

Appendix F. Expansion using Section 1931 in California

California implemented CalWORKS, California Work Opportunity and Responsibility to Kids, in January 1998 using an interim plan as they finalized Section 1931(b). DHS implemented the plan in September 1998, in a letter instructing all counties of the new implementation and eligibility process.¹

Two parts of Section 1931 exist in California. All families who receive CalWORKS receive Medi-CAL, California's version of Medicaid, under "cash-based" Section 1931(b). Families who are eligible for CalWORKS but choose not to apply are eligible for Medi-CAL under Section 1931(b)-Only. Those applying for the Section 1931(b)-Only option are obligated to meet residency, age, deprivation, and family requirements along with the income and property requirements set by the state.²

Families who are taken off of CalWORKS because they have reached their time limits can still qualify to receive 1931(b)-Only coverage. Medi-CAL has adapted the precedent under Section 1931 to utilize the more liberal law when former AFDC benefits and current CalWORKS benefits conflict. CalWORKS has left AFDC incomes in California virtually unchanged.³

One of the challenges of the creation of the Section 1931(b) program in California is the significant increase in the workload of the eligibility workers. The program created a backlog of cases during the period when state eligibility employees learned the new rules in Section 1931(b).⁴

Section 1931(b) has also allowed California to extend its transitional Medicaid program. Families are eligible for the Transitional Medi-CAL (TMC) if they have been on cash-assistance and/or 1931(b) only for three of the last six months. This is an improvement over the previous statute that only provided benefits for those who had received cash assistance in three of the last six months.⁵ This updated option allows families who decline welfare assistance an opportunity to receive health insurance benefits. In sum, it is important to note that a state like California with demographics similar to those of Texas has been able to implement a version of 1931 that is not completely streamlined, but does offer Medicaid benefits to a larger portion of the population than that covered under basic federal coverage.

¹ Medi-Cal Policy Institute, *Section 1931(b) Medi-Cal*. Online. Available: <http://www.medi-cal.org/publications/viewpub.cfm?itemID=735>. Accessed: November 7, 2000.

² Ibid.

³ Ibid., pp. 1-2

⁴ Ibid., p. 2

⁵ Ibid.

