




BAY AREA LEGAL AID
HEALTH CONSUMER CENTER

MEDI-CAL, MEDICARE, AND COVERED CA

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BAY AREA LEGAL AID**

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HEALTH CONSUMER CENTER

- Statewide legal hotline providing free assistance on health care coverage and health access issues
 - The Health Consumer Center (HCC) also provides legal advice, brief services, and extended representation, including representation at State Fair Hearings.
 - Spanish, Vietnamese, Mandarin, Cantonese, Korean, and Hindi speaking attorneys. All other languages accessed via a telephone interpreter service.
 - Areas of health law include Medi-Cal, Covered CA, Medicare, and private insurance.
 - All services are free and we welcome all income levels.
 - **Hotline: 1 (855) 693 - 7285. Open M-F, 9-5pm.**
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HOW DO WE HELP?

- Call our hotline at 1-855-693-7285
- Monday – Friday, 9:00 am – 5:00 pm
- Services available in all languages
- Free!
- No income requirement!

MEDICARE AND MEDI-CAL

Medicare

- 65+, blind or disabled
- Covers hospital services, physician services, prescription drugs

Medi-Cal

- Low-income individuals
- Provides hospital services, physician services, long-term services and supports

MEDI-CAL: WHAT IS IT?

- Federal & state funded health insurance program for low-income persons residing in California
- Administered by California's Department of Health Care Services (DHCS)
 - *<http://www.dhcs.ca.gov/services/medi-cal>*
- Eligibility is determined at the county level

MEDICARE & MEDI-CAL OVERLAP

- Medicare & Medi-Cal insurance benefits can overlap. Medicare is primary and pays first. Medi-Cal is billed after Medicare has paid their share.
- Medicare parts:
 - Part A: Hospital Services; Part B: outpatient services; Part D: Prescription Drugs
 - Part C: Medicare Advantage plans to deliver Parts A, B, and D benefits
- For Part B physician services, Medicare pays 80% and the leftover 20% co-payment is billed to Medi-Cal
- Providers cannot bill you for Medicare co-payments or deductibles if you have free Medi-Cal
 - Except for Part D prescription co-payments of about \$2.95 to \$7.40 for generic/brand name prescriptions
 - Medi-Cal does not pay for Medicare prescription drugs

ELIGIBILITY: WHO GETS MEDI-CAL?

- Programmatically-linked: *i.e.*, SSI, CalWORKs
- Seniors or persons with disabilities
- Low-income adults aged 19-64
- Foster care, adoption assistance
- Parent/Caretaker Relatives
- Individuals up to age 26, regardless of immigration status
- Infants and children up to age 19
- Pregnant women
- Former foster youth up to age 26
- Long term care residents




INCOME LIMITS



Coverage Group	Income FPL	2021 Monthly Income (1 person)	2021 Annual Income (1 person)
Expansion adult, 19-64	138%	\$1,482	\$17,775
Parent/Caretaker Relative	109%	\$1,170	\$14,040
Aged, Blind, or Disabled*	100% + \$230	\$1,482	\$17,775
Working Disabled*	250%	\$2,684	\$32,200

*Non-MAGI

MEDI-CAL IMMIGRATION CRITERIA


- Generally, individuals can apply and receive some form of Medi-Cal benefits. Full-scope benefits are available to “qualified” immigrants: a federal statutory designation of immigrants eligible for Medi-Cal
 - citizens, legal permanent residents, refugees/asylees, victims of trafficking (T Visa) and U Visa holders, all children up to age 26, other “qualified” immigrants
 - Restricted scope: those that do not have a “qualifying” immigration status, includes those lawfully present but are not “qualified” and those that are undocumented
 - Permanently Residing Under Color of Law (PRUCOL):
 - Immigration authorities know you’re here and are not intending to begin deportation proceedings.
 - PRUCOL is not an immigration status, but a public benefit eligibility category
 - DACA recipients qualify for full scope Medi-Cal under PRUCOL (verbal attestation of status is verified via federal hub)
 - see MC 13 Form – Statement of Citizenship, Alienage, and Immigration Status
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“QUALIFIED” IMMIGRANTS

“Qualified” lawfully present immigrants eligible for **full-scope Medi-Cal** include:

- Lawful permanent residents (LPRs)
- Refugees & asylees
- Persons granted withholding of deportation, conditional entry (in effect prior to Apr. 1, 1980), or paroled for at least one year
- Cuban/Haitian entrants
- Iraqi or Afghani special immigrants (worked for the US)
- Battered spouses and children with a pending or approved
 - Self-petition for an immigrant visa or visa petition by a spouse or parent who is either a U.S. citizen or LPR, or
 - Application for cancellation of removal/suspension of deportation, where the need for the benefit has a substantial connection to the battery or cruelty (parent/child of such battered child/spouse are also “qualified”)
- Victims of trafficking and their derivative beneficiaries who have obtained a T visa or whose application for a T visa sets forth a prima facie case

TYPES OF MEDI-CAL COVERAGE

- **Full-Scope Medi-Cal:** free, no cost-sharing, no payment for services
 - Pays for medically necessary health care & treatment when using a Medi-Cal provider. \$0 out of pocket responsibility.
 - **Share of Cost (SOC):** income too high for free, full-scope Medi-Cal
 - It is not a monthly premium
 - Functions like a **monthly deductible** or a **monthly cap** on the amount you have to pay for health services.
 - Pay toward the SOC in the month of receiving services; SOC restarts monthly
 - If you do use health services in a month, you are responsible to **pay out of pocket for your health services up to the SOC amt.** After meeting the entire SOC in one month, MC will cover any expenses above your SOC in that same month.
 - Medical bills paid on behalf of other family members also count towards meeting the SOC.
 - **Restricted Scope:** free, covered services limited to emergency services, pregnancy related services, and long term care
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MEDI-CAL EXPANSION: WHAT IS MAGI?



- Expansion Medi-Cal categories have higher income limits and no asset test for eligibility.
 - Money in savings accounts or personal property is not counted
- **MAGI Calculation:** Adjusted Gross Income + Non-taxable Social Security Benefits (ex, Social Security Disability, Social Security Retirement), Tax-exempt interest, Foreign earned income & housing expenses
 - Adjusted Gross Income: Income Line 8b on IRS Form 1040
 - Common tax deductions will affect the AGI, such as student loan interest deductions, and self-employment expenses, etc.
 - Common Income Exceptions: State Disability Insurance, financial assistance used to pay for tuition.

MEDI-CAL EXPANSION: CONTINUED

Eligibility is determined by whether the applicant(s) income falls beneath the income limit for their household size.

- **Household Size: based on tax household size.**
 - Ex: Generally, tax household is the tax filer, spouse, and any dependents they claim.
- **Self-Employment Income**
 - Counted as reportable income but only the taxpayer's net business profit (or loss), as shown on their Schedule C.
- **IHSS Income Special Rules**
 - Under MAGI based programs, IHSS wages received by IHSS providers who live in the same home with the recipient of those services are **excluded** from gross income.

NON-MAGI MEDI-CAL

- Non-MAGI Medi-Cal programs have both income and asset requirements unlike MAGI Medi-Cal.
 - Aged, Blind, & Disabled Medically Needy programs
 - 250% Working Disabled Program
 - Share of Cost & Long Term Care programs
 - **Countable Income:** income after all applicable deductions are made. Deductions can vary from one program to another.
- **Asset Limits (unlike MAGI Medi-Cal)**
- **Aged, Blind, and Disabled:** Individuals 65+ or under 65 and disabled.
- **250% Working Disabled:** program for disabled individuals who are over income for Aged & Disabled program. (nominal premium)

DETERMINING INCOME MAGI VS. NON-MAGI



TRADITIONAL MEDICAL CATEGORIES

- Aged, Blind, Disabled
- Medically Needy
- Long Term Care (skilled nursing facility)
- 250% Working Disabled

MODIFIED ADJUSTED GROSS INCOME (MAGI) COUNTING RULES

- Expansion Childless adults 19-64
- Pregnant women
- Children up to age 19
- Parent/Caretaker Relative

MEDI-CAL ASSET & RESOURCE RULES

Non-MAGI Medi-Cal categories have an asset/resource limit

- **Asset Limit**
 - Single: \$2,000/mo
 - Couple: \$3,000/mo
- A house is exempt (if you live in the home) and 1 car (2 cars for a couple).
- **IRAs, KEOGHs, and other work-related pension plans:** exempt if the family member whose name it is in does not want Medi-Cal. If held in the name of a person who wants Medi-Cal and payments of principal and interest are being received, the balance is considered unavailable and it is not counted
- **Life insurance policies:** Exempt if the face value is \$1,500 or less
- Irrevocable burial trusts or irrevocable prepaid burial contracts

COUNTABLE INCOME FOR NON-MAGI MEDI-CAL



Countable Income for Medi-Cal purposes is calculated by taking monthly income minus applicable common deductions:

- **Medical insurance premiums** (including Medicare Pt B, other supplemental insurance)
- **Automatic \$20 deduction**
- **Any Employment Income Deductions (aka earned income)**
 - Deduct \$65 Employment Income
 - Subtract any Impairment-related expenses paid to become/remain employable (if you are disabled)
 - Subtract any Income-related work expenses (ex. transportation, uniforms, etc.) (if you are blind)
 - Divide in half the balance of employment income deductions

Ex: Joe earns \$3,000 in employment a month. $3,000 - 65/2 = \$1,467.5$ countable income.

**These rules apply to spousal employment as well.*

CALCULATING THE SHARE OF COST

Share of Cost is Calculated by the County Office

- **Share of Cost** = Countable Income minus the Maintenance Need Level for the household
- **Maintenance Need Level** is set by the govt and the amt of income the govt allows a beneficiary to retain for rent, food, utilities. It is a standard level and does not take into account cost of living.
 - Single person \$600
 - Couple \$934
- SOC = non-exempt income minus \$20 minus maintenance need level = SOC amount
 - \$1750 - \$20 - \$600 MNL = \$1130 share of cost

SHARE OF COST: COMMON STRATEGIES

- Combining **unpaid bills** in one month to meet the SOC
- **Group health services** into as few months as possible so that you only have to pay out-of-pocket for health services during as few months as possible.
- Medical expenses paid on behalf of another family member
- Supplemental medical insurance
 - Reduce someone's countable income to either at or below the free Aged & Disabled limit (\$1,271 for single person in 2019). Paid monthly premiums for supplemental insurance (vision, dental, medigap) can be deducted from the household's countable income.
 - Premiums paid on behalf of other immediate family members (spouse, children etc).
- 250% Working Disabled Program

250% WORKING DISABLED PROGRAM

Provides full-scope Medi-Cal with a **monthly premium** to working disabled individuals with countable income below 250% FPL.

▪ Criteria:

- 1) **Disabled** – SSA or Medi-Cal determination of disability
- 2) **Minimal employment** – beneficiary must engage in minimal employment. No set minimum hours, wages to qualify.
 - Ex. babysitting, filling out forms, gardening, recycling, etc.
- Under 250% WDP, all disability income is exempt. The monthly premium is on a sliding scale and determined by the non-exempt income. The lowest monthly premium is \$20.
- Also allows the beneficiary to save employment income, in a separate bank account, in excess of the regular Medi-Cal \$2,000 asset limit.

ADULT MEDI-CAL DENTAL BENEFITS

Medi-Cal provides dental benefits via Denti-Cal (fee for service)

Major covered services include:

- Initial exam, cleanings, fillings, fluoride treatments, X-Rays, root canals (front teeth), crowns, full dentures, and more
- Up to \$1800 in covered services per year*
- Providers may not bill patients if Medi-Cal pays any amount for service
- More at www.smilecalifornia.org
- Telephone Service Center: 1-800-322-6384



HOW TO APPLY FOR MEDI-CAL

- **ONLINE**

- <https://www.coveredca.com/apply/> - Download application or fill out online
- <https://www.mybenefitscalwin.org/>

- **IN PERSON/BY MAIL/BY PHONE**

- At local county office

- **ACCELERATED ENROLLMENT**

- Brand new program that grants temporary Medi-Cal benefits for applicants while their eligibility is being processed
- Effective July 2021 for applications via www.coveredca.com, ~2023 for other applications



COVERED
CALIFORNIA

COVERED CALIFORNIA

OVERVIEW

- Covered California is California's Health Insurance Exchange
 - Virtual health insurance marketplace where you can go to buy health insurance coverage for you and your family
 - Website: www.coveredca.com
 - Phone: 1-800-300-1506
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ADVANCED PREMIUM TAX CREDITS (APTCS)

- **How do the tax credits work?**
 - Consumers pick a health plan upon enrollment
 - Bronze, silver, or gold
 - Reduces amount of monthly premiums
 - APTCs are paid directly to the health plan
 - Consumer pays the balance to health plan as well
 - Based on annual income
 - Applicants estimate annual income and should report changes throughout the year
 - End of year reconciliation
 - Must file taxes every year
 - IRS-1095A & FTB-3895 forms
 - Failure to accurately report income can lead to large tax debts

COST SHARING REDUCTIONS (CSR)

- Income below 250% FPL who select a silver plan
- How do the cost sharing reductions work?
 - Paid directly to the health plan
 - Reduces deductibles, coinsurance, and copay amounts
 - No end of the year reconciliation

WHO IS ELIGIBLE FOR COVERED CA?

- **Covered CA marketplace vs. Covered CA benefits**
 - Many people who do not qualify for APTCs/CSRs may still enroll in a plan
 - **Income between 139-600% FPL (as of 2020)**
 - Or between 100-138% FPL and not eligible for Medi-Cal
 - State vs. federal subsidies
 - Based on MAGI income counting rules
 - **Immigration**
 - Lawfully present”
 - DACA status holders are not eligible
 - **Must not be eligible for other “minimum essential coverage”**
 - “Affordable” employer coverage
 - Medicare Parts A&B
 - May not decline Medi-Cal
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WHEN CAN YOU ENROLL?

- **Open enrollment for is November 1 through January 31 every year**
 - Must sign up by December 15th if consumers want their new plan to start January 1
 - CA restored the individual mandate (ACA 2014 – 2018) effective 2020 → must have coverage or pay a penalty (unless exempt)
- **Special enrollment period**
 - Lets you sign up for coverage outside regular open enrollment period
 - Qualifying event such as loss of a job, marriage, divorce, birth or adoption of a child, loss of affordable coverage.
 - Period lasts 60 days before and after the qualifying event

UNDOCUMENTED: HEALTH INSURANCE OPTIONS



Health Coverage Options for the Undocumented:

- **Not allowed to purchase Covered California** private health insurance at full cost or with APTC and/or CSR;
- **Exempt** from individual mandate;
- **Not eligible for Medicare** or non-restricted Medi-Cal;
- Remain eligible for **emergency care** under federal law;
- Eligible for **Restricted Medi-Cal** if low-income;
- May seek **nonemergency health services at community** health centers or safety-net hospitals.



STATE FAIR HEARINGS & APPEALS


WHAT CAN I APPEAL?

- Almost anything!
 - Application denials
 - Plan terminations
 - County/Covered CA action or inaction
 - Amount of Covered CA subsidies
 - Share of cost amount
 - Medi-Cal network adequacy problems
 - Medi-Cal denial of health service
 - Misc. problems with Medi-Cal/Covered CA
 - Ex: Issues with Benefits Identification Card, incorrect gender marker on case records, language access problems, etc.

APPEAL RIGHTS – MEDI-CAL/COVERED CA

- Request a [State Fair Hearing](#) and appeal adverse action
 - Eligibility Issues: 90 days from date of the Notice of Action**
 - Denials for Health Services: If you are appealing a managed care plan decision, must request within 120 days from date of denial**
- **Aid Paid Pending:** if an appeal is submitted before the action goes into effect, benefits will continue as is until you receive a final State Fair Hearing decision.
 - Example: John receives a Notice of Action dated August 5, 2020 that his Medi-Cal benefits will terminate on August 31, 2020. John appeals the county's proposed termination on August 12, 2020. Because John appealed before the termination occurred, he will receive Aid Paid Pending and his Medi-Cal will not terminate pending the appeal outcome.

Appeal Rights: State Fair Hearings

- State Fair Hearings (“SFH”) are before by an Administrative Law Judge who makes a judgment based on testimony, facts, and the applicable Medi-Cal regulations.
 - Usually informal and beneficiaries can represent themselves.
 - Right to present their case, provide oral testimony, and to submit relevant documents to support their case.
 - Relaxed evidentiary rules
 - The county also has the opportunity to attend and provide a statement of their case.
 - After the SFH decision is released, 30-day deadline to request a rehearing if the beneficiary disagrees with the SFH decision.
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COVID 19 PROTECTIONS


COVID 19 PROTECTIONS

- **Prohibition on negative Medi-Cal actions** until the federal emergency health order is lifted.
 - Medi-Cal benefits cannot be terminated or a share of cost assessed/increased even if the beneficiary no longer meets the income or asset limits
 - Exceptions for except for death, by request, or a move out of state, or long term care
 - 1st time Medi-Cal applicants can be denied or a share of cost assessed
- **Extension of Appeal Deadlines:**
 - 210 days for decisions made by the county or Dept. of Health Care Services and 240 days for decisions made by Medi-Cal managed care plans
- Renewals – processing of renewals are paused during the pandemic.
- **Waiver of Premiums:** 250% Working Disabled Program or children's Medi-Cal program (266% FPL) recipients can request a waiver of premium payments during the public health emergency. You must request these waivers. The waiver can be applied retroactively for premiums paid in March 2020 or later

COVID 19 PROTECTIONS:

- **COVID 19 Uninsured Group:** Dept. of Health Care Services will temporarily provide free free testing, testing-related services, and treatment services for those that are uninsured, or have private insurance that does not provide free COVID-19 related testing and treatment, or if ineligible for Medicare or free Medi-Cal (those on a share of cost).
 - Includes COVID-19 related office, clinic, or emergency room visits. Qualifying individuals must apply with a Medi-Cal approved Qualified Provider who participates in the program.
 - More information can be found here: <http://bit.ly/COVID-Uninsured-Group>
- COVID related treatment is free to full-scope Medi-Cal beneficiaries.
- COVID 19 Stimulus checks and supplemental pandemic unemployment benefits are not counted for Medi-Cal eligibility

COVID 19 AND COVERED CALIFORNIA

- CovCA marketplace exchange is open for enrollment through 2021. (CA only)
 - The federal government increased advance premium tax credits, to lower the cost of out-of-pocket monthly insurance premiums.
 - Individuals with income below 150% FPL, will pay \$0 premiums (2021-2022).
 - Anyone who has received unemployment insurance benefits at any time in 2021 will pay \$0 premiums, regardless of actual income
 - Individuals who received excess marketplace premium tax credits in 2020 will not have to pay them back.
 - COVID 19 Stimulus checks are not counted for CovCA purposes. Supplemental pandemic unemployment benefits are countable.
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**MEDI-CAL FOR THOSE
EXPERIENCING
HOMELESSNESS**

NAVIGATING MEDI-CAL

- County of Residence: A person experiencing homelessness is not required to remain in their county of residence to receive benefits. They must designate one county as their “permanent residence” but they can temporarily reside in different counties.
- Medi-Cal Managed Care Enrollment: the majority of Medi-Cal recipients are required to join a managed care plan specific to their county of residence. Network managed care plan rules mandate enrollees are limited to that plan’s network. Will need to return to county of residence to access services
- Mail: Notice of Actions, renewal forms, and other requests for information will be sent by mail.
 - General delivery is an option, a P.O. Box, or a family/friend’s mailing address
- State Fair hearings: by telephone and can be converted to in-person hearing (pre-pandemic). ACMS is the online state fair hearing portal and individuals can sign up for accounts

NAVIGATING MEDI-CAL

- Residency: a letter from a homeless shelter or other public or community service agency stating that the applicant is receiving services from the agency can be used.
- Counties are required to accept telephonic attestations and affidavits for Medi-Cal eligibility (except for citizenship or immigration status).
 - Telephonic signatures will carry the same weight as a wet signature. (MEDIL 20-08)
 - Example: “I live at 55 Hill Street.” is acceptable.
- Accommodations, Renewals:
 - A recipient can request an accommodation for more time to provide additional documents or a renewal, such as if extra time is needed to gather documents,
 - Renewals/redeterminations are done annually
 - Counties are required to only ask for information they do not already have in the file. Any needed information can be provided verbally and a telephonic signature given. The information requested in the packet can be supplied by mail, by fax, by email, in person, or over the phone.

ANY QUESTIONS?



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