

State of California—Health and Human Services Agency
Department of Health Services



California
Department of
Health Services

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Director



GRAY DAVIS
Governor

February 25, 2003

MEDI-CAL ELIGIBILITY PROCEDURES MANUAL LETTER NO.: 274

TO: ALL HOLDERS OF THE MEDI-CAL ELIGIBILITY PROCEDURES MANUAL

SUBJECT: ARTICLE 4 – VERIFICATION

Enclosed is the revised section for Article 4M, now titled Verifications. This section is a revision to current Article 4M Verification of Unconditionally Available Income. This section incorporates the procedures currently in 4M, 4T, and 4W of the Medi-Cal Procedures Manual.

Procedure Revision

Article 4M

Description

Revisions of this Article are due to clarifications in policy regarding verification and documentation of eligibility. This replaces Section 4M with verification clarification of 50167, 50168, and 50172. This procedural section obsoletes 4T and 4W.

Filing Instructions:

Remove Pages

Article 4, Procedure Table of Contents
Page PTC-5

Article 4, Table of Contents
Pages TC-1 and TC-2

Article 4M – Verification of
Unconditional Available
Income

Article 4T – Pregnancy Verification
Entire Section

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None



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Internet Address: www.dhs.ca.gov

Remove Pages

Article 4W – Identity
Entire Section

Insert Pages

None

If you have any questions, please contact Mr. Mack Guyonn of my staff at (916) 657-1064 or mguyonn@dhs.ca.gov.

Sincerely,

Original signed by

Beth Rife, Chief
Medi-Cal Eligibility Branch

Enclosure

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- Article 4 - APPLICATION PROCESS
- 4A through 4G - THESE SECTIONS HAVE BEEN REMOVED FROM ARTICLE 4. THE INFORMATION CONTAINED IN THESE SECTIONS HAS BEEN INCORPORATED INTO ARTICLE 22, DISABILITY DETERMINATION REFERRALS, EFFECTIVE MAY 27, 1994.
- 4H - PROCESSING OF QUARTERLY STATUS REPORTS
- 4I - DILIGENT SEARCH PROCEDURES
- 4J - PROMPTNESS REQUIREMENT
- 4L - RSDI/UI/DI REPORTS
- 4M - VERIFICATIONS
- 4N - TIMELY REPORTING BY PUBLIC GUARDIAN/CONSERVATORS OR BENEFICIARY REPRESENTATIVES
- 4O - ONE MONTH EXTENDED ELIGIBILITY (EDWARDS V. MEYERS)
- 4P - CHILD HEALTH AND DISABILITY PREVENTION (CHDP) PROGRAM
- 4Q - PROCEDURES FOR LONG-TERM CARE ADMISSIONS AND DISCHARGES FOR SSI/SSP AND MEDI-CAL RECIPIENTS
- 4S - MAIL-IN APPLICATIONS
- 4T - OBSOLETE – INCORPORATED INTO SECTION 4M
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- 4V - MINOR CONSENT MEDI-CAL SERVICES
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4M - Verification

The following are guidelines to be used in verifying eligibility when determining Medi-Cal. It is not intended to repeat or replace regulatory material in Title 22, California Code of Regulations (CCR). This procedure is all inclusive and attempts to summarize instructions provided under other articles within the Medi-Cal Eligibility Procedures Manual (MEPM). To the extent possible, this procedure cross-references other documentation where a full description of the item is provided. Counties shall refer to the documentation cross-referenced in this article if a more comprehensive explanation of a specific issue is needed.

Verification means the process of obtaining acceptable evidence of items necessary to determine Medi-Cal eligibility which substantiates statements made by an applicant or beneficiary on the Statement of Facts form MC 210 or Medi-Cal Annual Redetermination form MC 210 RV. Verification is to be provided at:

- initial application, reapplication and restoration;
- annual redetermination for items necessary to determine continued Medi-Cal eligibility, subject to change, and not previously verified;
- anytime a change in amount/source/provider of resources, income, or expenses is reported by the applicant/beneficiary or discovered by the County Welfare Department (CWD); and
- requests for retroactive Medi-Cal coverage.

Documentary evidence (written confirmation) is to be used as primary source for all items.

When documentary evidence is required but is unavailable and all other verification attempts have been attempted and are unsuccessful, then a sworn affidavit signed under penalty of perjury by the applicant/beneficiary is acceptable as verification except for the Social Security Number (SSN).

I. VERIFICATION PRIOR TO APPROVAL OF ELIGIBILITY

Reference: Title 22 CCR Section 50167

A. Verification of Income

Reference: Title 22 CCR Section 50167 (a), (7); 50507; 50518; 50503; 50186; MEPM Article 10 and 15

(1) Earned Income

- one pay stub (pay stub not required to have been issued within the last 30 days but must accurately reflect the amount reported on the application; see ACWDL 00-31 and Errata 00-31E)
- a copy of last year's federal income tax return that accurately reflects the current income
- a signed letter from the employer that shows the gross amount and date of paycheck
- if verification cannot be obtained by one of the above methods, the

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applicant/beneficiary can sign a statement, under penalty of perjury, indicating his/her gross monthly earned income

(2) Unearned income

- award letter or most recent cost-of-living increase notice
- IEVS/PVS printout
- current bank statement if the applicant has direct deposit (NOTE: the deposit may not reflect gross income if Medicare premiums are being deducted or an overpayment is being collected from the client's check)
- copy of the applicant's current benefit check (NOTE: the check may not reflect gross income if Medi-Cal premiums are being deducted or an overpayment is being collected from the client's check)
- signed statement from the person or organization providing the income

(3) Self Employment

- receipts showing gross earnings and expenses
- business records (profit and loss statements)
- copy of most recent federal individual tax return (IRS 1040) and appropriate Schedule D - Capital Gain or Loss.

(4) Use of Tax Return to Verify Income

A copy of the most recent federal individual income tax return (IRS 1040, 1040EZ, etc.) is acceptable verification of any type of income if it accurately reflects the income reported on the application.

(5) Verification of Unconditionally Available Income

Unconditionally available income is income the applicant/beneficiary only has to claim or accept. A applicant/beneficiary must apply for unconditionally available income as a condition of eligibility. Only the individual who refuses to apply for or accept unconditionally available income will be ineligible. Examples of unconditionally available income are Disability Insurance Benefits (DIB), Retirement, Survivors, Disability Insurance (RSDI) benefits, Veterans Administration (VA) benefits and Unemployment Insurance Benefits (UIB).

All applicants/beneficiaries should be considered potentially eligible for UIB and should be referred to the Employment Development Department (EDD) to apply for UIB; however, counties should not refer applicants/beneficiaries in the following circumstances:

- individuals who have not worked in employment covered by UIB
- individuals who have a UIB claim pending
- individuals who are receiving or have exhausted their UIB
- individuals who are receiving DIB
- individuals who are full-time employed

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- individuals who are covered under Title 22, CCR, Section 50211
- individuals denied or discontinued from the UIB program
- children under 16 years of age with no employment history
- applicants who are applying for restricted Medi-Cal benefits (see ACWDL 93-59)

(6) *Inkind Income*

Verification is only required if it is earned or the applicant/beneficiary claims the amount is a lower value than the presumed maximum established in accordance with Title 22 CCR, Section 50511. Written statement from the provider is acceptable as verification.

(7) *Fluctuating Income*

Check stubs or a signed statement from the person or organization making the payments including the amount and frequency of the payments.

(8) *Tip Income*

- amount reported on pay stub
- the amount actually reported by the applicant/beneficiary
- if there is a discrepancy between the amount reported on the pay stub and the amount reported by the applicant/beneficiary, the applicant/beneficiary can sign a statement, under penalty of perjury, as to the reason for the discrepancy

(9) *Temporary Worker's Compensation (TWC)*

An award letter from the insurance company or other entity which identifies the payment as temporary, the amount of the payment and the schedule of payments.

(10) *Veteran's Benefits or Aid and Attendance Payments*

- completed Veterans' Benefits Verification and Referral form (CA 5)
- viewing the Veterans' Administration check and documenting in the case narrative (unable to copy check)

(11) *Interest and Dividend Income*

- IRS Interest Income Statement Form 1099
- bank statement (yearly, quarterly, monthly)
- account statement
- payment records (notes/mortgages)

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(12) Child Support/Spousal Support

- court papers
- District Attorney/Family Support (DAFS) records
- sworn affidavit from the absent parent
- copy of check

(13) Dependent Care Costs

Acceptable verifications for those who incur child care costs or costs of care for an incapacitated person while someone is employed include:

- receipts
- cancelled checks
- signed statement from the person or organization receiving the payments

(14) Educational Grants and Loans

Financial aid papers provided by the college.

(15) Net Income from Property

- lease or sales agreement
- bookkeeping records (including expense receipts, tax returns, sales records)

(16) Health Care Benefits

An applicant/beneficiary who has Other Health Coverage (OHC) must provide information about the coverage as a condition of eligibility. The Health Insurance Questionnaire (DHS 6155) form must be completed.

B. Real and Personal Property

See Title 22 CCR, Article 9; MEPM Article 9 and All County Welfare Directors Letters for specific information on various property items by Medi-Cal program.

C. Evidence of Residence

Reference: Title 22 CCR Section 50167 (a), (10) and 50320.1

California residency is a requirement for Medi-Cal eligibility.

In determining whether a Medi-Cal applicant/beneficiary meets residency requirements, the CWD must consider all available evidence, including evidence that supports a claim of California residency, as well as, evidence that contradicts a claim of residency.

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Documents provided as evidence of California residency must include a California address for the applicant/beneficiary. However, the address on the document need not be the current address. Document provided by a homeless person must be considered even if it does not include an address for the applicant/beneficiary. Evidence includes but is not limited to:

- a current California driver's license or identification card
- a current California vehicle registration form
- any evidence the applicant is employed in California
- any evidence the applicant has registered with a public or private employment agency in California
- any evidence that the applicant has enrolled his or her children in a California school
- any evidence that the applicant is receiving public assistance in California
- a voter registration form or receipt, a voter notification card, or an abstract of voter of registration

Applicants must compete and sign the Medi-Cal Residence Declaration (MC 212) stating both of the following apply:

- they do not own or lease a principal residence outside the state of California (unless exempt under Title 22 CCR Section 50425), and
- they are not receiving public assistance outside of this state

D. Identity

Reference: Title 22 CCR Section 50167 (a), (6)

A California Driver's License (CDL) or identification card issued by the Department of Motor Vehicles is the first choice for identification. The following, or any other document that the CWD deems acceptable, can be used to verify identity.

- United States citizenship or Alien Status document (e.g., passport)
- Birth Certificate
- School Identification Card
- Marriage Record
- Work Badge
- Church Membership or Baptism/Confirmation Record
- Social Security Card

Identity is not required for persons who are:

- institutionalized and verified by the facility
- receiving Medi-Cal through the Aid for Adoption of Children program
- children and identity of one parent is verified; however, if only children are applying, the county shall not require the parent's SSN
- children requesting Medi-Cal for Minor Consent services in accordance with Title 22 CCR Section 50147.1

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- children who are not living with a parent or relative and for whom a public agency is assuming financial responsibility in whole or in part
- not acting on their own behalf and a government representative, such as a public guardian, is acting for them
- the spouse of a person whose identity has been verified

E. Verification of Alien Status

Reference: Title 22 CCR Section 50167, (a), (3); 50301.1; 50301.2; 50301.6; MEPM Article 7

Alien status shall be verified following the guidelines outlined in MEPM Article 7 (also see ACWDLs 89-59 and 90-15).

Verification of U.S. citizenship is **not** required **unless**:

- the individual claims U.S. citizenship but was born outside of the U.S. (including children who were born in another country to U.S. citizen parents)
- there is conflicting information about the individual's citizenship status
- citizenship is doubtful
- documentation provided does not appear valid
- the individual claims to be naturalized citizen

Systematic Verification of Entitlements (SAVE)

The SAVE system is used to verify immigration status of Medi-Cal applicants and beneficiaries who claim Satisfactory Immigration Status (SIS). A SAVE request is to be completed and forwarded to the Immigration and Naturalization Service (INS) on every applicant or beneficiary who claims SIS. When the primary SAVE request is returned by INS and indicates "institute secondary verification", then the G-845 form must be completed and forwarded to INS.

Statement of Citizenship (MC 13)

Medi-Cal applicants must complete and sign the MC 13 (see MEPM Article 7G). A new MC 13 is required anytime the beneficiary's immigration status has changed.

F. Pregnancy

Reference: Title 22 CCR Section 50167 (a), (8)

Acceptable pregnancy verification is a written statement from a:

- physician
- physician's assistant
- certified nurse midwife
- certified nurse practitioner
- licensed midwife, or
- designated medical or clinic personnel with access to patient's medical record.

A signed stamped photo copy or carbon copy is acceptable, as long as, it is initialed or counter-signed by the designated medical or clinic personnel providing the verification. The

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carbon copy signature that appears on the Pregnancy Verification of the Presumptive Eligibility, "Application for Medi-Cal Program Only" (PREMED2), does not need to be initialed.

Pregnancy verification should include the Estimated Date of Confinement (EDC). If pregnancy verification does not include the EDC, the eligibility worker may ask the applicant/beneficiary for the expected date of birth. A verbal statement made by the applicant/beneficiary regarding the EDC is acceptable and must be documented in the case narrative file.

Pregnancy verification is not required for women applying for minor consent services.

Self-Declaration of Pregnancy

An applicant/beneficiary may self-declare pregnancy on the application, the Statement of Facts form, or by any other signed document. When the self-declaration is made verbally, the eligibility worker must document this fact in the case narrative. The unborn is only counted as one child for maintenance need calculation purposes unless written medical pregnancy verification indicates multiple unborn children.

- For the purpose of self-declaring a pregnancy, *medically verified* is defined as information received by the applicant/beneficiary from a medical provider indicating that a positive pregnancy result has been confirmed or through a home pregnancy test with a positive result.
- Women seeking pregnancy-related only services, whose income is at or below the 200 percent Federal Poverty Level (FPL) program, are allowed to self-declare that their pregnancy has been *medically verified*. Individuals must be income eligible to receive pregnancy-related only services and placed under the appropriate FPL percent program category.
- Women seeking full-scope coverage, whose only linkage to eligibility is the pregnancy, can self-declare that their pregnancy has been *medically verified* and allowed sixty (60) days to provide proof of pregnancy.
- When pregnancy verification is not provided within sixty (60) days, counties must discontinue full-scope benefits with timely and adequate notice and must review income eligibility for placement under the appropriate FPL percent program category for pregnancy-related only services.

G. Verification of Blindness/Disability

Reference: Title 22 CCR Section 50167 (a), (1); MEPM Article 22

Acceptable verification includes:

- proof of Social Security (Title II) benefits based on disability or blindness
- proof of Supplemental Security Income/State Supplemental Payment (SSI/SSP) benefits based on disability or blindness

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- proof of Railroad Retirement benefits based on permanent and total disability

Receipt of one of the above types of disability benefits can be adopted for Medi-Cal disability determination and a referral to State Programs-Disability Adult Program Division (SP-DAPD) is not needed. However, if the applicant is not in receipt of one of the above disability benefits, then a disability packet must be completed and sent to SP-DAPD (see MEPM Article 22) for a disability determination.

Receipt of disability benefits under other programs (e.g., State Disability Insurance (SDI), Veteran's Administration, Worker's Compensation) does not establish disability for Medi-Cal.

H. Verification of Incapacity

Reference: Title 22 CCR Section 50167, (a), (2) and 50211

Acceptable verification includes:

- proof of Social Security (Title II) benefits based on disability or blindness
- proof of SSI/SSP benefits based on disability or blindness
- proof of SDI or Worker's Compensation

Verification of one of the above types of disability benefits verifies incapacity; however, if the applicant does not receive one of the above types of benefits, then one of the verifications listed below is required:

- a current Medical Report or certificate of disability form
- a written statement signed by a physician, licensed or certified psychologist, or authorized member of their staff which documents that incapacity exists and gives the expected duration of the condition

When a current Medical Report or a written statement cannot be obtained without delay, then a verbal statement from a licensed physician or an authorized member of their staff shall be accepted as verification for up to sixty (60) days pending receipt of written verification.

Verification from a Chiropractor is not acceptable evidence of incapacity.

I. Legal Responsibility for a Child

Reference: Title 22 CCR Section 50167 (a), (4)

Whenever a child is applying alone on the basis that neither the parents nor any agency will accept legal responsibility for the child, then the CWD must verify that fact. Verification can be any verbal or written communication with the parent(s) and/or agency.

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J. Substantial Gainful Activity (SGA)

Reference: MEPM Article 22

SGA disability, as determined in accordance with Section 50223 (a)(2), shall be verified by following procedures established by SP-DAPD.

K. Former Home Listed for Sale

Reference: Title 22 CCR Section 50167 (a), (9); MEPM Article 9

Any documentation from a licensed real estate broker that substantiates the property is listed for sale.

II. VERIFICATION REQUIRED WITHIN SIXTY (60) DAYS OF APPROVAL

Reference: Title 22 CCR Section 50168

A. Social Security Number (SSN)

The SSN for all applicants or beneficiaries must be verified within sixty (60) days of the date of initial application unless:

- the individual is applying for Restricted Medi-Cal or Minor Consent Services
- the individual is a newborn (SSN will be required for the newborn by the age of one year)

Application for an SSN or evidence of an SSN shall be confirmed by viewing:

- SSA district office notification that application for an SSN has been made
- a completed SS-5 (application for an SSN form) or completed MC 194 (referral notice)
- completed SSA 2853 (application for SSN for newborn)

If a social security card is not available, acceptable evidence is:

- a social security award letter
- Medicare Card or check from SSA showing the applicant name and SSN with the letters A, HA, J, T, or M following the SSN
- other documentation from SSA upon approval by the CWD
- MEDS printout indicating a "J" code in the SSN-VER field

SSN's cannot be required for persons not applying for Medi-Cal (e.g. parents applying for children only). Counties may request the parent's SSN but must note that providing the non-applicant parent's SSN is voluntary.

The signature on the Statement of Facts shall not be accepted as verification of a person's

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SSN or application for a SSN. Counties are reminded that only individuals applying for full-scope Medi-Cal are required to provide proof of a SSN.

B. Medicare

Medicare Eligibility is verified by viewing:

- the Health Insurance Card (HIC) and number
- a social security award letter displaying the individual's HIC number
- a bill for Premium Part A or Part B (SSA 1545)
- MEDS printout (QB screen)

III. VERIFICATION REQUIREMENTS FOR RETROACTIVE MEDI-CAL

Reference: Title 22 CCR Section 50148 and 50197

The CWD shall not require additional verification beyond that used to determine initial and ongoing eligibility when the applicant or beneficiary completes the MC 210 A and indicates there is no change for the requested retroactive month(s).

When the applicant or beneficiary completes the MC 210 A and indicates a change in either income, property, health insurance, number of people living in the home or California residence between the retroactive month(s) requested and the current signed Statement of Facts, then verification of the change is required.

IV. EX PARTE REVIEWS

Reference: Senate Bill (SB) 87 and ACWDL 01-36

To avoid unnecessary and repetitive requests for verification that can add to administrative burdens, make it difficult for individuals and families to retain coverage, and cause eligible individuals and families to lose coverage, counties shall conduct ex parte reviews **to the extent possible**.

Relevant information and verification from all public assistance case files (e.g., Medi-Cal, CalWORKs, Food Stamps, IHSS, Foster Care, etc.) shall be obtained when appropriate. Additionally, information and verification from other resources including but not limited to MEDS, IEVS, SDX, BENDEX, DAFS Child Support must be used in the ex parte review.

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V. ADDITIONAL VERIFICATION REQUIREMENTS

The CWD shall not require additional verifications when the applicant or beneficiary has been previously aided in another public assistance program (CalWORKs, Food Stamps, Medi-Cal, IHSS, etc.) and verifications in those case files are less than twelve (12) months old and consistent with reported information on the application for Medi-Cal. However, when verifications in those case files are inconsistent with what is reported by the applicant or beneficiary, then current verification must be requested.