED. Also, referrals for infants will be made after the 60-day postpartum period. (For explanation of absent parent situations, please refer to MEM Article 1-B.)

MEDI-CAL AID CODES

7A	34	51	72	83
24	37	64	79	
27	47	67	82	

AFDC AID CODES

30	35

A. PREGNANT WOMEN

Medical support referrals will **NOT** be made on the absent/unmarried parent of an unborn child until the end of the 60-day postpartum period. And if the absent/unmarried parent of the unborn has other eligible children in the MFBU, a medical support referral for these children will **NOT** be made until the end of the 60-day postpartum period of the pregnant caretaker parent. If a pregnant caretaker parent has other eligible children in the MFBU with a different absent parent than for the unborn, a medical support referral will **NOT** be made on the children of the absent or unmarried parent(s) until the end of the 60-day postpartum period of the pregnant caretaker parent.

B. OBRA REFERRALS

If the caretaker parent or mother is undocumented and her children are also undocumented, no medical support referral will be made. If the caretaker parent/mother is undocumented and the children are citizens or IRCA's, a medical support referral will be made. No undocumented children will be referred.

C. CONTINUING ELIGIBILITY

Under this program, infants born to Medi-Cal eligible women are automatically "deemed eligible" for one year, provided they continue to live with their mother and the mother remains eligible for Medi-Cal, or would remain eligible if she were still pregnant. There is no parental allocation from the father to the infant during the period of Continued Eligibility; only the mother's income, before any increases, will be allocated to the infant. However, for purposes of medical support enforcement, the father/absent parent still has a legal responsibility for the health and welfare of his children and, at the end of the 60-day postpartum period, a medical support referral should be made.

D. FOSTER CARE CHILDREN

Foster Care children are automatically eligible for Medi-Cal after utilizing whatever other health coverage is available. This position is clarified in Section 903 of the Welfare & Institutions Code, Liability for Costs of Support. This section prohibits any imposition of medical costs upon a parent until the county has first exhausted any eligibility the child may have under private insurance coverage, standard or medically indigent Medi-Cal coverage, and the Robert W. Crown California Children's Services Act.

The AFDC-Foster Care program is administered and partially funded by the counties. The county is to bill Medi-Cal if there is no private insurance available. Then if there are any costs over and above 100 percent of the average Medi-Cal payment that are not covered under any of the coverages listed, the county may choose to impose those costs.

The Medi-Cal program automatically grants a Medi-Cal card to children in foster care, and providers are instructed to bill the private insurer, if any, first before billing Medi-Cal. Section 903 is very specific regarding the Medi-Cal and AFDC programs regarding juveniles in foster care.

E. ADULT CHILDREN

Adult children under Medi-Cal are persons 14 to 18 years of age who are n ving in the home of a parent or caretaker relative and who do not have a parent, caretak elative or legal guardian handling any of their financial affairs (Sec. 50014). Also, the pa s do not claim the child as a dependent in order to receive a tax credit or deduction state or federal income tax purposes. These adult children would not be referred f medical support enforcement.

Disabled Adult Children under Pickle are at least 18 years of age or older. They will not be referred for medical support enforcement. Referrals are for only those under 18.

VII. MEDICAL SUPPORT ENFORCEMENT REFERRAL PROCESS

DHS has adopted Department of Social Services' (DSS') child support procedures, including forms and referral process, for the Medi-Cal program. The county shall refer Medi-Cal Only absent parent cases to the District Attorney's (DA's) Family Support Division (FSD) for applicable support enforcement services. These services will be provided without application or application fee.

Upon effective date of implementation of medical support enforcement regulations, all new applicants for Medi-Cal in the appropriate aid codes will be referred **within two days** of the Medi-Cal eligibility determination, for medical support enforcement services. No referral is to be made until a Medi-Cal determination is approved. Existing cases will be referred at time of redetermination. These redeterminations will be face-to-face for proper notification and forms completion by the beneficiary. AFDC will inform AFDC recipients of changes related to medical support enforcement. If AFDC applicants fail to cooperate in medical support enforcement when they apply for AFDC, they will be denied both AFDC and Medi-Cal. If there has been an initial child support referral made in AFDC, it will be mandatory that they cooperate in medical support referrals. If there has not, then a medical support referral should be made at redetermination.

Please notify the applicant or beneficiary if he or she receives direct payment for medical support for services which were paid for by Medi-Cal, and if he or she does not forward payments to DHS, DHS Third Party Liability Branch will pursue reimbursement from him or her. (MEM Articles 15G and 16B.)

Each applicant for Medi-Cal with an absent parent will be advised of child support services available through the District Attorney. If a Medi-Cal applicant indicates all child support services are wanted, the case should be handled in the same manner as a non-AFDC case, except that medical support is assigned to the State. All current child support collected on behalf of Medi-Cal only families must be paid to the family in accordance with the State's non-AFDC policy.

A. FORMS REFERRAL

For application and referral of Medi-Cal cases to the IV-D agencies, the county shall use the following forms:

- **MC 210 (Cover Sheet) (9/91) and MC 210 (3/92)** - Applicant is advised of rights regarding medical support enforcement referrals and third party liability. A copy is given to applicant; the original is placed in file. If the applicant refuses to sign and cooperate, then a notice of action denying Medi-Cal is sent to applicant.

- **Health Insurance Questionnaire (DHS 6155, 5/89)** - All applicants fill out form to determine if there is other health coverage available. County sends a copy both to DHS Third Party Liability Branch and to the DA, if other health coverage is available from the absent parent.

- **Child/Spousal and Medical Support Notice and Agreement (CA 2.1 Notice and Agreement (12/89))** - Applicant reviews and signs the agreement. If this form is not signed and good cause is claimed, a CA 51 (Child Support - Good Cause Claim for Noncooperation) must be completed and sent to the DA with evidence of good cause. If form is signed, then medical support process begins and all documents are sent to DA via 371.

- **Child Support Questionnaire (CA 2.1 Q Support Questionnaire (3/93))** - Applicant fills out form, and original is sent to the DA within two days. The DA may set up interview with applicant if form is not complete.

- **Child Support - Good Cause Claim for Noncooperation (CA 51 (3/93))** - If applicant claims good cause for failure to cooperate with medical support enforcement requirements, applicant must fill out form and send copy of form with evidence of good cause to the DA. The DA will return it to the county with a recommendation. The county will make a final decision and, if good cause is denied, the county will give the applicant an opportunity to withdraw the application, close the case, or be designated as an ineligible member of the MFBU. The CA 51 will then be sent to the DA with final determination.

- **Child Support Enforcement Program Notice (CS 196 (12/92))** - A copy shall be given to all applicants who claim Medi-Cal for children with absent parent. This is an information notice which explains child and medical support enforcement program, services available, and rights of applicant.

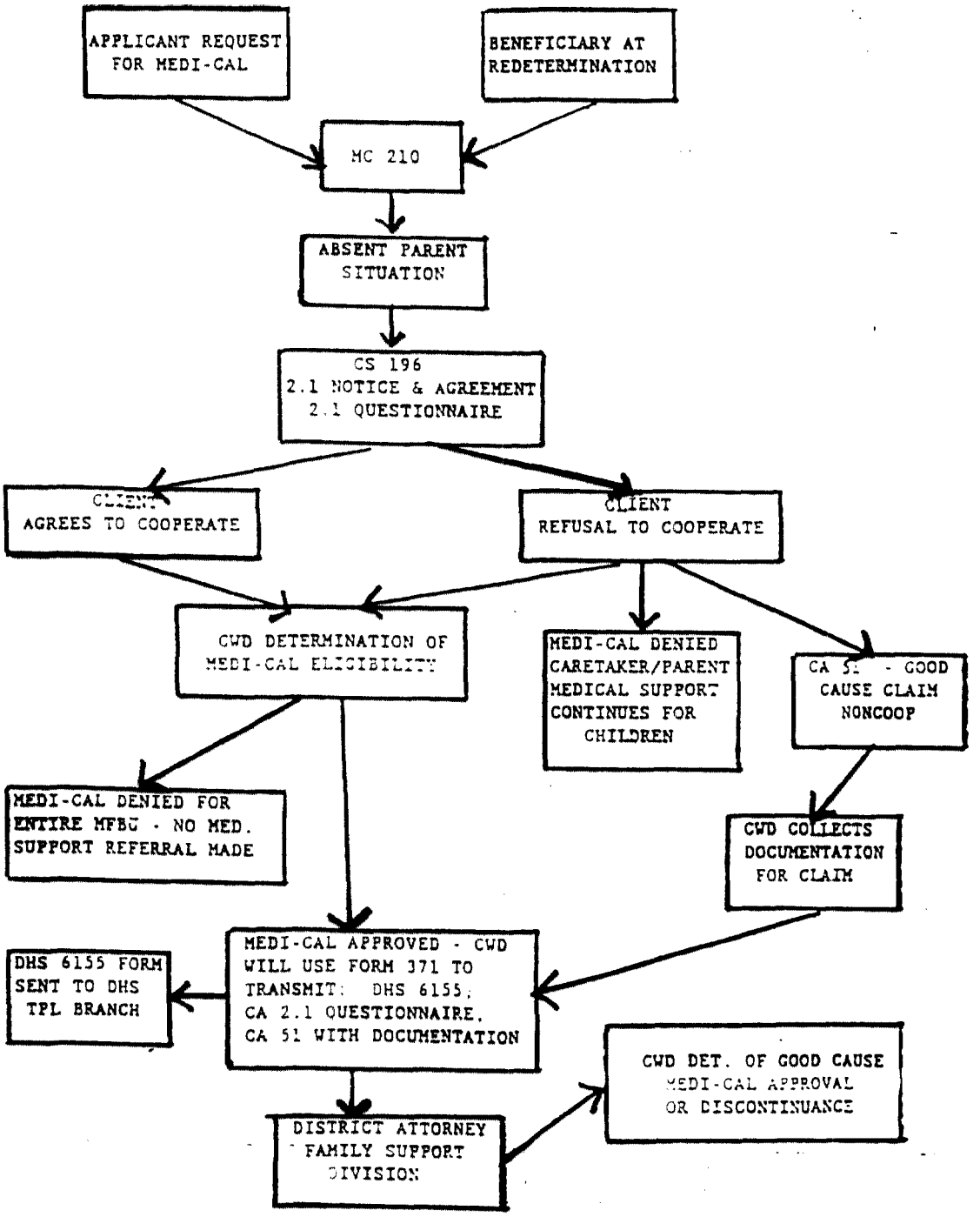
- **Referral to District Attorney (CA 371 (3/93))** - This is a cover sheet to transmit absent parent information to DA (one form for each absent parent). The county sends a CA 371 to the DA with originals of CA 2.1 Questionnaire, CA 51 when good cause is claimed (with evidence), and DHS 6155. This form is used to convey any information regarding the status of the case back and forth between the county and the DA.

- **Attestation Statement (CS 870)** - The DA will use the CS 870 to give the applicant an opportunity to attest (swear), under penalty of perjury, that he or she has provided all available information regarding the absent parent. A determination of noncooperation cannot be made without giving the applicant the opportunity to complete this form.

NOTE: The county must ask the applicant or beneficiary to state whether he or she wants child support, medical support, or both, and so indicate on the CA 2.1 Questionnaire and on the CA 371. The CA 371 will be used by the county and FSD to communicate subsequent changes or additional information on the case. THE COUNTY MUST EMPHASIZE TO THE APPLICANT OR BENEFICIARY THAT, FOR RECEIPT OF MEDI-CAL ONLY, CHILD SUPPORT SERVICES ARE AVAILABLE BUT NOT MANDATORY, AND THAT REFUSAL OF CHILD SUPPORT SERVICES WILL NOT AFFECT MEDI-CAL ELIGIBILITY (CS 196 AND CA 2.1).

All of the above forms will be available in the DHS warehouse.

B. FORMS REFERRAL CHART



VIII. HEALTH INSURANCE ASSIGNMENTS

Federal legislation enacted in 1985 required all State Medicaid programs to convert to a cost avoidance method of paying claims for beneficiaries having private health insurance coverage. This means that if a beneficiary has private health insurance, Medi-Cal will not pay for medical services covered by the private insurance. Providers are required to bill the other insurance carrier before billing Medi-Cal for those services included in their scope of coverage. Claims for services not within the scope of coverage may be billed to Medi-Cal as though the recipient had no insurance available.

There are federal exemptions from cost avoidance for cases involving pre-natal and preventive pediatric services and cases involving IV-D child support and medical support enforcement. These are "pay and chase" whereby the provider bills Medi-Cal first, Medi-Cal pays the bill, and then Medi-Cal will bill the other health coverage.

A. DEDUCTIBLES

Under federal law (42 U.S.C. Section 1396a(25)) a Medi-Cal recipient in a child support enforcement situation is not liable for any medical costs. The provider of service will bill the other health coverage. The state Medicaid agency is to pay the provider of service if he has not been paid within 30 days. Thereafter, the state Medicaid agency is to seek reimbursement from the other health coverage. The other health coverage may subtract the deductible from this amount. The Medi-Cal recipient of a child/medical support health insurance assignment is not liable for the deductible.

B. COPAYMENTS

Federal law requires Medi-Cal recipients to make a nominal copayment for most outpatient services, some emergency room services, and prescribed drugs. The copayment amount is to be collected by or obligated to the provider at the time service is rendered. Collection of the copayment by the provider is optional. If a copayment is collected, it can be refunded if:

1. The provider bills the other insurance and chooses not to bill Medi-Cal because he or she knows Medi-Cal will pay no more on the claim.

2. The provider bills the other insurance and then Medi-Cal -- and receives notice from Medi-Cal that no additional payment is due.

3. The provider bills Medi-Cal and receives a refund check after Medi-Cal has billed and collected from the other insurance carrier.

All Medi-Cal recipients may be liable for a nominal copayment (see Table 1) if the provider of service requests one. No one is automatically exempt from making a copayment.

Medi-Cal Copayment Criteria

Services Subject to Copayment	Copayment Fee	Exceptions to Fee
NONEMERGENCY SERVICES PROVIDED IN AN EMERGENCY ROOM A nonemergency service is defined as "any service not required for alleviation of severe pain or the immediate diagnosis and treatment of severe medical conditions which, if not immediately diagnosed and treated, would lead to disability or death." Such services provided in an emergency room are subject to copayment.	$5.00	1. Persons age 18 or under. 2. Any woman during pregnancy and the postpartum period (through the end of the month in which the 60-day period following termination of pregnancy ends.) 3. Persons who are inpatients in a health facility (hospital, skilled nursing facility or intermediate care facility). 4. Any child in AFDC-Foster care. 5. Any service for which the program's payment is $10.00 or less. 6. Any hospice patient. 7. Family planning services and supplies.
OUTPATIENT SERVICES Physician, optometric, chiropractic, psychology, speech therapy, audiology, acupuncture, occupational therapy, podiatric, surgical center, hospital or outpatient clinic, physical therapy	$1.00	
DRUG PRESCRIPTIONS Each drug prescription or refill.	$1.00	

Table 1

IX. NOTICES OF ACTION:

No formal Notices of Action (NOA) for the Medical Support Enforcement Program will be provided, but counties must inform the applicant or beneficiary that he or she is being discontinued from or denied Medi-Cal benefits because of noncooperation in medical support enforcement. Also, when approval for Medi-Cal benefits is discontinued or denied for other reasons to the caretaker parent, child or medical support enforcement services will continue to be provided for the children unless the applicant or beneficiary notifies the DA that they do not want these services.

Suggested Language: The reason for this denial/discontinuance is that you did not assign to the state your rights to medical support and payments, and you failed to cooperate in providing information to establish paternity for your child(ren), in identifying and locating the absent parent, in obtaining medical support and payments, and in identifying and providing information to pursue any third party who is or may be liable for medical care, services, or support. Reference: CCR, Title 22, Sections 50157 and 50175.

Suggested language to be added to a discontinuance notice for Medically Needy Only (MNO) medical support enforcement cases when Medi-Cal is denied for reasons other than for conditions of medical support: All child/medical support services will continue to be provided to you unless you notify the District Attorney's Family Support Division that you no longer want those services.

X. DEPARTMENT OF SOCIAL SERVICES (DSS) CHILD SUPPORT PROCEDURES

DSS child support procedures are to be found in the following:

- DSS Manual of Policy and Procedures (MPP) Sections 12-100 through 12-908 and 43-200 through 43-203;
- DSS Family Support Division (FSD) Letter No. 92-02, 1/23/92 Title IV-D Child and Spousal Support Program Procedure Manual