

SSA Intranet

**ORANGE COUNTY SOCIAL SERVICES AGENCY
ADULT SERVICES
POLICY AND PROCEDURE MANUAL**

Program: In-Home Supportive Services **Number:** SH 40.5.2
Subject: Payment of Share of Cost **Date:** 12/31/06
Approved: Signature On File **Replaces:** SH 2.8.1
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I. PURPOSE

To provide information regarding payment of Share of Cost (SOC) obligation by IHSS recipients.

II. POLICY

Orange County Medi-Cal staff shall complete Medi-Cal eligibility determinations and re-determinations for all IHSS applicants and recipients who do not receive Supplemental Security Income/State Supplementary Payment (SSI/SSP) or other Medi-Cal linked cash-based assistance such as CalWORKs, Refugee Cash Assistance, Foster Care, or Adoption Assistance Program. IHSS/PCSP and IHSS/IPW recipients who meet the criteria described above shall be eligible for a comparison between IHSS SOC and Medi-Cal SOC, and shall be responsible for paying the lower of the two in accordance with the information provided below.

III. BACKGROUND

Approximately 10% of Orange County IHSS applicants/recipients are subject to mandated financial calculations to determine if they must pay for a portion of the goods and services they receive from Medi-Cal and/or IHSS programs. The amount they must pay, if any, is individually determined by Share of Cost (SOC) calculation, and it is called SOC obligation.

Implementation of the Personal Care Services Program (PCSP) in April 1993 brought federal funds to IHSS through the Medi-Cal program. In April 1999 PCSP was expanded to include IHSS Income Eligible (IE) recipients. The implementation of IHSS/PCSP also required that the State make a payment (“buy-out”) to the federal government when a PCSP recipient’s IHSS SOC amount is lower than the SOC amount that Medi-Cal would apply.

Approval of the IHSS Independence Plus Waiver (IHSS/IPW) program in 2004 required Medi-Cal determination for all IE IHSS recipients and significant changes in the way a recipient’s SOC obligation is processed and collected.

IV. DEFINITIONS

A. IHSS/IPW Recipients: Recipients who receive SSI/SSP or are eligible for federally funded full-scope Medi-Cal and meet one of the following criteria:

- Receive Restaurant Meal Allowance (SH 40.3.4)
- Receive Advance Payment (SH 40.7.1)
- Have a provider who is the client's spouse or parent (if client is a minor child).

B. IHSS/PCSP Recipients: Recipients who receive SSI/SSP or are eligible for federally funded full-scope Medi-Cal and do not meet criteria for IHSS/IPW.

C. IHSS/Residual Recipients: Recipients who are not eligible for federally funded full-scope Medi-Cal, but meet IHSS eligibility criteria (MPP 30-755).

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V. PROCEDURE

A. SOC Comparison

1. Medi-Cal eligibility technicians and IHSS social workers will calculate Medi-Cal SOC and IHSS SOC in the course of completing Medi-Cal/IHSS eligibility determinations and re-determinations, in accordance with SH 40.4.2: Co-Location of Medi-Cal Eligibility Technicians with IHSS Staff.
2. The Medi-Cal Eligibility Data System (MEDS) reflects the Medi-Cal eligibility information and SOC data resulting from the Medi-Cal eligibility determination and the IHSS Case Management Information and Payrolling System (CMIPS) reflects the IHSS SOC.
3. MEDS sends a monthly IHSS Renewal File that contains Medi-Cal eligibility information for the upcoming month for IHSS recipients to CMIPS.
4. CMIPS compares the Medi-Cal SOC and the IHSS SOC and assigns the lower SOC amount to IHSS recipients who are eligible for SOC comparison.
5. This SOC amount becomes the recipient's "SOC obligation."

B. Buy-Out Process

1. The difference between the two SOC's is considered a Medi-Cal Recognized Expense (MRE).
 2. Once a month CDSS pays CDHS the MRE for each eligible IHSS recipient.
- ### C. Spend-down Process and Point-of-Service (POS) Transactions
1. IHSS/IPW and IHSS/PCSP recipients can meet their SOC obligation either by IHSS payment to their provider, or by obligation to pay for other medically necessary expenses.
 2. When a recipient with a SOC obligation pays a Medi-Cal provider for goods or services, the Medi-Cal provider enters the recipient's SOC obligation into the POS system. The system reduces or "spends down" the recipient's SOC obligation by the amount paid for the goods or services and communicates the "spend down" to CMIPS.
 3. When an IHSS timesheet is keyed into CMIPS, the system will recognize any prior spend down, determine the remaining SOC obligation balance, deduct that from wages earned by the provider, and issue a check for any remaining wages owed to the provider after the entire SOC obligation has been met.
 4. Every time a timesheet is processed, CMIPS will generate two "Explanation of IHSS SOC" letters. One advises the recipient what amount, if any, he or she should pay the provider. The other advises the provider what amount, if any, he or she should collect from the recipient.
 5. The recipient's SOC is considered "certified" when the recipient "spends down" the entire SOC obligation that remained after "buy-out."
 6. Once the recipient's SOC has been "certified," Medi-Cal will pay for any remaining Medi-Cal covered goods or services the recipient utilizes for the remainder of the month.

D. Special Circumstances

1. Restaurant Meal Allowance payments will not be subject to Spend-down processing.
 2. Waiver Personal Care Services (WPCS): In-Home Operations (IHO) is responsible for WPCS payments using CMIPS. See SH 40.3.10 EPSDT Waiver for information regarding these cases. WPCS payments will be subject to Spend-down processing. For cases that have both IHSS and WPCS services, the SOC will be deducted from the first payment that is processed in CMIPS.
 3. 250% Working Disabled cases (Medi-Cal aid code 6G) that have a premium that is paid to the CDHS will continue to make their payment to CDHS. This premium amount appears in the SOC field in MEDS but is not considered a SOC for either Buyout or Spend-down.
 4. IPW/PCSP SOC Exceeds Needs cases: IPW and PCSP cases when SOC exceeds the individual's needs cannot be terminated or denied. These cases are not eligible for the Buy-out, but must remain active in IHSS. The recipients will need to give proof of SOC payment made to their IHSS provider to the Medi-Cal eligibility technician. The ET will obligate this amount against the recipient's outstanding Medi-Cal SOC.
 5. Advance Pay recipients with a SOC will be listed on the monthly Advance Pay SOC report. IHSS SA As will process W/X 03 transaction in CMIPS on the first business day of the month to issue the Advance Payment warrant to these clients. Advance Pay recipients with a SOC can no longer have Direct Deposit. See SH 40.7.1: Advance Pay.
 6. Inter-County Transfer Case
 - When multiple IHSS recipient cases have the same MEDS SOC case number and the Client Index Number (CIN) and SSN match, but there are different IHSS County Numbers and different IHSS SOC amounts, CMIPS will process the Buy-Out against the recipient case with the lower IHSS SOC
 - When multiple IHSS recipient cases have the same MEDS SOC case number and the CIN and SSN match, but there are different IHSS County Numbers, CMIPS will process the Buy-Out against the recipient case that matches the MEDS County Number.
 - When multiple IHSS recipient cases have the same MEDS SOC case number and one of the IHSS cases has an IHSS SOC greater than the IHSS Authorization to Purchase, no Buy-Out processing will occur against either IHSS case.
 7. IHSS Residual Cases are not included in the automated CMIPS/MEDS SOC comparison and Spend-down process. Costs encumbered to spend down the Medi-Cal SOC cannot be used to lower the IHSS SOC, but payment of the IHSS SOC is recognized by Medi-Cal as a legitimate expense for Spend-down for the Medi-Cal SOC. Recipients will need to give proof of SOC payment made to their IHSS provider to the Medi-Cal eligibility technician to have it obligated against their outstanding Medi-Cal SOC.
 - Case when Medi-Cal SOC is higher than IHSS SOC: Recipients will be eligible for the Buy-Out process. CMIPS deducts the IHSS SOC from the providers' wages and issues warrants in the appropriate amount.
 - Cases when Medi-Cal SOC is lower than IHSS SOC: IHSS SWs will enter the Medi-Cal SOC amount on the M-line in CMIPS. CMIPS will deduct that amount from the providers' payroll warrants.
 8. Couple Cases: the SOC amount will be applied against the first timesheet keyed, then any remaining SOC balance will be obligated against the next timesheet keyed and so on up to the value of the timesheet.
- ### E. Trouble Shooting SOC Buy-Out, Spend-Down, and POS Problems
- See [Attachment A \(Trouble Shooting Share of Cost Problems\)](#) for specific instructions on how to resolve SOC problems generated by automated processes within CMIPS and/or MEDS.

VI. REFERENCES

ACL 05-05: Instructions for Interim Implementation For The IHSS/PW program.
ACL 05-05E: Clarification and Correction to ACL 05-05
ACL 06-13: Changes to Case Management Information & Payrolling (CMIPS)
System to Ensure Medi-Cal SOC Compliance As They Relate To the IPW, PCSP, and
IHSS Residual Programs.

VII. ATTACHMENTS

Attachment A: Trouble Shooting Share Of Cost Problems

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