



RECOMMENDATIONS ON HEALTH CARE

CALIFORNIA WORKING FAMILIES POLICY SUMMIT JANUARY 24, 2003

Introduction

A goal of the state and our society should be to take care of our families, children, adults, seniors and the disabled, including the basic provision of health care. This year, California must grapple with a \$34.6 billion budget deficit, the largest in its history. To close this deficit, the Governor proposes to cut deeply into Medi-Cal, the largest health program for poor people in this state. These cuts will cause a loss of health coverage to millions of people in California. These cuts are aimed primarily at adults, but the family is a unit of adults and children—and when coverage for the adult is segregated from the child's coverage, the child can suffer consequences. Instead of taking care of the families, these cuts will cause needless pain, physical impairment, and even death to many people in California. These recommendations, developed with broad input, outline the basic criteria for making certain there is access to health coverage for every member of the family.

I. Maintain Access to Health Coverage for Adults in Medi-Cal

Background

Changes proposed by the Governor's budget would cause more than a million people to lose Medi-Cal by drastically reducing eligibility standards (which prevents people from becoming eligible) and placing barriers in the way of retaining eligible people. These proposed cuts are not temporary—they go much further than the immediate budget crisis. If implemented, these cuts will unravel decades of progress in the Medi-Cal program, while keeping the most vulnerable and working poor persons of this state caught in the cycle of poverty.

Recommendations

- A. The Legislature should reject the budget proposal to reinstate the deprivation test and to reduce the allowable income level from 100% federal poverty level (FPL) to 61%. This will cause tens of thousands of two-parent working families to no longer be eligible for Medi-Cal. In addition, the California Department of Health Services (DHS) should eliminate the deprivation test altogether to stop penalizing working families.
- B. The Legislature should reject the budget proposal to reinstate Quarterly Status Reporting (QSR) that places intentional barriers in the way of eligible people causing them to unnecessarily lose coverage.
- C. The Legislature should reject the budget proposal to reduce the individual Aged and Disabled Federal Poverty Level program eligibility income limit to the Supplemental Security Income/State Supplementary Payment benefit level. This proposal would increase the share of cost to thousands of disabled persons, making health care coverage unaffordable.
- D. The Legislature should reject trailer bill language that attempts to repeal pertinent provisions of SB 87 (Escutia) [codified as WIC 14005.31-39 and 14005.81]. SB 87 changed Medi-Cal eligibility rules so that anyone on Medi-Cal is eligible and should receive ongoing Medi-Cal until the county proves them ineligible. As a result of SB 87, counties must follow a specific process to find the recipient eligible or ineligible for ongoing Medi-Cal without burdening the recipient.
- E. The Legislature should reject the budget proposal to eliminate the second year of transitional Medi-Cal (TMC). TMC is a public program that temporarily extends Medi-Cal coverage to families who leave welfare (CalWORKs).

- F. As the state reinforces program requirements, DHS should fully fund counties to conduct annual redeterminations consistent with the provisions of SB 87. The redetermination process should be improved and brought into compliance with SB 87 so that counties do not require a beneficiary to provide any unnecessary documentation and/or information that has already been provided.
- G. The Governor should sign legislation that would eliminate the "Assets Test" in Medi-Cal. The rules calculating the value of various assets are very complicated and time-consuming for applicants and eligible workers. Most applicants do not have disqualifying assets and this test is burdensome and time consuming.

II. Maintain Access to Health Benefits for Adults in Medi-Cal

Background

Under federal law, states may choose whether or not to cover certain types of care and services for adults under Medicaid. These services are more commonly referred to as "Optional Benefits." California, through its Medi-Cal program, currently provides medical assistance for a variety of such benefits when they are determined to be medically necessary. These benefits are essential to provide poor working parents and elderly and disabled individuals with basic health care services.

The Governor's combined Mid-Year Budget Reductions for Fiscal Year 2002-03 and his Fiscal Year 2003-04 budget would eliminate 18 optional benefits for adults over 21 years old who are not in long-term care. Without medically necessary dental care, podiatry services, or medical supplies, people will suffer severe health consequences. In fact, over **2.8 million** Medi-Cal recipients will lose access to these services if these cuts are adopted. The health needs that these benefits address are anything but ancillary.

Recommendation

- A. The Legislature should reject the budget proposal to eliminate dental, medical supplies, podiatry, acupuncture, chiropractic services, psychological services, services of independent rehabilitation centers, occupational therapy, non-emergency medical transportation, optician/optical lab services, hospice, durable medical equipment, optometry, hearing aids, prosthetics, speech/audiology services, orthotics and physical therapy.

III. Create Better Access for Newborns and Infants

Background

Children who are "deemed eligible" for Medi-Cal at the time of their birth often experience breaks in their Medi-Cal coverage. The discontinuance in coverage is the result of the children not receiving their own Medi-Cal numbers before the end of the two-month postpartum period during which newborns are covered under their mother's Medi-Cal number. This break in coverage may result in delayed access to care and be detrimental to the health of the newborn. The recommendations below will improve continuity of care for newborn children by easing Medi-Cal enrollment requirements.

Recommendations

- A. DHS should make enrollment of infants into Medi-Cal automatic at the time of birth when the mothers are on Medi-Cal, as required by state and federal law. Alternatively, DHS should simplify the enrollment of infants by requiring a single notification to the county or state to accomplish enrollment.
- B. Counties should enroll infants who are "deemed eligible" for Medi-Cal because the mother had Medi-Cal at the time of the birth. Counties should add the infant by a simple referral by phone or fax to the county worker, regardless of whether the mother has an "active" or open Medi-Cal case at the time the infant is referred.
- C. DHS should re-design the CHDP Gateway so that "deemed eligible" newborns passing through it can get a final Medi-Cal eligibility card issued to them without having to submit a regular Medi-Cal application.

IV. Create Better Access for Children by Providing Expedited Enrollment and Presumptive Coverage

Background

The Medi-Cal program provides health coverage to over 3 million children in California, and the Healthy Families Program provides coverage to 250,000 children. According to the Governor's budget proposal, he expects to grow the Healthy Families caseload by adding an additional 471,000 children to the current caseload. The Healthy Families Program is a federally subsidized health insurance program for children in families with low to moderate income who are ineligible for no-cost Medi-Cal. Considerable barriers to enrollment and retention remain that deter families from enrolling and remaining in public insurance programs.

Recommendations

- A. The Legislature should reject the budget proposal to eliminate outreach funding for certified application assisters (CAAs). If the Governor truly intends to increase enrollment in Healthy Families and Medi-Cal, it is critical to maintain funding for CAAs because they are more successful in enrolling people. According to the Managed Risk Medical Insurance Board (MRMIB), applications completed by CAAs are 16 percentage points higher (more successful) than those applications completed without assistance.
- B. The Legislature should continue funding for the Child Health and Disability Prevention Program (CHDP) Gateway. The CHDP Gateway is a program that provides from 28 to 60 days of Medi-Cal benefits to qualifying children. During the period of Gateway Medi-Cal, coverage, the family must complete a full Medi-Cal or Healthy Families application in order to continue coverage. It is recommended that in the Gateway program the initial screening application would serve as the full application for eligibility sufficient to determine a child's eligibility for either Healthy Families or Medi-Cal. This recommendation will ensure that children will have continuous coverage.
- C. The Legislature and DHS should redesign the CHDP Gateway to extend presumptive eligibility for children until such time that the child is either enrolled in Medi-Cal or Healthy Families—not simply the month the child is screened at the CHDP provider and the month after.
- D. DHS and MRMIB should allow families with children in Medi-Cal and Healthy Families to synchronize renewal dates (without jeopardizing the one-year continuous eligibility in Medi-Cal) in order to improve retention.
- E. The Legislature should fund the budget proposal for Express Lane Eligibility—using eligibility for the school lunch program as presumptive eligibility (with automatic simultaneous enrollment) for Medi-Cal, and the Food Stamp program renewal as an automatic point of renewal for Medi-Cal.
- F. DHS should convene a workgroup with county representatives, providers, advocates, and other stakeholders to develop an action plan to simplify the process for enrolling adolescents into Medi-Cal Minor Consent Services. The process should be simplified by not requiring any documentation and by ensuring that CHDP providers are aware of Minor Consent requirements and can facilitate adolescent enrollment.
- G. The Legislature should provide funding for a “bridge” from Healthy Families to Medi-Cal in order to ensure that children retain coverage—when their families' income goes below the threshold required for Healthy Families—while their enrollment into Medi-Cal is effectuated. In addition, the Medi-Cal to Healthy Families Bridging Program—which provides one month of no-cost Medi-Cal to children who lose their full-scope, no-cost Medi-Cal and appear to be eligible for Healthy Families—should be expanded to ensure ongoing coverage until the child's enrollment into Healthy Families is completed. Both Bridging programs should be automatic—i.e., not require families to complete a new application for either Medi-Cal or Healthy Families.

- H. The Department of Health Services (DHS) should permit Accelerated Enrollment into Medi-Cal to continue for those children who apply through the Single Point of Entry (SPE). Enrollment should continue until the child is enrolled in Medi-Cal or Healthy Families, even if the application takes longer than 60 days to process. In addition, Accelerated Enrollment should be expanded to provide accelerated coverage in the Healthy Families Program when a child applies through the SPE and appears to be eligible for Healthy Families.

V. Create Better Access to Care by Supporting Cultural and Linguistic Competencies

Background

The crisis mounting within this nation's health care system has striking ramifications for people of color. Disproportionately represented in the ranks of the uninsured and medically under-served, people of color are too often without a voice in current debates regarding reform of the health care system. Multiple examples from the literature demonstrate the magnitude of health disparities in health status and delivery of health care services. The literature also suggests that careful and appropriate implementation of sound culturally and linguistically competent policies and programs in the delivery of health services could significantly reduce these disparities.

Recommendations

- A. DHS and MRMIB should ensure that Medi-Cal and Healthy Families materials are available to families in multiple threshold languages.
- B. DHS and MRMIB should monitor and enforce existing cultural competency and linguistic access standards in Medi-Cal managed care and Healthy Families plan contracts. They should also develop similar standards and requirements for commercial managed care plans.
- C. DHS should improve the enrollment materials and presentations that are provided to Medi-Cal managed care enrollees so that the numbers that choose a plan are increased and the numbers that are enrolled in a plan by default are decreased.
- D. The Legislature should provide funding to immigrant families. Immigrant families constitute an important "hard-to-reach" population in California and deserve earmarked dollars for targeted outreach and education campaigns.
- E. DHS and MRMIB should encourage the use of health care interpreters at all medical points of contact. DHS and MRMIB should prohibit the use of minors as interpreters, except for only the most extraordinary circumstances, such as medical emergencies.