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Medi-Cal 250% Working Disabled Program: Breaking Away from the Cycle of Poverty

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Overview

- Medi-Cal 250% Working Disabled Program
 - History
 - Unique Features
 - Eligibility
 - Income and Premiums
 - Benefits
 - Enrollment
 - Future: AB 1269
 - Resources

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Medi-Cal 250% Working Disabled Program

- Work incentive program allowing people with disabilities the opportunity to work, earn up to \$55,188/year, and pay a monthly premium to keep their Medi-Cal
- Medi-Cal ≠ Poverty

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History

- Assembly Bill 155 (Migden 1999):
- California legislation that implemented the 250% Working Disabled Program in April 2000
 - Allowed under the Balanced Budget Act of 1997 – “Medicaid Buy-In program”
 - States given the option to set resource and income limits and exclusions
- Assembly Bill 1183: 2008 Health trailer budget bill, eliminates the sunset date provision and allows the 250% Working Disabled Program to run indefinitely

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History

- Aid Code 6G is now part of Medi-Cal Managed Care as of July 1, 2009
- As of May 2010 MOE, only 5,072 individuals are enrolled statewide

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Medi-Cal 250% Working Disabled Program

Unique Features:

- Individuals can earn up to \$55,188 gross per year and still qualify for full scope, no share of cost Medi-Cal
- A working couple can earn up to \$73,884 gross per year
 - Higher gross wages possible when there are Impairment Related Work Expenses (IRWEs)

- Affordable premiums:
 - \$20 - \$250 (Single Person)
 - \$30 - \$375 (Couples)

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Medi-Cal 250% Working Disabled Program

Unique Features:

- Any IRS approved retirement products, are allowed and not counted towards the typical \$2000 (or \$3000) asset/resource limits for Medi-Cal
 - Individual Retirement Accounts (IRAs), 401K, 403B, etc.
- Disability income not included in countable income when determining eligibility and premium amount
 - Social Security Disability Insurance (SSDI), State Disability Insurance, Workers Comp., Childhood Disability Benefits, private disability insurance, Veterans' benefits, etc.

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Medi-Cal 250% Working Disabled Program – Eligibility

To qualify for the WD program, individuals must:

- Be a United States resident and living in California
- Meet Social Security's definition of disability (medical definition only, does not count the ability to earn income)
 - See ACWDL 02-34 for disability determinations for 250% program

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Medi-Cal 250% Working Disabled Program – Eligibility

To qualify, individuals must:

- Be employed full-time or part-time, including self-employment, with countable earnings below 250% of the Federal Poverty Level
- An applicant may be employed by another person, business, corporation
 - An applicant may be self-employed or be an independent contractor
 - Work is undefined
 - No set amount of hours required
 - No minimum earnings criteria

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Medi-Cal 250% Working Disabled Program-Eligibility

- Work activity can be as simple as pet attending, driving, domestic support services, research, light clerical work
- Earnings can also be in-kind:
- To document have person who provides meals, room or board write up an informal agreement describing:
 - The working arrangement and estimation for cost of meals, room or board
 - Describe the work being performed
 - Have both parties sign & date agreement

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Proof of Employment

- **Pay Stubs**
- **Written verification of employment from an employer/business**
- **If self-employed:**
 - A contract may be used
 - W-2's can be used or:
 - If an applicant is an independent contractor, the 1099 IRS form can be used

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Medi-Cal 250% Working Disabled Program – Eligibility

3 Eligibility Tests:

- Assets
- Unearned Income
- Earned Income

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Medi-Cal 250% Working Disabled Program – Eligibility

- Asset Test
- Assets must be less than:
 - \$2000 for an individual
 - \$3000 for a couple
- Assets, like the home you live in and one car, are not counted for this program
- All IRS approved retirement accounts are exempt

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Medi-Cal 250% Working Disabled Program – Eligibility

Unearned Income Test

- Unearned Income must be less than current SSI/SSP amount
 - Disability income is excluded (SSDI, CDB, disability pension, SDI, etc.)
- \$20 general income exclusion is applied to any unearned income
- Examples of unearned income: retirement, survivor's Social Security, net income from property, Unemployment Insurance

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Medi-Cal 250% Working Disabled Program – Eligibility

Earned Income Test

- **Countable income must be below 250% of the Federal Poverty Level**
- **Countable income limits = 250% FPL**
 - For individuals: \$2257/month
 - For couples: \$3036/month
- **Gross earned income limits**
 - For individuals: approx. \$4599/month
 - For eligible couples: approx \$6157/month

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How Countable Income is determined:

- **Net countable income** = SSI Methodology

(unearned income* - \$20) +

(earned income - \$65 ÷ 2)

*All disability income exempt

- Impairment Related Work Expenses (IRWE) can also be used as deductions
 - Out of pocket expenses related to one's disability and needed to work
 - Examples: medications, medical equipment, attendant care services

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Countable Income Example

- Mary
 - \$1,500/month in gross earned income
 - \$900/month in SSDI (exempt)
 - \$100/month in Impairment-Related Work Expenses (IRWEs)
- Mary's Countable Income:
 - \$1,500 (earned income)
 - 20 (general income exclusion)
 - 65 (earned income exclusion)
 - -100 (IRWE)
 - $\$1,315 \div 2 = \657.50 (countable income)

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250% Medi-Cal Working Disabled Program – Premium Chart

Countable Earned Income and Premiums:

- \$1-\$600 Countable Income
 - Individual \$20
 - Couple \$30
- \$601-\$700 Countable Income
 - Individual \$25
 - Couple \$40
- \$701-\$900 Countable Income
 - Individual \$50
 - Couple \$75
- \$901-\$1100 Countable Income
 - Individual \$75
 - Couple \$100
- \$1101-\$1300 Countable Income
 - Individual \$100
 - Couple \$150
- \$1301-\$1500 Countable Income
 - Individual \$125
 - Couple \$200
- \$1501-\$1700 Countable Income
 - Individual \$150
 - Couple \$225

- \$1701-\$1900 Countable Income
 - Individual \$175
 - Couple \$275
- \$1901-\$2100 Countable Income
 - Individual \$200
 - Couple \$300
- \$2101-\$2257 Countable Income
 - Individual \$250
 - Couple \$375
- \$2258-\$3036 Countable Income
 - Individual \$N/A
 - Couple \$375

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Medically Needy Share of Cost vs. 250% Working Disabled Program

- Mary's Total Income = \$2400
- Mary's Working Disabled Program Premium = \$25/month
- If in Medically Needy Share of Cost Program, share of cost = \$950

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250% Working Disabled Program Benefits

- The ability to work and maintain affordable health coverage through Medi-Cal

- No large shares of cost (Medi-Cal or IHSS)
- Liberal definition of employment
- Disability-related income/Worker's Compensation is exempt in determining eligibility and premium
 - However, earning income may impact cash benefits

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250% Working Disabled Program Benefits

- Can build retirement accounts
- Maintain In-Home Supportive Services at home and in the workplace
- Medi-Cal's Health Insurance Premium Payment program (Medi-Cal/HIPP)

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250% Working Disabled Program Benefits

- If also on Medicare – are fully “dually-eligible”:
 - Medi-Cal pays Medicare Part B premium
 - Medi-Cal's co-pay and premium payment programs for Qualified Medicare Beneficiaries (QMB)
 - Access IHSS services (not covered by Medicare)
 - Automatically qualify for Medicare Part D Low Income Subsidy (LIS)

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250% Working Disabled Program Benefits

- The Part D Low-Income Subsidy (LIS) program covers the premium and deductible of benchmark plans
 - You are responsible for copayments of \$1.10-\$6.30 for each covered prescription
 - Medi-Cal does not pay for Part D co-pays for prescriptions
- Medi-Cal does cover the co-pay for prescriptions for private insurance

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Who should consider enrolling:

- Anyone with a disability who is working
- Individuals enrolled in Medi-Cal and IHSS with a Share of Cost
- Individuals receiving Social Security Disability Insurance (SSDI) or Childhood Disability Benefits (CDB)
- If your earned income from work exceeded the Supplementary Security Income (SSI) 1619(b) threshold amount

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How to Enroll

If you are already receiving Medi-Cal:

- Contact your Medi-Cal Eligibility Worker and ask them to enroll you. If you have a Share of Cost ask to be determined eligible.

- If you do not know who your Eligibility Worker is, contact your local Medi-Cal County office
- If you're not currently receiving Medi-Cal:
- Apply for Medi-Cal at your local Medi-Cal county office. If you report earnings, you should be automatically enrolled.

<http://www.dhcs.ca.gov/services/medi-cal/Pages/CountyOffices.aspx>

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How to Enroll

- Mention that the program is "Aid Code 6G"
- County Coordinator may be contacted if Eligibility Worker or Supervisor are unfamiliar with the program

http://www.chiip.org/wdp_county_coordinators.html

- Medi-Cal Application is available online, or from your County office

<http://www.dhcs.ca.gov/services/medi-cal/pages/medicalapplications.aspx>

- Write on top of your application form: Applying for the 250% Working Disabled Program-Aid Code 6G

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How to Enroll

Completed application should be submitted with:

- Latest SSA award letter confirming medical disability determination is still active
- Copies of two most recent payroll checks or stubs (or letter from employer)
- Copies of two most recent bank statements

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Premium Payment for Enrollees:

- Mail premium payments to:
 - Program Analysis Unit
 - MS4720-Dept 155
 - Department of Health Care Services
 - P.O. Box 997423
 - Sacramento, CA 95899-9918
- Make check or money orders payable to DHCS
- If using personal check recommend writing note such as “JUL 2010 Prem Pymt-250% WDP” in check field entitled “for” or “memo”

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Premium Payment for Enrollees:

- To check and see if premium payment was received contact:
 - Third-Party Liability-Marilyn Eaves
 - 916-650-0533
- Need WDP envelopes for premium payments contact:
 - Jami Chan
 - (916) 319-8525
 - Jami.Chan@dhcs.ca.gov

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250% Working Disabled Program Future Changes

- Assembly Bill 1269 was signed into law by our Governor on 10/11/09
- The new rules will not be implemented until ARRA funds run out

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250% Working Disabled Program Future Changes

AB 1269 policy changes improves the 250% WDP:

- Eliminate Age 65 restriction
- Eliminating the asset limit when money is placed in a separate account
- Change premium structure
- Grace period of 26 weeks if employment ends

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Resources

For more information:

Disability Benefits 101

<http://www.disabilitybenefits101.org>

See Medi-Cal Eligibility Procedures Manual, section 5R

<http://www.dhcs.ca.gov>

All County Welfare Directors Letters (ACWDLs)

<http://www.dhcs.ca.gov>

Go to Forms, Letters & Publications

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Resources

List of 250% WDP County Coordinators

http://www.chiip.org/wdp_county_coordinators.html

Find your local County Office

<http://www.dhcs.ca.gov/services/medi-cal/Pages/CountyOffices.aspx>

Medi-Cal Application

<http://www.dhcs.ca.gov/services/medi-cal/pages/medicalapplications.aspx>

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Resources

Talent Knows No Limits

<http://www.talentknowsnolimits.info/>

Work Incentives Planning and Assistance Projects

- Benefits counselors for SSI/SSDI beneficiaries

<https://secure.ssa.gov/apps10/oesp/providers.nsf/bystate>

Area Work Incentives Coordinators (AWIC)

<http://www.ssa.gov/sf/awic.htm>

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Resources

Local Independent Living Centers

- One-on-one benefits counselors

<http://www.cfilc.org>

Health Insurance Counseling and Advocacy Program (HICAP)

- Free Medicare Counseling

1-800-434-0222

<http://www.cahealthadvocates.org/HICAP/>

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Resources

Health Consumer Alliance

- Local health consumer centers for help getting health care

<http://healthconsumer.org/>

Disability Rights California

- Advocacy and legal work

<http://www.disabilityrightsca.org/>

800-776-5746 (Toll free)

800-719-5798 (TTY)

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Resources: 250% Working Disabled Program – ACWDLs

00-16 – Introductory letter and procedures

00-51 – Frequently asked questions

01-26 – 250% WDP forms and notices

01-46 – 250% WDP update

01-65 – 250% WDP and IHSS

02-34 – Disability Determination for the WDP

05-07 – 250% WDP envelope request information

06-27 – 2006 CHIIP outreach and training activities

08-47 – 2008 Elimination of sunset date

09-29 – 250% WDP and Managed Care

09-33 – Eligibility and beneficiary discussions on 250% WDP

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Resources

For more information on outreach and training activities or questions, contact Karla Bell at 619-594-5381, kbell@interwork.sdsu.edu

To order brochures or promotional materials, contact Nicholas Moore at 916-654-8194, Nicholas.Moore@edd.ca.gov

- Medi-Cal Working Disabled Program Brochure
- I Can Work Brochure

