

Slide 1

250% Medi-Cal Working Disabled Program: New Changes Afloat

Presented by:

Karla Bell

Program Manager,

California Health Incentives Improvement Project

San Diego State University Interwork Institute

Slide 2

Overview

250% Medi-Cal Working Disabled Program

- Unique Features
- Eligibility
- Income and Premiums
- Benefits
- Enrollment
- Future Changes and Implementation of AB 1269
- Resources
- DB 101 Demonstration

Slide 3

California Health Incentives Improvement Project (CHIIP)

- Funded by a Medicaid Infrastructure Grant (MIG) from the federal Centers for Medicare and Medicaid Services (CMS)
- Overall goal: increase employment of people with disabilities

- Importance of maintaining Medi-Cal/Medicaid coverage when encouraging people with disabilities to become employed

- Medicaid Buy-In Programs

Slide 4

250% Medi-Cal Working Disabled Program

- The 250% Medi-Cal Working Disabled program is California's Medicaid Buy-In program
- Work incentive program allowing people with disabilities the opportunity to work, earn up to \$55,476/year, and pay a monthly premium to keep their Medi-Cal
- Medi-Cal ≠ Poverty
- California legislation implemented the 250% Working Disabled Program in April 2000
- As of May 2011, 5,752 individuals are enrolled statewide

Slide 5

250% Medi-Cal Working Disabled Program

Unique Features:

- Individuals can earn up to \$55,476 gross per year and still qualify for full scope, no share of cost Medi-Cal
- A working couple can earn up to \$74,580 gross per year
 - Higher gross wages possible when there are Impairment Related Work Expenses (IRWEs)
- Affordable monthly premiums:
 - \$20 - \$250 (Single Person)
 - \$30 - \$375 (Couples)

Slide 6

250% Medi-Cal 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
- Exempt retirement accounts include:
 - Individual Retirement Accounts (IRAs), SEP IRA, 401(K), 403(B), Profit Sharing, Individual (K), Solo DB, Safe Harbor 401(K), Social Security Integration (Profit Sharing Plan), Age Weighted (Profit Sharing Plan), ROTH IRA, 457, ROTH 403(B), KEOGH Plans, TSA Tax Sheltered Annuities, Stretch IRA, Thrift Savings Plan (TSP), Federal Employee Retirement System (FERS), Civil Service Retirement System (CSRS), New Comparability (Profit Sharing Plan)

Slide 7

250% Medi-Cal Working Disabled Program

Unique Features:

- Disability income not included in countable income when determining eligibility and premium amount
 - Social Security Disability Insurance (SSDI), State Disability Insurance (SDI), Workers Compensation, Childhood Disability Benefits (CDB), federal, state and private disability insurance, Veterans' disability benefits, etc.

Slide 8

250% Medi-Cal 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*

Slide 9

250% Medi-Cal 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

Slide 10

250% Medi-Cal Working Disabled Program – Eligibility

- Individuals can find the work that fits with their level of disability
- 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

Slide 11

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

Slide 12

250% Medi-Cal Working Disabled Program – Eligibility

3 Eligibility Tests:

- Assets
- Unearned Income
- Earned Income

Slide 13

250% Medi-Cal 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

Slide 14

250% Medi-Cal 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, CalWORKs

Slide 15

250% Medi-Cal Working Disabled Program – Eligibility

Earned Income Test

- Countable income must be below 250% of the Federal Poverty Level
- 2011 *Countable* income limits = 250% FPL
 - For individuals: **\$2269/month**
 - For eligible couples: **\$3065/month**
- 2011 *Gross* earned income limits
 - For individuals: approx. **\$4623/month**
 - For eligible couples: approx **\$6215/month**

Slide 16

250% Medi-Cal Working Disabled Program – Income

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

Slide 17

Example – Mary

- 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)

Is Mary's countable income less than 250% of the Federal Poverty Level?

YES! FPL is \$2269-Her income is low enough to qualify.

Slide 18

250% Medi-Cal Working Disabled Program – Premium Chart

- Countable Earned Income From: \$1 to \$600
- Premium for eligible individual \$20 For eligible couple \$30

- Countable Earned Income From: \$601 to \$700
- Premium for eligible individual \$25 For eligible couple \$40

- Countable Earned Income From: \$701 to \$900
- Premium for eligible individual \$50 For eligible couple \$75

- Countable Earned Income From: \$901 to \$1100
- Premium for eligible individual \$75 For eligible couple \$100

- Countable Earned Income From: \$1101 to \$1300
- Premium for eligible individual \$100 For eligible couple \$150

- Countable Earned Income From: \$1301 to \$1500
 - Premium for eligible individual \$125 For eligible couple \$200
-
- Countable Earned Income From: \$1501 to \$1700
 - Premium for eligible individual \$150 For eligible couple \$225
-
- Countable Earned Income From: \$1701 to \$1900
 - Premium for eligible individual \$175 For eligible couple \$275
-
- Countable Earned Income From: \$1901 to \$2100
 - Premium for eligible individual \$200 For eligible couple \$300
-
- Countable Earned Income From: \$2101 to \$2257
 - Premium for eligible individual \$250 For eligible couple \$375
-
- Countable Earned Income From: \$2258 to \$3036
 - Premium for eligible individual N/A For eligible couple \$375

Slide 19

Example – Mary

- Before the Working Disabled Program, if Mary was offered the same job earning \$1,500/month, she probably would not have taken it because her Share of Cost would have been \$950 per month
- With the Working Disabled Program, Mary can take that job and get Medi-Cal for only \$25/month

Slide 20

Example - Personal Assistance Services

- Nelson is a wheelchair user looking for options to continue his personal assistance services

- He is working at a local newspaper as an editor earning \$4160/month and he has employer-sponsored insurance
- He used to have a trust from his parents, but he has used all the money in the trust to pay for the \$1500/month cost of personal assistance services
- He would like to enroll in Medi-Cal and In-Home Supportive Services (IHSS) but he thinks the only way he can qualify is to quit his job

Slide 21

Example - Personal Assistance Services

- Nelson did a Google search and found Medi-Cal Working Disabled Program information on www.DB101.org
- He learned that he can use Medi-Cal for wraparound coverage with his Employer Sponsored Insurance and access IHSS for the personal assistance services he needs
- He applied for Medi-Cal at his County office, a disability determination was done and he was found eligible
- He was able to keep his job, pay a \$200/month premium for Medi-Cal and he now has IHSS

Slide 22

250% Medi-Cal 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

Slide 23

250% Medi-Cal 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)
 - For more information on HIPP:

www.disabilitybenefits101.org

Slide 24

250% Medi-Cal 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 or private insurance)
 - Automatically qualify for Medicare Part D Low Income Subsidy (LIS)

Slide 25

Eliminating the Healthcare Barrier - Who should consider enrolling in the Working Disabled Program?

- Anyone with a disability who is working and wants to obtain or maintain Medi-Cal (and IHSS)
- Individuals enrolled in Medi-Cal and IHSS with a Share of Cost
- Individuals receiving Social Security Disability Insurance (SSDI) or Childhood Disability Benefits (CDB)
- Most working Supplementary Security Income (SSI) beneficiaries get Medi-Cal through 1619, unless they want higher income or ability to build assets
- Get the message out: **HEALTHCARE IS NOT A BARRIER**

Slide 26

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>

Slide 27

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

Slide 27

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
- Application processing takes between 30-90 days
- After being approved, you will be mailed a monthly premium notice
- If you do not pay your premium payments for 2 consecutive months, you will be sent a notice of action informing you of termination

Slide 29

250% Medi-Cal Working Disabled Program Future Changes: AB 1269

- Assembly Bill 1269 was signed into law by Governor Schwarzenegger on 10/11/09 (Chapter 282, Statutes of 2009)
- This Bill improves the Medi-Cal 250% Working Disabled Program
- Allows additional income and resource exemptions
- Extends unemployment period to 26 weeks

Changes current premium calculation

Slide 30

250% Medi-Cal Working Disabled Program Future Changes: AB 1269

- Eliminates retirement age restriction by exempting retirement income that converts from Social Security Disability Insurance (SSDI) income
- All exempt IRS-approved retirement accounts allowed under the 250% Working Disabled Program will continue to be exempt under other Medi-Cal Programs
- Allows Earnings to be saved in separately identifiable account with **no cap**
 - These earnings cannot be combined with other resources

Slide 31

250% Medi-Cal Working Disabled Program Future Changes: AB 1269

- Allows individuals to remain in the program for 26 weeks if they become unemployed
 - Premium payments required during this time of unemployment
- Change in premium calculation. Premium based on 5 percent of countable income (including disability income)

Slide 32

AB 1269: Scheduled Implementation

- **Less restrictive** provisions under PPACA **will be** implemented once ARRA funding runs out. Less restrictive provisions are:
 - Eliminating age restriction by exempting retirement income
 - Exempt retained earned income held in a separate identifiable account
 - Allow individuals to remain in program for 26 weeks if they are unemployed
 - All retirement accounts allowed under the 250% WDP will continue to be exempt under any other Medi-Cal program that is subject to federal Social Security Act based on age, blindness or disability

Slide 33

AB 1269: Scheduled Implementation

- **Restrictive** provisions under PPACA **will not** be implemented until after 2014. The restrictive provisions are:
 - Change in calculation of premium payments under AB 1269

Slide 34

Draft AB 1269 Timeline

- ARRA funding ends tentatively by June 30, 2011
- Implementation All County Welfare Directors Letter (ACWDL) issued July 1, 2011
 - ACWDL will include tips for Eligibility Workers and other County Staff on how to explain changes
- Implementation begins by August 1, 2011
- CHIIP will also work with Department of Health Care Services to develop and distribute informing notices to all Working Disabled beneficiaries regarding AB 1269 to go out by August 1, 2011

Slide 35

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

Slide 36

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>

Slide 37

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>

Slide 38

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/>

Slide 39

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)

Slide 40

Resources: 250% Medi-Cal 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

Slide 41

Question and Answer

- The webinar chat window is now open for questions
- Type your question into the text entry area below the chat window
- Click the Send button to submit your question into the chat window

Slide 42

Survey and CRC Credits

Please give us feedback on today's webinar by completing our survey:

<http://www.surveymonkey.com/s/ZLY9R75>

Certified Rehabilitation Counselor (CRC) credits are available for this webinar:

- To receive CRC credits you will need to complete a survey and a short quiz:

http://interwork.sdsu.edu/chiip/webinar/archive/crc_credits/110505/webinar.html

We will also follow up with an email will include links to the CRC quiz, survey, and the archive of this webinar so you can listen to it again

Slide 43

Thank you for joining us today!

For more information or questions:

Karla Bell, CHIIP/SDSU Interwork Institute

619-594-5381

kbell@interwork.sdsu.edu

Archived Webinars:<http://www.talentknowsnolimits.info/webinar.html>

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