



INDIGENT CARE PROGRAM

ELIGIBILITY GUIDELINES

& STANDARDS MANUAL

Table of Contents

DEFINITIONS	4
POLICY	5
PURPOSE	5
BACKGROUND	5
SECTION 100 SERVICES	6
101 Indigent Care Program Services--General	6
102 Medical Care	6
103 List of the County Public Health Department Health Care Centers:.....	6
SECTION 200 APPLICATION PROCESS AND PERIOD OF ELIGIBILITY	7
201 Persons Who May File an Application for ICP	7
202 Service Delivery	8
203 Application for Other Assistance	8
204 Social Security Numbers.....	9
205 When to Apply	9
206 Eligibility Determination.....	10
207 Period of Eligibility	10
208 Persons Determined Eligible--Information Input and Dissemination	11
209 Denial of Eligibility--Appeals Process	11
SECTION 300 CITIZENSHIP, RESIDENCY, INSTITUTIONAL STATUS	11
301 Citizenship	11
302 Residency.....	12
303 Institutional Status	12
SECTION 400 RESPONSIBLE RELATIVES/ IDENTIFICATION OF THE ELIGIBILITY UNIT	12
401 Responsible Relative	12
402 ICP Eligibility-Unit Determination	13
403 Ineligible Members of the ICP Budget Unit	13
SECTION 500 PROPERTY.....	14
501 Property Limits	14
502 Property Evaluation	14
503 Treatment of Property.....	14
504 Personal Property.....	14
505 Real Property	15
506 Transfer of Real Property	16
SECTION 600 INCOME AND INCOME LIMITS	17
601 Availability of Income	17
602 Treatment of Income	17
603 Income Limits /Income Cap/Changes in Income	18

SECTION 700	OTHER HEALTH INSURANCE/THIRD PARTY LIABILITY	18
701	Other Health Insurance Coverage	18
702	Third Party Liability	18
SECTION 800	OVERPAYMENT AND FRAUD.....	19
801	Potential Overpayments/Fraud	19
802	Action on Overpayments	19

DEFINITIONS

Earned Income: Income received in cash, such as wages, salary, commissions or profits from activities such as business enterprises, in which the recipient is engaged, either as an employee or self-employed individual.

Exemption Certificate Number: A number the Marketplace provides when you qualify for a health insurance exemption to the insurance mandate in the Patient Protection and Affordable Care Act (ACA).

Federal Poverty Level: The indicator the U.S. government uses to determine who is eligible for federal subsidies and aid. [42 USC § 99022]; Welfare & Institution §17000.5(c).]

Hospital Presumptive Eligibility: Enables hospitals to immediately enroll patients who are likely to be eligible for Medi-Cal, without waiting for an eligibility determination from the State.

Individual Mandate: Requirement that legal residents obtain healthcare coverage beginning in 2014 or face a tax penalty¹.

Modified Adjusted Gross Income: Under the ACA, eligibility for income-based Medicaid (Medi-Cal in California) and subsidized health insurance through the Marketplaces is calculated using a household's Modified Adjusted Gross Income (MAGI). MAGI is a methodology created under the ACA to determine financial eligibility for Medi-Cal as well as premium tax credits and cost-sharing assistance through Covered CA, the Health Benefit Exchange. The methodology has two components: (1) calculating income; and (2) determining who is in the household. Household income is then compared to the Federal Poverty Level (FPL), which depends on family size, to determine eligibility. MAGI is the adjusted gross income plus any tax-exempt Social Security, interest or foreign income. The ACA definition of MAGI is codified at 26 CFR 1.36B-1(e)(2).

Marketplace: Covered California is the State health insurance Marketplace where eligible residents can shop for and buy insurance. The Marketplace is also referred to as the Health Benefit Exchange.

Minimum Maintenance Need Level: The amount of income that can be retained before a person must contribute towards their health care costs.

Patient Protection and Affordable Care Act: The comprehensive health care reform legislation passed by the 111th Congress and signed into law by President Barack Obama in March 2010. The Patient Protection and Affordable Care Act is also often referred to as the ACA, PPACA or "Obamacare."

Personal Property: Any kind of liquid asset, e.g. stocks, bonds, bank accounts, etc.

Public Health Department Benefits and Referral Center: A program to assist clients with guidance on health care coverage, maintaining their health care coverage, their care and administration of the Indigent Care Program.

Unearned Income: Income received in cash, including, but not limited to, pensions, disability or Unemployment Insurance Benefits, Worker's Compensation, Veterans Benefits, gifts, loans, tax refunds, child support, palimony, alimony, income from deeds/notes or payments received from others for room and board.

¹ The **tax penalty** for the individual mandate has been repealed by Congress effective starting in 2019.

Property Reserves: The amount of “countable” property, i.e. property which is not exempt or unavailable, that an applicant is allowed to have and still qualify for ICP.

Real Property: Land, buildings, mobile homes which are taxed as real property, or life estates.

POLICY

It is the policy of the Santa Barbara County Public Health Department (PHD) Indigent Care Program (ICP) to establish and maintain standardized eligibility criteria as part of a fair and consistent process to identify and assist appropriate applicants.

This eligibility manual reflects Federal and State statutory requirements, and PHD’s standards and procedures applicable to the ICP.

PURPOSE

Pursuant to Welfare and Institutions Code sections 17000 *et seq*, the County relieves and supports all incompetent, poor, indigent persons, and those incapacitated by age, disease, or accident, and lawfully resident, when such persons are not supported and relieved by their relatives or friends, by their own means, or by state hospitals or other state or private institutions. The County makes assistance available to individuals who demonstrate that a financial or other hardship precludes them from obtaining health insurance coverage through the Marketplace.

BACKGROUND

Eligibility criteria for the Santa Barbara County Medically Indigent Adult Services Program (MIASP) was originally established in 1982 to address the needs of the County’s medically indigent residents and to comply with regulatory obligations.

The Patient Protection and Affordable Care Act (ACA) has transformed how health care is delivered, who is eligible for care, and how care is paid for throughout the nation, in California, and in Santa Barbara County. As of 2014, free or low-cost health coverage became available to most of the County’s medically indigent residents, including those previously covered under the MIASP. Thus, at the start of 2014 the Public Health Department transitioned the MIASP into the Indigent Care Program (ICP).

SECTION 100 SERVICES

101 Indigent Care Program Services--General

The ICP has been established to provide necessary medical services to Santa Barbara County's medically indigent population. The benefits for medical services shall not exceed those provided under the State Medi-Cal program. The scope and duration of benefits are determined by the PHD.

An individual must meet the requirements described in these standards to be eligible for ICP benefits.

102 Medical Care

A. ICP beneficiaries must have all of their covered medical care provided through a Santa Barbara County Health Care Center (HCC) in order for the associated costs to be covered by ICP.

1. Exception: ICP beneficiaries referred by Santa Barbara County Health Care Center (HCC) providers to medical services outside the HCC system, and whose referrals are pre-authorized by the Public Health Department Benefits and Referral Center (BRC), will have the cost of their medical care covered under ICP. The rate of reimbursement will be established by the PHD.

103 List of the County Public Health Department Health Care Centers:

Carpinteria Health Care Center
931 Walnut Ave.
Carpinteria, CA 93013
(805) 560-1050

Franklin Health Care Center
1136 East Montecito St.
Santa Barbara, CA 93103
(805) 568-2099

Lompoc Health Care Center
301 N. "R" St.
Lompoc, CA 93436
(805) 737-6400

Santa Barbara Health Care Center
345 Camino del Remedio
Santa Barbara, CA 93110
(805) 681-5488

Santa Maria Health Care Center
2115 S. Centerpointe Pkwy.
Santa Maria, CA 93455

(805) 346-7230

PATH
816 Cacique Street
Santa Barbara, CA 93103
(805) 884-8481

Good Samaritan Shelter
410 West Morrison Avenue, Suite C
Santa Maria, CA 93458
(805) 347-3338 ext.101

Santa Barbara Rescue Mission
535 East Yanonali Street
Santa Barbara, CA 93103
(805) 966-1316

SECTION 200 APPLICATION PROCESS AND PERIOD OF ELIGIBILITY

201 Persons Who May File an Application for ICP

- A. Patients who have established care with PHD or that present at a PHD HCC with a current medical need, who are at least 18 years of age and under 65 years of age, may apply for ICP if they are any of the following:
1. A person who cannot meet the Medi-Cal eligibility requirements under any established Medi-Cal program.
 - a) If a patient has a Medi-Cal determination pending, they will retain the eligibility status of a self-pay patient until a final Medi-Cal determination is made.
 2. Persons who availed themselves of all other assistance as detailed in Section 203.
- B. In order to be eligible under this program, persons described above must be in need of medical care that is a covered benefit of ICP, and meet all other eligibility requirements as specified in this manual. Applications will not be taken for persons who are not in need of covered services as determined by the PHD.
- C. For purposes of this manual, persons are considered 18 years of age on the first day of the month following the date of their 18th birthday.
- D. Persons in need of ICP benefits who are incapable of acting on their own may have any one of the following persons apply on their behalf:
1. Spouse or other immediate family member.
 2. A relative or significant other who has knowledge of that applicant's circumstances.
 3. A conservator, guardian, executor or person having power of attorney

for the patient.

202 Service Delivery

A. Medical care which is covered by ICP must be provided at a HCC except as specified below:

1. The first 72 hours of in-patient care is not an eligible benefit of the ICP. However, the Maddy Program is available for hospital and Emergency Room physician costs not exceeding 72 hours. If the in-patient admission exceeds 72 hours the patient must apply for hospital charity care prior to authorization review by ICP. PHD may approve in-patient care if charity care is denied, treatment was medically necessary, and services were at a designated hospital. It is the patient's responsibility to provide proof that they have applied for and been denied hospital charity care prior to authorization review by the PHD for in-patient care under the ICP.
2. Specialty care that is not available within the PHD may be covered through designated providers if a referral is made by an HCC physician and is pre-authorized by the BRC.
3. Emergency services are not covered by ICP.
4. Medical care received outside the PHD will not be covered, except as specified above in 202(C). In any event, there will be no coverage for care which has not been pre-authorized.
5. All ICP patients must initially apply for any and all pharmaceutical patient assistance programs. Only upon denial by all such appropriate patient assistance programs will ICP patients be eligible for ICP pharmaceutical benefits subject to ICP pharmaceutical formulary limitations. An ICP pharmaceutical formulary is subject to revisions at any time and may be authorized by the PHD Director.

203 Application for Other Assistance

A. Possible linkage to the Medi-Cal program will be evaluated at the time of each application.

1. Applicants shall, as a condition of eligibility for ICP, take all action necessary to obtain Medi-Cal through any State or Federal Program.
2. Persons who are eligible but refuse to apply for Medi-Cal, cooperate or supply the necessary information or accept eligibility assistance will be ineligible for ICP.
3. The PHD will provide information and guidance on the application

process for Medi-Cal, however, PHD staff will not case manage any ICP applicant's Medi-Cal case. It is the responsibility of the applicant to ensure all application requirements are met.

- B. In addition to the requirements in this Section 203, persons applying for ICP must apply for, and accept, all other assistance or benefits for which they may be eligible, that would affect eligibility, income, or assets. This includes, but is not limited to, Covered California (Covered CA) Health Plans offered in the Health Benefit Exchange, Supplemental Security Income/State Supplementary Payment², Unemployment Insurance Benefits, State Disability, Victims of Violent Crime Compensation, Worker's Compensation, Social Security Benefits, any benefits available through the Veteran's Administration, private insurance settlements, third party claims and Federal and State Income Tax returns. Persons who fail to apply for Covered CA Exchange programs during the most recent open enrollment period or fail to maintain coverage under those programs and/or fail to pay premiums for available health plans will be ineligible for ICP, unless the person has provided their Exemption Certificate Number obtained from the Internal Revenue Service or other regulatory agency verifying an approved exemption to the Individual Mandate. Compliance with this requirement for eligibility will be based upon the applicant's actions, or lack of action, during the most recent open enrollment period.

204 Social Security Numbers

- A. Each applicant shall, as a condition of initial and ongoing ICP eligibility, provide PHD with his/her Social Security Number and verification of this number by presenting their Social Security card, a duplicate card or written verification from the Social Security Administration. Applicants who do not have a Social Security Number will be required to apply and provide proof of obtaining a Social Security Number prior to eligibility.
- B. Failure to comply with the above may result in initial and/or future ineligibility.

205 When to Apply

- A. Persons wishing assistance under ICP must be screened by HCC staff at the time medical care is provided, unless currently certified as eligible.
1. If an ICP applicant receives medical services prior to review and approval of their ICP application they will be deemed self-pay patients and must pay minimum charges as per the PHD's sliding fee scale.
 2. HCC staff will refer persons meeting minimum ICP qualifications to the BRC for further determination.
 3. BRC staff will facilitate the completion of the ICP application through an

² The Supplemental Security Income (SSI) Program is a federally funded program which provides income support to eligible individuals who are aged 65 or older, blind or disabled. The State Supplementary Payment Program is the California state program which augments SSI. Both are administered by the Social Security Administration.

interview with the applicant.

4. Persons receiving HCC services shall have seven(7) calendar days to contact the BRC after initial screening at registration if they wish any medical service costs to be considered for payment through the ICP.

206 Eligibility Determination

- A. Persons or their representative who are screened and meet the qualifications set forth in Sections 201 and 205 shall have a face-to-face or telephone interview with BRC staff to review statements related to eligibility. Persons will be required to provide requested supporting documentation during the screening process with the BRC prior to the ICP application.
 1. The interview shall be conducted within 30 days of the person's contact with the BRC, unless special circumstances exist.
 2. Applicant's responsibilities and program information shall be reviewed during the interview.
 3. Persons will be screened for the availability of programs such as Medi-Cal or Covered California Marketplace health plans during the interview.
- B. Applicants or their representative requesting ICP benefits must complete all of the necessary application forms as required by the County within the time allotted.
- C. Information provided by the applicant shall be subject to verification prior to approval of eligibility.
 1. The applicant shall be responsible for securing additional information and verifications requested by the PHD within the time allotted.
 2. Exceptions to the verification requirements may be made as determined by the PHD.
- D. The PHD will determine eligibility after all essential information is provided and verified.
- E. Eligibility will be denied if the applicant fails to provide or verify information in the time allocated by the PHD. A request to extend the allocated time for good cause will be evaluated by the BRC Program Coordinator on a case-by-case basis.
- F. Applicants whose eligibility for a particular period has been denied will not be eligible to reapply for that period.

207 Period of Eligibility

- A. Applications made in accordance with Section 206 shall be approved effective beginning the date of service, if all eligibility criteria are met. Duration of eligibility shall be determined by the PHD, but is not to exceed six full calendar months following the month of application.
- B. Persons requiring care beyond their initial period of eligibility will be required to reapply for a new period of eligibility following the guidelines outlined in this manual.

208 Persons Determined Eligible--Information Input and Dissemination

A. Once eligibility is established, specific information identifying patients and the details of their eligibility will be input into the PHD's Electronic Medical Record and made available to HCC personnel. Patients will also receive a Certification for Services letter confirming eligibility. Referring providers will confirm eligibility by requesting the patient's Certification of Services letter or verifying eligibility by contacting the BRC.

209 Denial of Eligibility--Appeals Process

- A. Applicants who feel they have been unfairly denied ICP eligibility can request an informal review of the decision within 15 days of receipt of the denial notice. If objective evidence can be presented to substantiate an applicant's claim, (e.g. good cause for failing to provide required verifications), the denial will be rescinded.
- B. Applicants who are not satisfied with the results of this informal review may, within 5 days, make an administrative appeal to the BRC Program Coordinator. The request for appeal must be in writing and clearly indicate the reason for the appeal.
1. An interview will be scheduled within 14 calendar days from the date of request.
 - a) In instances where the applicant declines a face-to-face interview, the review may be managed via telephone or in writing.
 - b) The decision may be verbally rendered at the time of the interview and discussed with the applicant, or if further review is necessary, a written decision will be rendered within one week.
 2. Applicants with favorable decisions will have eligibility determined based on their original date of application.

SECTION 300 CITIZENSHIP, RESIDENCY, INSTITUTIONAL STATUS

301 Citizenship

- A. To be eligible for ICP, applicants must be a Santa Barbara County resident (see Section 302) that is one of the following:
1. A citizen or national of the United States.
 2. An unsponsored alien lawfully admitted to the United States for permanent residence.
- B. Verification of citizenship or alien status required as follows:
1. U.S. Citizens - The beneficiary must provide one of the following: birth certificate; baptismal certificate recorded within six months of birth showing that birth occurred in the United States; naturalization papers; U.S. Passport or written verification from the Social Security Administration that indicates place of birth and citizenship status. Alternative documents may be accepted as designated by PHD.

2. Resident Aliens - Prior to approval for ICP, applicants must provide one of the following: country of origin passport that contains a stamped I-551, which will always contain an 'A' number; Alien Registration Card AR-3, AR-103, I-151; or other documentation verifying status as a Permanent Resident Alien.

302 Residency

- A. An applicant or recipient must be a Santa Barbara County resident to be eligible for ICP.
 1. No person is eligible to apply for or receive ICP unless he or she has been a resident of Santa Barbara County for at least 15 days.
 2. All applicants and recipients must attest to residing in Santa Barbara County for at least 15 days if they do not have proof such as a utility bill or bank statement with a Santa Barbara County address. All applicants must provide photo identification.
- B. Residents of other counties who enter Santa Barbara County, or are transferred into the County for the purpose of receiving medical care are not eligible for ICP unless Santa Barbara County residency is established.
- C. Residents of other counties who are living in recovery, rehabilitation or residential programs in Santa Barbara County are ineligible for ICP, until Santa Barbara County residency is established.

303 Institutional Status

- A. Inmates who are detained under the penal system shall not be eligible for ICP, regardless of the type of care received or the facility rendering care.
- B. Persons on parole or probation shall be eligible for ICP provided that all other eligibility criteria are met.

SECTION 400 RESPONSIBLE RELATIVES/ IDENTIFICATION OF THE ELIGIBILITY UNIT

401 Responsible Relative

- A. In determining eligibility for ICP, "Relative Responsibility" shall be determined in accordance with the following:
 1. Relative Responsibility shall be spouse when spouses are living together.
 2. Spouses living apart shall have their eligibility determined separately.
 3. The parent of a minor child who is a recipient.

402 ICP Eligibility-Unit Determination

A. The “Budget Unit” (BU) shall be the number of persons considered in determining a person or family's eligibility and share of cost.

B. In determining the BU the following shall apply:

Family Members Living in the Home	Budget Unit (BU) Composition
Individual Adult	Individual adult BU =1
Adult, adult spouse	Adult, adult spouse BU = 2
Adult, minor spouse	Adult (minor spouse is an ineligible member) BU =2
Two adult unmarried parents, mutual minor child	Both adult unmarried parents (child will be an ineligible member) BU =3
Two adult unmarried parents, mutual minor child, separate child of one parent	If linkage to Medi-Cal does not exist for the entire family, the ICP unit would consist of the parent without a separate child (mutual child, another parent, and separate child would be ineligible) = BU of 4
Adult, adult spouse (mutual minor children)	If linkage to Medi-Cal does not exist for the entire family, the ICP unit would consist of adult, adult spouse (mutual children would be ineligible members) = BU of 3 or 2 + the number of children
Adult spouse in Long Term Care (LTC)	Adult (Adult spouse in LTC is ineligible). Total Family income is determined and one half is allocated to the ICP unit. Resources count in total = BU of 1

403 Ineligible Members of the ICP Budget Unit

A. Persons who are ineligible members of the ICP BU shall be included for the purpose of establishing eligibility but shall not be eligible for services through ICP. Ineligible members are those that may not be eligible for ICP under these guidelines and standards.

1. Family members who are eligible for or receiving Medi-Cal under another aid program.
2. Ineligible aliens.
3. Children less than 18 years of age.
4. Family members who refuse to cooperate with the standards outlined in this manual or are ineligible.

SECTION 500

PROPERTY

501 Property Limits

- A. Property that is not counted in determining eligibility is called “exempt” or “unavailable” property. Countable property, i.e. property which is *not* exempt or unavailable is included in the “property reserve,” (PR) i.e. the amount of countable property the applicant is allowed to have and still qualify for ICP.
1. The PR is the net market value of the non-exempt property of those persons considered in the BU for eligibility purposes.
 2. The PR shall not exceed current Medi-Cal Property Limits at the time of the ICP application. Persons whose PR exceeds the allowable limits may become eligible effective the date property falls within the limits, if all other eligibility criteria are met.
 3. In order to become eligible within the month of application, excess property must be spent within that month on one of the following items:
 - a) Medical care received during the month.
 - b) One of the following basic items of need in the month of application:
 - i. Food
 - ii. Shelter
 - iii. Utilities
 - c) Persons ineligible in the month of application, who reapply for a future month, must be able to demonstrate how excess resources were brought within eligibility limits.

502 Property Evaluation

- A. After identifying the composition of the ICP BU, property holdings will be evaluated to determine eligibility as follows:
1. Property to be included in the determination.
 2. The availability of property.
 3. The value of the included property.
 4. Whether the total value of the included property exceeds the property limits specified in this section.

503 Treatment of Property

- A. The owner of the property, for ICP eligibility purposes, shall be the person who holds legal title, unless otherwise stated in these standards.
- B. The separate property and a person’s share of community property shall be considered in determining eligibility.
- C. A spouse's share of community property is valued at one-half.

504 Personal Property

- A. Exempt personal property - The following items shall *not* be considered when determining eligibility:

1. One motor vehicle per wage earner of the household that is used to maintain employment, for transportation, or to seek employment.
 2. All items used to furnish a home.
 3. An item of personal property used as a home (i.e. boat, motor home or vehicle).
 4. Clothing.
 5. Tools of trade necessary to continue or seek employment.
 6. Wedding and engagement rings, heirlooms or items of jewelry.
 7. Life insurance policies with no cash value.
 8. Business equipment, inventory and materials that are necessary for employment, self-support or an approved plan of rehabilitation.
 9. Personal property held in trust, provided that the applicant or family member cannot gain access to the trust. It shall be required that the applicant takes the following steps to attempt to gain access to the trust:
 - a) Request that the trustee release the funds.
 - b) Request that the trustee petition the court for release of the funds.
 - c) Petition the court directly for release of the funds.
 10. Verifiable amounts saved from a child's earnings for future education or identifiable needs.
- B. Included personal property - The following items of personal property shall be considered in determining eligibility and valued as indicated:
1. Cash or checks on hand.
 2. Checking, savings or credit union accounts. Value shall be the amount to which the person has unrestricted access, minus income received and deposited that month.
 3. Stocks, bonds and mutual funds. Value shall be the closing price at the time of application.
 4. Individual Retirement Accounts, Keogh's or Deferred Compensation Plans. The value shall be the account balance at the time of application.
 5. United States Savings Bonds. Value shall be the amount for which they can be sold.
 6. Non-exempt motor vehicles. Value shall be derived from the DMV charts, minus encumbrances (i.e., amount owed on loan).
 7. Personal property held in trust, which is not exempt under Section 504(A). Failure of the applicant to attempt to secure the release of the funds shall result in the entire amount being included in the property reserve.

505 Real Property

- A. Exempt Real Property - The following items of real property shall be exempt from consideration in determining eligibility:
1. A single dwelling used as a home.
 2. A mobile home, houseboat or other shelter, assessed as real property, which is used as a home.

3. A single-family home that jointly serves as a home and business.
 4. Native American interest in land held in trust by the U.S. Government.
 5. Proceeds from the recent sale of property used as a home, provided the applicant has made an offer on another property or is in escrow for the purchase of another home.
- B. Non-Exempt Real Property – The following shall be considered in determining eligibility. The net market value, when combined with other non-exempt real or personal property, must fall within the property limits:
1. Any other real property owned by the applicant.

506 Transfer of Real Property

- A. Transfer of real property within 12 months of application shall be evaluated for its effect on eligibility if proceeds of sale are verified in liquid assets.
- B. Transfer of real property which may result in ineligibility shall include:
1. Real property transferred without adequate consideration shall be presumed to have been transferred in order to establish eligibility, unless the applicant is able to objectively establish that said presumption is incorrect. The applicant must be able to adequately demonstrate that sufficient resources existed at the time of transfer to provide support and medical care, considering the patient's age, health and life expectancy.
- C. Transfer of real property *not* resulting in ineligibility shall include:
1. Real property which, when transferred, had a net market value that would not have resulted in ineligibility.
 2. Real property transferred to satisfy a legal debt.
 3. Real property transferred to reimburse someone other than a responsible relative, for care, provided a written agreement was made. The value of care must be reasonably equivalent to the value of the property.
 4. Foreclosure or repossession was imminent at the time of transfer.
 5. The transfer was made in return for an enforceable contract for life care that does not include medical care.
 6. The applicant is able to clearly demonstrate that the transfer was made for reasons other than to establish eligibility.
- D. Real property transfer which results in ineligibility may also result in an extended period of ineligibility. This period shall be the time during which the net market value of the property at the time of transfer, less consideration received, would have supported the applicant or family. The period shall be computed as follows:
1. Determine the net market value at the time of transfer, less consideration received.
 2. Determine the amount that would have resulted in ineligibility.
 3. Divide that amount by the monthly income limit to determine the

- number of months of ineligibility.
4. The period may be reduced by deducting the amount the family spent on medical care during the period of ineligibility.

SECTION 600 INCOME AND INCOME LIMITS

601 Availability of Income

- A. Income shall be considered available in the month it is received. Only income actually available shall be considered in determining eligibility.

602 Treatment of Income

- A. Exempt income - The following payments shall be exempt and not considered when determining eligibility:
 1. Payments received in cash or in-kind for Social Services in accordance with Title XX of the Social Security Act for childcare or rehabilitation expenses, including training expenses.
 2. Foster Care Payments.
 3. Earnings of a child under 18, who is a full-time student, provided they are not used to meet the needs of the ICP BU.
 4. Loans received by the applicant family. The applicant must provide evidence of a bona fide loan, which includes a written agreement, executed at the time the loan originated, and which contains a specific repayment plan. Documents drawn up after application, establishing loan terms retroactively shall not constitute evidence of a loan under these standards.
 5. Public Assistance Payments and the cash value of Cal Fresh assistance.
- B. Included Income - The following income shall be considered and counted in determining eligibility as indicated:
 1. Income as determined under Modified Adjusted Gross Income (MAGI) rules.
 2. Net income from self-employment.
 - a) Applicants must provide last year's tax returns, if filed.
 - b) It shall be the applicant's responsibility to maintain and provide clear, up-to-date business records and provide net self-employment income.
 3. Unearned income.
 - a) Actual amount received minus court-ordered child support.
 - b) Unearned income shall include verified amounts received for alimony and palimony,
 4. Rental Income.
 - a) Property must be owned.
 - b) Net income shall be the amount reported on filed tax returns. It

shall be the applicant's responsibility to maintain and provide clear, up-to-date rental income records and provide net rental income.

603 Income Limits /Income Cap/Changes in Income

- A. The amount of monthly non-exempt MAGI income determines whether an individual or family is eligible for ICP.
- B. The amount an individual or family is allowed to retain for living expenses shall be the income limit. Individuals or families whose MAGI is at or below 100% of the current Federal Poverty Level (FPL) at the time of the ICP application are eligible to receive covered services.
- C. If an individual or family's MAGI is above the minimum income limit for the current FPL for the number of persons in the household, they are ineligible for ICP.
- D. Ineligibility exists when the individual or family's MAGI exceeds 100% of the current FPL.
- E. Income changes during the eligibility period must be reported within 10 days.
 - 1. Changes not reported in a timely manner may result in ICP eligibility being rescinded.
 - 2. Changes which result from a miscalculation of income on the part of staff will be adjusted in the month the change occurred.

SECTION 700 OTHER HEALTH INSURANCE/THIRD PARTY LIABILITY

701 Other Health Insurance Coverage

- A. An applicant shall be required to report entitlement to any other health insurance coverage at the time of application or reapplication. Applicants with other health insurance coverage are ineligible for ICP coverage.
- B. ICP will not cover insurance Share of Costs (SOCs) or co-payments for patients with other health insurance.

702 Third Party Liability

- A. An applicant shall be required to report to the PHD any situation in which a third-party payer may be liable for the cost of medical care being billed to ICP. This includes, but is not limited to:
 - 1. Workers Compensation.
 - 2. Accident or injury settlement as a result of another person's action or failure to act.
- B. The County may file a lien against any settlement which includes payment for medical services billed to ICP. The applicant shall be responsible for providing information necessary to file a lien and cooperate in the filing of such a lien.

SECTION 800 OVERPAYMENT AND FRAUD

801 Potential Overpayments/Fraud

- A. A potential overpayment occurs when any of the following situations exist:
 - 1. A beneficiary has property in excess of the limits for an entire calendar month.
 - 2. A beneficiary or person acting on their behalf fails to report facts that would affect eligibility.
 - 3. A beneficiary fails to report other available health insurance coverage.
- B. Fraud exists when a beneficiary **willfully** fails to report facts with the intention of deceiving the County for the purpose of obtaining ICP. Fraudulent acts will lead to termination of ICP eligibility and may be reported to law enforcement.
- C. It is the responsibility of a beneficiary to report changes that may affect eligibility to the PHD within 10 days.

802 Action on Overpayments

- A. When an overpayment is found to exist, the PHD shall take the following actions:
 - 1. Determine the correct eligibility status for the period, based on actual circumstances.
 - 2. Determine the amount of services the patient received during the overpayment period.
 - 3. Determine the actual overpayment in accordance with the following:
 - a) Overpayments due to excess property shall be the lesser of:
 - i. The actual cost of care received during the period.
 - ii. The amount of property in excess of the limits for each month of eligibility.
 - iii. Revise the patient's bills for services to reflect the overpayment determination.
 - iv. Take collection action, as determined appropriate by the County and permitted by law.