

AMENDED IN ASSEMBLY APRIL 13, 2000

CALIFORNIA LEGISLATURE—1999–2000 REGULAR SESSION

ASSEMBLY BILL

No. 2500

Introduced by Assembly Member Ashburn
(Principal coauthor: Assembly Member Runner)

February 24, 2000

An act to amend Section 14005.12 of the Welfare and Institutions Code, relating to Medi-Cal.

LEGISLATIVE COUNSEL'S DIGEST

AB 2500, as amended, Ashburn. Medi-Cal: eligibility.

Existing law provides for the Medi-Cal program, administered by the State Department of Health Services, under which qualified low-income persons are provided with health care services. Existing law establishes income eligibility levels for those persons not automatically eligible for Medi-Cal by virtue of eligibility for certain public assistance programs.

This bill would establish ~~an income deduction of 150% of the United States Department of Health and Human Services' poverty guidelines.~~ *certain income deductions for aged, blind, and disabled persons qualifying for Medi-Cal eligibility benefits as medically needy recipients.*

Because each county is required to determine Medi-Cal eligibility, and because the bill would expand Medi-Cal eligibility, the bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated

by the state. Statutory provisions establish procedures for making that reimbursement, including the creation of a State Mandates Claims Fund to pay the costs of mandates that do not exceed \$1,000,000 statewide and other procedures for claims whose statewide costs exceed \$1,000,000.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

The people of the State of California do enact as follows:

1 SECTION 1. Section 14005.12 of the Welfare and
2 Institutions Code is amended to read:

3 14005.12. (a) (1) For the purposes of Sections
4 14005.4 and 14005.7, the department shall establish the
5 income levels for maintenance need at the lowest levels
6 that reasonably permit medically needy persons to meet
7 their basic needs for food, clothing, and shelter, and for
8 which federal financial participation will still be provided
9 under Title XIX of the federal Social Security Act. It is the
10 intent of the Legislature that the income levels for
11 maintenance need for medically needy aged, blind, and
12 disabled adults, in particular, shall be based upon amounts
13 that adequately reflect their needs.

14 ~~(1) Subject to paragraph (2), reductions~~

15 (2) (A) *Reductions* in the maximum aid payment
16 levels set forth in subdivision (a) of Section 11450 in the
17 1991–92 fiscal year, and thereafter, shall not result in a
18 reduction in the income levels for maintenance under
19 this section.

20 ~~(2) (A)–~~

21 (B) The department shall seek any necessary federal
22 authorization for maintaining the income levels for
23 maintenance at the levels in effect June 30, 1991.

24 ~~(B)–~~

25 (C) If federal authorization is not obtained, medically
26 needy persons shall not be required to pay the difference



1 between the share of cost as determined based on the
2 payment levels in effect on June 30, 1991, under Section
3 11450, and the share of cost as determined based on the
4 payment levels in effect on July 1, 1991, and thereafter.

5 ~~(3)~~

6 (D) Any medically needy person who was eligible for
7 benefits under this chapter as categorically needy for the
8 calendar month immediately preceding the effective
9 date of the reductions in the minimum basic standards of
10 adequate care for the Aid to Families with Dependent
11 Children program as set forth in Section 11452.018 made
12 in the 1995–96 Regular Session of the Legislature shall not
13 be responsible for paying his or her share of cost if all of
14 the following apply:

15 ~~(A)~~

16 (i) He or she had eligibility as categorically needy
17 terminated by the reductions in the minimum basic
18 standards of adequate care.

19 ~~(B)~~

20 (ii) He or she, but for the reductions, would be eligible
21 to continue receiving benefits under this chapter as
22 categorically needy.

23 ~~(C)~~

24 (iii) He or she is not eligible to receive benefits
25 without a share of cost as a medically needy person
26 pursuant to ~~paragraph (1) or (2)~~. *subparagraph (A) or*
27 *(B).*

28 (3) *The income levels for maintenance under this*
29 *section in effect on August 22, 1996, shall be increased on*
30 *January 1, 2001, by a percentage equal to the intervening*
31 *California Consumer Price Index increase or 20 percent,*
32 *whichever is greater, except that implementation of this*
33 *paragraph shall be subject to federal financial*
34 *participation. By March 1, 2001, the department shall seek*
35 *any approvals, including state plan amendments,*
36 *necessary to receive federal financial participation for*
37 *medical and remedial services payable by reason of the*
38 *increases in the income levels for maintenance under this*
39 *section. If this approval is not granted by the federal*
40 *government, the Attorney General may file all*



1 *administrative and judicial proceedings available under*
2 *the law to obtain the approval. The state shall be under*
3 *no obligation to use state-only funds to pay for the*
4 *implementation of this paragraph.*

5 (b) In the case of a single individual, the amount of the
6 income level for maintenance per month shall be 80
7 percent of the highest amount that would ordinarily be
8 paid to a family of two persons, without any income or
9 resources, under subdivision (a) of Section 11450,
10 multiplied by the federal financial participation rate.

11 (c) In the case of a family of two adults, the income
12 level for maintenance per month shall be the highest
13 amount that would ordinarily be paid to a family of three
14 persons without income or resources under subdivision
15 (a) of Section 11450, multiplied by the federal financial
16 participation rate.

17 (d) For the purposes of Sections 14005.4 and 14005.7,
18 for a person in a medical institution or nursing facility, or
19 for a person receiving institutional or noninstitutional
20 services from an organization with a frail elderly
21 demonstration project waiver pursuant to Chapter 8.75
22 (commencing with Section 14590), the amount
23 considered as required for maintenance per month shall
24 be computed in accordance with, and for those purposes
25 required by, Title XIX of the federal Social Security Act,
26 and regulations adopted pursuant thereto. Those
27 amounts shall be computed pursuant to regulations
28 which include providing for the following purposes:

29 (1) Personal and incidental needs in the amount of not
30 less than thirty-five dollars (\$35) per month while a
31 patient. The department may, by regulation, increase this
32 amount as necessitated by increasing costs of personal
33 and incidental needs. A long-term health care facility
34 shall not charge an individual for the laundry services or
35 periodic hair care specified in Section 14110.4.

36 (2) The upkeep and maintenance of the home.

37 (3) The support and care of his or her minor children,
38 or any disabled relative for whose support he or she has
39 contributed regularly, if there is no community spouse.



1 (4) If the person is an institutionalized spouse, for the
2 support and care of his or her community spouse, minor
3 or dependent children, dependent parents, or dependent
4 siblings of either spouse, provided the individuals are
5 residing with the community spouse.

6 (5) The community spouse monthly income allowance
7 shall be established at the maximum amount permitted
8 in accordance with Section 1924(d)(1)(B) of Title XIX of
9 the federal Social Security Act (42 U.S.C. Sec.
10 1396r-5(d)(1)(B)).

11 (6) The family allowance for each family member
12 residing with the community spouse shall be computed in
13 accordance with the formula established in Section
14 1924(d)(1)(C) of Title XIX of the federal Social Security
15 Act (42 U.S.C. Sec. 1396r-5(d)(1)(C)).

16 ~~(e) Notwithstanding subdivision (d), for any person~~
17 ~~who qualifies for health care benefits under Section 14005~~
18 ~~on the basis of age pursuant to Sections 14005.4 and~~
19 ~~14005.7, there shall be an income deduction of 150 percent~~
20 ~~of the United States Department of Health and Human~~
21 ~~Services' poverty guidelines.~~

22 ~~(f)–~~

23 (e) For the purposes of Sections 14005.4 and 14005.7,
24 with regard to a person in a licensed community care
25 facility, the amount considered as required for
26 maintenance per month shall be computed pursuant to
27 regulations adopted by the department which provide
28 for the support and care of his or her spouse, minor
29 children, or any disabled relative for whose support he or
30 she has contributed regularly.

31 ~~(g)–~~

32 (f) The income levels for maintenance per month,
33 except as specified in subdivisions (b) to (d), inclusive,
34 shall be equal to the highest amounts that would
35 ordinarily be paid to a family of the same size without any
36 income or resources under subdivision (a) of Section
37 11450, multiplied by the federal financial participation
38 rate.

39 ~~(h)–~~



1 (g) The “federal financial participation rate,” as used
2 in this section, shall mean 133¹/₃ percent, or such other
3 rate set forth in Section 1903 of the federal Social Security
4 Act (42 U.S.C. Sec. 1396(b)), or its successor provisions.

5 ~~(i)~~

6 (h) The income levels for maintenance per month
7 shall not be decreased to reflect the presence in the
8 household of persons receiving forms of aid other than
9 Medi-Cal.

10 ~~(j)~~

11 (i) When family members maintain separate
12 residences, but eligibility is determined as a single unit
13 under Section 14008, the income levels for maintenance
14 per month shall be established for each household in
15 accordance with subdivisions (b) to (h), inclusive. The
16 total of these levels shall be the level for the single
17 eligibility unit.

18 ~~(k)~~

19 (j) The income levels for maintenance per month
20 established pursuant to subdivisions (b) to (i), inclusive,
21 shall be calculated on an annual basis, rounded to the next
22 higher multiple of one hundred dollars (\$100), and then
23 prorated.

24 SEC. 2. Notwithstanding Section 17610 of the
25 Government Code, if the Commission on State Mandates
26 determines that this act contains costs mandated by the
27 state, reimbursement to local agencies and school
28 districts for those costs shall be made pursuant to Part 7
29 (commencing with Section 17500) of Division 4 of Title
30 2 of the Government Code. If the statewide cost of the
31 claim for reimbursement does not exceed one million
32 dollars (\$1,000,000), reimbursement shall be made from
33 the State Mandates Claims Fund.

