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September 13, 2000

MEDI-CAL ELIGIBILITY PROCEDURES MANUAL LETTER NO.: 228

TO: All Holders of the Medi-Cal Eligibility Procedures Manual

REVISIONS TO THE MEDI-CAL ELIGIBILITY PROCEDURES MANUAL—ARTICLE 22—DISABILITY DETERMINATION REFERRALS

Enclosed are revisions to Article 22, Sections C-7 (Communicating With SP-DED And DHS About Changes And Status) and C-9 (Processing Reexaminations, Redeterminations, And Reevaluations).

1. **Change in Name**

   Effective with this Manual Letter and all future revisions to Article 22, narrative and forms will refer to State Programs-Disability Evaluation Division (SP-DED) by their new name, State Programs-Disability and Adult Programs Division (SP-DAPD).

2. **Receiving and Requesting Case Status Information from SP-DAPD**

   This section has been updated to identify the new Program Support Unit Supervisor for Oakland SP-DAPD and to make telephone number corrections.

3. **Processing Reexaminations**

   Procedures regarding medical reexaminations (reexams) have been revised. The revisions involve whether there has been a subsequent federal disability determination since SP-DAPD determined disability. Where there has not been a subsequent federal disability determination, medical reexams are processed in the usual manner.

   If a subsequent federal disability determination finds the individual disabled and the county submits a reexam request, SP-DAPD will return the case. The county will be informed that since the beneficiary has subsequently started receiving federal Title II disability benefits, the federal disability determination is controlling. As long as the beneficiary continues to receive Title II disability benefits, he/she will continue to be a disabled individual and continue to retain his disability

linkage. Also in this circumstance, if the federal Title II disability case should have a medical reexam pending, SP-DAPD will return the reexam referral with the following comment: "Medi-Cal for individual is based on current federal Title II disability benefits; the federal case is controlling and SSA is currently conducting a reexam." The beneficiary will continue to remain eligible for Medi-Cal benefits until SSA determines that the beneficiary is no longer disabled.

If a subsequent federal disability determination finds the individual is not disabled or no longer disabled, and the Medi-Cal beneficiary has a federal appeal pending, SP-DAPD will not complete its medical reexam. SP-DAPD will reset the medical reexam to a future date and return the case to the county as a "No Determination".

4. **Processing Redeterminations**

The revisions to this section require counties to submit either a limited or full packet on all redeterminations. The revised procedures specify when counties must submit limited packets and when they must submit full packets. Prior to these revisions, counties were required to only submit a full packet under certain circumstances.

The reason for these procedural changes is required by federal regulations which state that federal disability determinations are binding on a state agency. Therefore, whenever SP-DAPD receives a request for a redetermination, they must query each request to determine whether federal involvement has occurred during the period the case was discontinued. If a subsequent federal disability determination has been made, the federal approval/denial is controlling under certain circumstances and the county will need to take action accordingly.

Counties are no longer allowed to automatically link an individual as being disabled while the redetermination is being completed. If the individual has no other linkage, the case must be placed in pending status until SP-DAPD returns a determination.

FILING INSTRUCTIONS:

Remove Pages:	Insert Pages:
Article 22	Article 22
Pages 22C-7.1 through 22C-7.3	Pages 22C-7.1 through 22C-7.3
Pages 22C-9.1 through 22C-9.4	Pages 22C-9.1 through 22C-9.7

If you have any questions regarding this issue, please contact Marie Taketa of my staff at (916) 657-1250.

Sincerely,

Original signed by

Glenda Arellano, Acting Chief
Medi-Cal Eligibility Branch

Enclosures

22 C-7 -- COMMUNICATING WITH STATE PROGRAMS-DISABILITY AND ADULT PROGRAMS DIVISION (SP-DAPD FORMERLY SP-DED) AND DHS ABOUT CHANGES AND STATUS

1. NOTIFYING SP-DAPD ABOUT CHANGES

A. MC 222 LA/ MC 222 OAK - DAPD PENDING INFORMATION UPDATE FORM

While a disability evaluation is pending, CWD will notify SP-DAPD about changes in client's situation which affect eligibility or which would enable SP-DAPD to contact client. MC 222 LA/OAK is used to submit changes and to report information to SP-DAPD.

CWDs who send packets to Los Angeles SP-DAPD will use MC 222 LA. Other CWDs who send packets to Oakland SP-DAPD will use MC 222 OAK.

B. TYPE OF CHANGES TO REPORT TO SP-DAPD

1. Change in client's address.
2. Change in client's name, telephone or message number.
3. Denial or discontinuance of client on basis of nonmedical information (e.g., excess property).
4. Withdrawal of application.
5. Cancellation of Authorization for Release of Information (MC 220) by client.
6. Death of client.
7. Receipt of new medical evidence (attach new medical evidence to MC 222).
8. Availability of interpreter (provide name and phone number).
9. Change in EW.
10. Any other pertinent information which affects SP-DAPD's actions on a pending case.

C. SP-DAPD ADDRESSES

Disability packets from ***Imperial, Los Angeles, Orange, Kern and San Diego Counties*** must be sent to:

California Department of Social Services
Disability and Adult Programs Division
Los Angeles State Programs Branch
P.O. Box 30541, Terminal Annex
Los Angeles, CA 90030
(213) 480-6400 / 8-677-6400 CALNET
FAX: (800) 869-0188

Disability packets from ***all other counties*** must be sent to:

California Department of Social Services
Disability and Adult Programs Division
Oakland State Programs Branch
P.O. Box 23645
Oakland, CA 94623-0645
(510) 622-3756 / 8-561-3756 CALNET
FAX: (800) 869-0203

D. MC 4033 - DISABILITY LISTINGS UPDATE FORM

CWDs will use MC 4033 to notify the state of any changes to 1) Medi-Cal Liaison List for Disability Issues, or 2) Medi-Cal Liaison List for Quarterly Status Listings for Pending and Closed Disability cases. Check appropriate list and specify items being updated.

These lists are updated on a regular basis and contain names and phone numbers of CWD liaisons which DHS-MEB and SP-DAPD may need to communicate with CWDs.

2. RECEIVING AND REQUESTING CASE STATUS INFORMATION FROM SP-DAPD

A. QUARTERLY COMPUTER STATUS LIST

CWDs will receive a quarterly computer status list from SP-DAPD regarding pending and closed disability cases, along with instructions on its use. If a particular case was forwarded to SP-DAPD prior to most recent quarterly list and does not appear on list, CWD may contact SP-DAPD Program Support Unit by telephone or in writing to obtain status information, as follows:

Los Angeles State Programs Branch

Anjana Trivedi
Program Support Unit
CDSS - DAPD - LASPB
P.O. Box 30541, Terminal Annex
Los Angeles, CA 90030
(213) 480-6447 / 8-677-6447 CALNET

Oakland State Programs Branch

Andrew Martinez
Operations Support Analyst
CDSS-DAPD-OSPB
P.O. Box 23645
Oakland, CA 94623-0645
(510) 622-3787/ 8-561-3787 CALNET

B. USE OF DISABILITY LISTINGS UPDATE FORM (MC 4033)

A combined list of Medi-Cal liaisons, district office codes, addresses and telephone numbers will be used to distribute the quarterly status reports. Form MC 4033 (Disability Listings Update) should be used and sent to the Department of Health Services (DHS) to provide updated information to the list. DHS' address is listed on the form.

C. QUESTIONS AND INQUIRIES ON SPECIFIC CASES

In urgent or unusual circumstances, questions and inquiries about specific cases may be directed to the Disability Evaluation Analyst (DEA) assigned to the case, or the Unit Manager. To determine which DEA or Unit is assigned to case, provide client's name and Social Security number to Masterfiles, at the following numbers:

Los Angeles State Programs Branch

Masterfiles:
(213) 480-6400
8-677-6400 CALNET

Oakland State Programs Branch

Masterfiles:
(510) 622-3756
8-561-3756 CALNET

3. CONTACTING THE STATE DEPARTMENT OF HEALTH SERVICES (DHS)

A. PROBLEMS WITH CASE STATUS INFORMATION

If CWDs experience problems with obtaining case status information which cannot be resolved with SP-DAPD, appropriate CWD staff should notify the state Department of Health Services, Medi-Cal Eligibility Branch (DHS-MEB).

B. PROBLEMS WITH DISABILITY REFERRAL POLICIES AND PROCEDURES

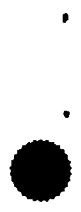
CWDs should refer disability referral policy and procedure issues to DHS-MEB through their Medi-Cal liaison or disability coordinator.

C. CONSISTENTLY DELAYED DECISIONS

Where disability decisions are consistently delayed (i.e., not completed in a timely manner), CWD should notify DHS-MEB through appropriate channels.

D. UPDATING THE MEPM DISABILITY PROCEDURES

DHS-MEB may be informed in writing about corrections, updates or additions to the MEPM so that disability procedures may be kept up to date.



22 C-9 -- PROCESSING REEXAMINATIONS, REDETERMINATIONS AND REEVALUATIONS

1. BACKGROUND

Cases which have had a decision made by State Programs-Disability and Adult Programs Division (SP-DAPD) formerly known as SP-DED, shall be resubmitted for another review by SP-DAPD for any of the following reasons:

A. Reexaminations
B. Redeterminations
C. Reevaluations

IMPORTANT: Because the criteria for resubmitted cases differ from initial referrals, the type of referral must be correctly identified on the MC 221. Include copy of prior MC 221 in SP-DAPD packet whenever possible to provide a more complete picture of client's overall medical condition. If copy of prior MC 221 is not obtainable, note this on the new MC 221.

2. PROCEDURES

A chart at the end of this section summarizes the procedures and identifies types of resubmitted cases, criteria for resubmitting cases, what forms to include in the disability packet, and what client's eligibility status is while a SP-DAPD decision is pending.

A. REEXAMINATIONS

Most reexaminations (reexams) occur when a mandatory reexam date set for expected medical improvement is due. The reexam date is shown on the prior MC 221. In most cases, the beneficiary will continue to be considered disabled until his/her medical condition has improved and has been determined no longer disabled. Medical reexams are needed when one of the following occurs.

NO Federal Disability Decision Involved

1. SP-DAPD notifies CWD of the cases currently due for medical reexam. Each county will receive a monthly listing of these cases and should submit the cases to SP-DAPD within 120 days from the list date or notify SP-DAPD via the **MC 222** (DED Pending Information Update form) why a disability packet is not forthcoming.

2. The EW observes or receives information that the client's medical condition may have improved.

   Examples:

   Client becomes employed within 12 months of date of application for disability.

   Client came in office using a walker or crutches, but is observed leaving office without their use.

3. During a case review, the EW notices that the medical reexam date is past due.

The CWD will submit a **full** disability packet to SP-DAPD for each reexam case. A full packet consists of a current MC 221 and a copy of the prior MC 221, a MC223 with a signed and dated MC 220 for each medical source listed on the MC 223. Also include three additional signed and dated MC 220's should any additional sources be identified later. Any new medical records or reports should also be included.

EXCEPTION: If the client's file shows that the Social Security Administration (SSA) determined the client to be disabled and SP-DAPD adopted SSA's decision, contact SSA immediately to determine whether disability continues. If SSA benefits continue, no referral to SP-DAPD will be needed when the reexam date has become due, as SSA's determinations are binding until SSA revises its decision.

If SP-DAPD adopted an SSA allowance and SSA finds that the beneficiary is no longer disabled, follow procedures similar to those under "*Federal Disability Decision Involved*". Medi-Cal benefits can not be discontinued until the SSA decision has become "final" meaning that the beneficiary no longer has an appeal pending at SSA on the cessation issue. In this instance, CWDs will need to periodically check (e.g., at each annual redetermination) with the beneficiary or with SSA to obtain status of the SSA appeal. CWDs can also look on the MEDS INQP screen in the appeal and NOA information field under "Appeal-Level" to check status of an SSA appeal. However, caution should be used when relying on this field because SSA does not always timely update the appeals information.

Federal Disability Decision Involved

1. Where SP-DAPD initially allowed disability and a reexam is due, if a subsequent SSA Title II disability claim is allowed, SP-DAPD will adopt the federal medical reexam date if it is not pending or if it is set at a future date.

   a. If SP-DAPD received a referral from the CWD on a case where an SSA Title II medical reexam case is not pending, SP-DAPD will return the MC 221 with the following comment: "*Medi-Cal for this individual is based on current federal Title II disability benefits; the federal case is controlling and SSA's determination is binding until SSA revises its decision* ".

   b. If SP-DAPD received a referral from the CWD on a case where the federal Title II medical reexam is pending, SP-DAPD will return the MC 221 with the following comment: "*Medi-Cal for this individual is based on current federal Title II disability benefits; the federal case is controlling and SSA is currently conducting a reexam. The CWD should verify disability status with SSA in 60-90 days*".

2. SP-DAPD initially allowed case, subsequently, a federal disability denial determination was made. The beneficiary has exhausted federal appeal rights. If the federal disability decision was 12 or more months prior to SP-DAPD's reexam date, since there is no ability to determine if the same allegations were addressed in both SP-DAPD and the federal cases, SP-DAPD will process a reexam based on SP-DAPD's initial independent allowance decision.

3. SP-DAPD initially allowed case; however, a subsequent federal disability denial determination was made. The beneficiary has filed an SSA appeal on the disability denial determination. The SSA appeal is pending or it is less than 90 days since the most recent SSA denial. SP-DAPD will not complete a reexam on these cases.

   SP-DAPD will, instead, close the case as a "No Determination" and reset the medical reexam date to a future date. SP-DAPD will return the MC 221 with the annotation "*An appeal is pending on a federal Title II/SSI denial/cessation; the case remains under SSA jurisdiction . A revised reexam date has been set for _________(date). At that time, SP-DAPD will determine whether a medical reexam is necessary.*"

   The future revised medical reexam date will be set according to the following timeframes:

   a. If the SSA appeal is pending at the reconsideration level, SP-DAPD will reset the reexam for nine months from the date the reconsideration was filed. If the SSA reconsideration was denied less than 90 days ago and no appeal of that decision is pending, SP-DAPD will reset the reexam for 90 days from the reconsideration decision date.

   b. If the SSA appeal is pending at the Disability Hearing Unit (DHU), SP-DAPD will reset the reexam for nine months from the date the case was assigned to the DHU.

   c. If the SSA appeal is pending at the Office of Hearings and Appeals (OHA), SP-DAPD will reset the reexam for two years and three months from the date the OHA request was filed.

   d. If the SSA appeal is pending at the Appeals Council, SP-DAPD will reset the reexam for two years and three months from the date the Appeals Council review was requested.

Under 3272.2 of the State Medicaid Manual, the Health Care Financing Administration has directed states to do the following: "If an individual receiving Medi-Cal based upon disability is later determined by SSA not to be disabled, and the beneficiary is not eligible for Medi-Cal on some other basis, he/she is entitled to receive continued Medi-Cal eligibility if he/she timely appeals the SSA disability determination". Therefore, CWDs will continue to aid a Medi-Cal beneficiary who was approved Medi-Cal eligibility due to disability and who <u>subsequently</u> receives a disability denial determination from SSA, if the beneficiary timely appeals the SSA denial. Once the SSA disability appeal is no longer pending, and the SSA's final decision is a denial, SP-DAPD will complete their medical reexam at that point.

If SP-DAPD determines that the client is no longer disabled, SP-DAPD will annotate the MC 221 in Item 13 "Ceases to be Disabled" and return the MC 221 to the CWD. The CWD will determine if any other Medi-Cal linkage can be established. If not, the CWD will send the client a timely discontinuance notice that he/she is no longer considered disabled within the meaning of the law and his/her Medi-Cal benefits will be discontinued.

B. REDETERMINATIONS

This type of referral is made for a client who was previously determined disabled by SP-DAPD, who is (1) subsequently discontinued from Medi-Cal for a reason other than disability and, (2) who reapplies alleging that disability continues to exist.

A limited DAPD packet **MUST** be sent on **ALL** redetermination referrals unless the following circumstances exist in which case a full DED packet must be submitted:

- The reapplication date is more than 12 months since the client was discontinued from Medi-Cal;
- No reexam date was set on the previous MC 221 approving disability;
- A reexam date is currently due or past due;
- A reexam date is unknown; or
- An improvement in the client's condition is noticed.

A copy of the prior MC 221 must be included with either a limited or a full DED packet.

Unless there is linkage other than disability, the case must be placed in pending status and not granted Medi-Cal benefits until SP-DAPD returns the case with a determination.

Upon receipt of a disability packet, SP-DAPD will check with SSA to determine if there has been a subsequent federal SSA Title II or SSI disability determination within the past 12 months. If there has been a subsequent federal disability denial/cessation determination that is binding on the State, SP-DAPD will adopt the denial/cessation and instruct the county to refer the applicant back to SSA.

If the CWD receives a no determination decision from SP-DAPD due to the above, the CWD should follow procedures specified in 22C-1 (2) (A) to deny the case.

Example: *SP-DAPD approved the case in January 1997 with a June 2000 reexam date. Client was discontinued in April 1999 for reasons other than disability and requests a restoration of the case in November 1999. The CWD must pend the application if there is no other linkage and submit a limited disability packet. SP-DAPD will check with SSA and if there is an SSI disability denial determination, e.g., July 1999, SP-DAPD will most likely return the case to the CWD as a "Z53" (denial due to adoption of federal (SSA) denial/cessation decision).*

C. REEVALUATIONS

This type of referral is made **within 90 days** of SP-DAPD's decision when CWD believes that the SP-DAPD denial is incorrect. In general, a **full** disability packet is needed.

EXCEPTION: When packet is sent within **30** days of SP-DAPD's decision, or an earlier onset date on an approved case is needed, and no new treating sources are alleged in either situation, **limited** packets consisting of the prior MC 221 and a new MC 221 may be sent. SP-DAPD will attempt to make a decision with the available information; however, if additional information is needed, SP-DAPD may return the case as a Z56 decision.

1. SP-DAPD Independently Reviewed Claim

Send a disability packet when client, or someone acting on his/her behalf, alleges any of the following:

- Client's condition has worsened;
- There is new medical evidence not previously presented; and
- A new medical condition was not previously considered.

Example: *On 10/7/93, SP-DAPD denied a client who alleged disability due to heart disease. On 11/27/93, the client's husband called to inform **EW** that his wife has had a serious heart attack and was admitted to the hospital. Submit a **full** packet, as it is over 30 days since the prior decision.*

2. SP-DAPD Adopted SSA's Decision

New Condition

If SP-DAPD adopted SSA's denial and client has a totally **new** physical or mental condition that was not previously considered by SSA and client has decided not to appeal SSA's decision, refer case to SP-DAPD.

Example: *An SSI claim was denied because client's leg problem was not disabling. Client then learned that he/she also has cancer, which was not considered in SSA's decision, and client decided not to appeal the SSI denial. Refer claim to SP-DAPD.*

Same Condition

If SP-DAPD adopted SSA's denial and client alleges a worsening of the **same** condition which was evaluated by SSA, or has new medical evidence on the **same** condition which was not previously considered by SSA, either of which occurred **within 12 months** of SSA's denial, refer client back to SSA to appeal.

If it has been over 12 months since SSA's denial, and client has not returned to SSA to reapply, send a packet to SP-DAPD.

TYPE OF REFERRAL	WHEN USED (CRITERIA)	WHAT TO INCLUDE	ELIGIBILITY PENDING DAPD RESPONSE
Reexamination	Used when evaluation of disability needed to see if medical improvement has occurred. To be used when one of the following occurs: • DAPD has established a reexam date; • Client becomes employed; or • Other circumstances lead EW to believe condition has improved.	1. Copy of prior MC 221 (note on new MC 221 if not available); **AND** 2. A new MC 221 marked • "Reexamination" in Item 8; and • State reason for reexam in Item10; 3. A new MC 223 (not photocopy of old MC 223); 4. MC 220 for every medical source (plus 3 extra MC 220s which are signed and dated only); and 5. Any new medical record, if given to EW.	Eligibility continues UNLESS: • Client fails to cooperate with DAPD; • Whereabouts unknown/loss of contact; • DAPD determines client is no longer disabled and there is no other linkage; or • Another reason for discontinuance exists, e.g., excess property.
Redetermination	Used when client meets all of the following criteria: • Previously determined disabled by DAPD; • Received Medi-Cal as a disabled person; **AND** • Was discontinued for a reason other than disability.	**A LIMITED PACKET**: 1. Copy of prior MC 221 (note on new MC 221 if not available); **AND** 2. A new MC 221 marked • "Redetermination" in Item 8; and • "Redetermination After Break In Aid of 12 months or less" in Item 10 is required on ALL redeterminations <u>unless</u> full packet is required under one of the circumstances below. **A FULL PACKET**: 1. Copy of prior MC 221 (note on new MC 221 if not available); **AND** 2. New MC 221 marked "Redetermination" in Item 8; 3. MC 223; and 4. MC 220 for every medical source (plus 3 extra MC 220s signed and dated only) is required under one of the following:	Eligibility cannot be established • Until DAPD decision is received; • Unless client meets "presumptive disability" criteria; or • Until client has established linkage under another category.

TYPE OF REFERRAL	WHEN USED (CRITERIA)	WHAT TO INCLUDE	ELIGIBILITY PENDING DAPD RESPONSE
Redetermination (Continued)		• Client has been discontinued for more than 12 months; • There is no reexam date or it is unknown; • Reexam is due or past due; • Client's condition noticeably improved; • SSA claim pending; or • SSA denial determination made more than 12 months in the past.	
Reevaluation	Used when the <u>county</u> believes that the DAPD denial is incorrect and within 90 days of DAPD's decision. The following circumstances warrant a reevaluation: • DAPD independently reviewed claim and EW believes DAPD was unaware of medical evidence, conditions, or recent events which could affect the decision; OR • DAPD adopted an SSA denial and the client has totally <u>new</u> medical condition that was not previously considered by SSA and the client is not appealing SSA's decision. *(If DAPD adopted an SSA denial and the client alleges his/her condition has since deteriorated or has new medical evidence which was not previously considered, do NOT do a new disability packet. Send back to SSA to appeal if SSA's decision was made within 12 months.)	1. Copy of prior MC 221 (note on new MC 221 if not available); AND 2. A new MC 221 marked • "Reevaluation" in Item 8; and • State reason for reevaluation in Item10; 3. A new MC 223 (not photocopy of old MC 223) <u>only</u> if additional impairments, condition, or treatment sources are being reported; 4. MC 220 for each medical source; and 5. Any new medical records if given to EW.	Eligibility cannot be established until DAPD completes the reevaluation.