

**2001 Policy Changes: Medi-Cal and Healthy Families Coverage
for Low-Income Children, Youth, and Parents and “Medically Indigent Adults”**

Policies and Proposed 2001-02 Changes	Policy Issues in Medi-Cal (M-C) and Healthy Families (HF)								
	Income eligibility level for parents of covered children	Free or low-cost coverage for 19 & 20 year olds	Coverage for Medically Indigent Adults	Covering all family members under the same program	Eliminate assets test for adults in family coverage	12-months continuous eligibility for parents	Paperless verification of income	Point of service enrollment	Program consolidation and/or seamlessness
Policies in FY 2000-01	In Medi-Cal (M-C), parents and children 6-18 are eligible up to 100% of FPL, ages 1-5 to 133%, 0-12 mo. to 200%; Healthy Families (HF) covered only children to 250%.	Often have high monthly “share of cost” in M-C, even if parents and younger siblings have no-share-of-cost M-C. 19 & 20 year olds excluded from HF.	If not 65 or older, blind, or disabled and have no children under 18 in the home, generally not eligible for M-C or any other state program.	Depending on a child’s age and the family’s income, some family members go to Medi-Cal while others go to Healthy Families	In M-C, parents must list detailed assets and not exceed low limit; no asset test for children in either M-C or HF	M-C adults must report changes in income, etc., within 10 days, for redetermination of eligibility; children have 12-mo. continuous eligibility (CE) in both M-C and HF	Not allowed. Income must be documented for adults and children at time of application	Can’t enroll into HF or M-C at doctor’s office or clinic (except M-C for pregnant women.)	M-C and HF administered and operated as two separate and distinct programs.
Changes adopted in 2001-02 state budget process SB 739 (Budget Act, pp. 27-32) and AB 430 (health trailer bill, SEC. 14.5-17, 31, 34-37)	Includes parents in HF between 100%-250% of FPL or if assets over M-C limits pursuant to S-CHIP expansion waiver; includes qualified alien children and parents who entered the U.S. after Aug. 26, 1996; takes effect 4 mo. after approval of fed waiver (pending as of 09/26/01). <i>See AB 430, Sec. 15 and 16.</i>	(No provision) Senate and Assembly would have included 19 & 20 year olds in HF, but compromise in Conference Committee.	New federal option to provide treatment services with Medicaid funds for breast and cervical cancer adopted for uninsured or underinsured women to 200% FPL: 18 mo for breast cancer, 24 mo for cervical. <i>See AB 430, Sec. 8.5 – 9.</i>	“Accelerates” M-C enrollment for a M-C eligible child who applies through the statewide "single point of entry" as part of S-CHIP waiver, even though parent may go to HF; final M-C elig determination by the county. <i>See AB 430, Sec. 35.</i>	No assets test for HF parents (100%-250%) under S-CHIP waiver, but test retained for M-C parents (below 100%). Senate and Assembly would have eliminated assets test for parents in M-C with income below 100%, but compromise in Conference Committee.	Complete 12-months continuous eligibility (CE) extended to parents in HF under S-CHIP; parents in M-C will have CE only as to changes in income or assets but not in categorical eligibility (e.g., child no longer in the home or child turns 19, etc.) <i>See AB 430, Sec. 31.</i>	HF conformed to M-C by allowing self-declaration of income with affidavit showing no means of paper verification. All other verification retained in both M-C and HF. <i>See AB 430, Sec. 14.5.</i>	(No general provision) \$100,000 for VIDA public/private pilot project in L.A., which includes “point of service” enrollment for low-income persons being screened for M-C/HF.	(No general provision) VIDA would make M-C/HF enrollment process seamless to applicants through use of public/private pilot project funds. 2- mo. M-C to HF "bridge" and vice-versa (AB 430, Sec. 16.5 and 16.7).

Abbreviations: M-C = Medi-Cal; HF = Healthy Families; MIA = Medically Indigent Adult; CE = continuous eligibility; MRMIB = Managed Risk Medical Insurance Board

For current status of bills, see <http://www.assembly.ca.gov/acs/acsframeset2.htm> and follow prompts for Legislation. The Legislature reconvenes on January 7, 2002.

Prepared by Lucy Quacinella, J.D., consultant

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SB 402 (Ortiz) SB 534 (Ortiz) SB 785 (Ortiz)	SB 785 covered parents to 250% in HF; <i>included in budget agreement.</i>	SB 402 covers 19 & 20 year olds under M-C and HF on same basis as children ages 6-18 and parents; <i>rejected in budget agreement.</i>	SB 534 included MIAs in M-C to 100% with request for fed matching funds; <i>stayed on Senate Suspense file.</i>	(No provision)				(No provision)	(No provision)
AB 32 (Richman) Stayed on Senate Suspense file; two-year bill.	Covered parents to 250% if eligible for M-C or HF funds in new <i>Cal- Health Program.</i>	Included in <i>Cal-Health</i> to 250% with M-C or HF funds.	In <i>Cal-Health</i> to 250%, with federal Medicaid matching funds from an 1115 waiver.	All family members in M-C with income up to 133% FPL.	No assets test in <i>Cal-Health.</i>	(No provision)	(No provision)	Point-of-service enrollment at provider; for kids for 60 days under existing federal option, later for all for 90 days with fed waiver.	DHS and MRMIB to report to Legislature on least restrictive rules as between M-C and HF.
AB 482 (Cedillo) Stayed in Senate Insurance Committee; two-year bill.	Allowed small business employers (<51 employees) to buy HF coverage for employees who are otherwise eligible for HF.	Included to 250% if the employee of a small business and otherwise eligible for HF.	(No provision)	(No provision)	No assets test in HF.	12 mo CE in HF.	(No provision)	(No provision)	None, but MRMIB to coordinate enrollment into HF, M-C, and AIM for eligible individuals with applications to HF small biz program

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