



California's Protection & Advocacy System

Disabled Adult Child (DAC) Medi-Cal Program Benefits

July 2021 - Pub#7166.01

What is the Disabled Adult Child (DAC) Medi-Cal Program? Am I eligible for the DAC Medi-Cal Program? Find the answers to these DAC questions and more in this publication.

Medi-Cal Overview

There are different ways you could be eligible for Medi-Cal program benefits. Medi-Cal is complex because it consists of many Medi-Cal programs. Each Medi-Cal program has its own name, eligibility criteria and rules around how income and resources are counted. Some Medi-Cal programs are free. Some require payment of a monthly premium or Medi-Cal Share of Cost (SOC). A SOC is the amount of money you are required to pay each month before Medi-Cal will pay for your Medi-Cal services, supplies and equipment.

For people with disabilities, here are some of the most common Medi-Cal programs:

- Supplemental Security Income (SSI) linked Medi-Cal is free.
- MAGI Medi-Cal is normally free. Some children may have a monthly premium.
- Non-MAGI-Medi-Cal or Traditional Medi-Cal which includes the following Medi-Cal programs:
 - Pickle Program is free;
 - **Disabled Adult Child (DAC) Program is free;**

- Aged, Blind, and Disabled (ABD) Federal Poverty Level Program (FPL) or ABD FPL is free.
- 250% Working Disabled Program (WDP) is not free because monthly premiums are required and;
- Aged, Blind, and Disabled (ABD) Medically Needy (MN) Program or ABD MN is not free because you have to pay your monthly SOC before Medi-Cal pays.

Your county Medi-Cal eligibility worker is responsible for determining your eligibility for Medi-Cal benefits. When the county determines your eligibility for Medi-Cal, it should look at all of the programs you may be eligible for and place you in the most beneficial Medi-Cal program. This means that the county should place you in a free or zero share of cost Medi-Cal program before it places you in a Medi-Cal share of cost program (like, the ABD MN Program) or Medi-Cal with a monthly premium (like, the 250% WDP).

You also have the right to choose which Medi-Cal program you want to be in, as long as you are eligible for that program. For example, if you are eligible for both the ABD FPL Program and the 250% WDP, then you can choose to be in the 250% WDP that requires that you pay a monthly premium, instead of the ABD FPL Program that is free. In other words, the county must allow you to enroll in the 250% WDP which is not free even though you are also eligible for a free Medi-Cal program.

Social Security Disabled Adult Child (DAC) Benefits

The Social Security Administration provides Title II Disabled Adult Child (DAC) benefits, often called Social Security Disabled Adult Child (DAC) benefits, to eligible adults. The benefits are paid from the Social Security wage record of a parent. If a parent is living, a DAC recipient receives approximately 50 percent of the parents benefit amount and up to 75 percent if the parent is deceased. An adult can receive Social Security DAC on their parent's work record if the adult is:

- Unmarried (or is married to someone who gets Social Security Title II benefits.ⁱ);
- Has a disability that began before age 22; and
- Was a dependent on their parent at the time of application, the time of the parent's death, or at the time the parent became disabled.ⁱⁱ

Note: If you are getting Social Security Title II benefits and you get married to someone who is not receiving Title II benefits you will lose your Social Security DAC benefits.ⁱⁱⁱ

The next few sections will talk about the Disabled Adult Child (DAC) Medi-Cal Program. *It is important to remember that you must be receiving Social Security DAC benefits in order to be eligible for the DAC Medi-Cal Program.*

Disabled Adult Child (DAC) Medi-Cal Program

The DAC Medi-Cal Program provides full-scope, no cost Medi-Cal to qualifying adults who receive Social Security DAC benefits.^{iv}

DAC Medi-Cal Program Eligibility Requirements

You may be able to get DAC Medi-Cal, if you receive Social Security DAC benefits *and* you:

- Have previously received SSI which began before age 22;
- Are now age 18 or older;
- Get Social Security DAC; and
- Lost SSI after July 1st 1987, because:
 - 1) you started getting Social Security DAC^v or
 - 2) you got an increase in Social Security DAC^{vi} or
 - 3) You had a cost of living adjustment (COLA) increase in Social Security DAC benefits.^{vii}

Income and Resource Limits

The DAC Medi-Cal Program uses Supplemental Security Income (SSI) income and resource limits when determining eligibility. In order to be eligible for the DAC Medi-Cal Program, your countable income and resources must be under the SSI limit.^{viii} The DAC Medi-Cal Program does this by disregarding your Social Security DAC payment when determining your eligibility. This means that **your Social Security DAC payment is not counted as income to determine if you are eligible for the DAC Medi-Cal Program.** So, after disregarding your Social Security DAC payment (i.e. income), if your remaining countable income is below the SSI rate then you meet the eligibility income criteria for the DAC Medi-Cal

Program. The SSI rate information can be found in the All County Wide Directors Letter (ACWDL) released each year. The 2021 SSI rate is found in ACWDL 20-19, here: <https://www.dhcs.ca.gov/services/medi-cal/eligibility/letters/Documents/20-19.pdf>.

The DAC Medi-Cal Program also has a resource limit. The DAC Medi-Cal Program resource limit is found here: [https://www.dhcs.ca.gov/formsandpubs/forms/Forms/MC%20Information%20Notices/MC007ENG\(0414\).pdf](https://www.dhcs.ca.gov/formsandpubs/forms/Forms/MC%20Information%20Notices/MC007ENG(0414).pdf). DAC recipients must stay under the resource limit (e.g. \$2,000 for an individual). If you are having difficulty remaining below the Medi-Cal resource limit you may want to consider establishing a [CalAble](#) account.

Asking for DAC Medi-Cal Program Benefits

If you think you may be eligible for the DAC Medi-Cal Program, you can contact your county Medi-Cal eligibility worker to ask the county to process an application for the DAC Medi-Cal Program.

- The county has the ability to contact the Social Security Administration to verify information and determine if you are eligible for the DAC Medi-Cal Program.
- If you have a copy of your Social Security Retirement, Survivors, Disability, Insurance award letter and a copy of the SSI termination notice, then you should give the county a copy of these notices. The SSI termination notice is the notice that you received telling you the date that your SSI was stopped due to your increased income.
- If you do not have notices documenting the receipt of Social Security DAC benefits and SSI termination notice, then you can use the attached sample letter to request information you need from your Social Security record. You can give the information you receive from the Social Security Administration to the county so it can assess your eligibility for the DAC Medi-Cal Program.

What can I do if I lose DAC Medi-Cal Program Benefits?

Many times, after the death of a parent, Social Security DAC income will increase. People who lose SSI because they get too much money in DAC benefits will also lose “SSI linked Medi-Cal”. Senate Bill 87 requires that

the county continue the person's free or no SOC Medi-Cal while it determines if the individual is eligible for Medi-Cal under a different program. When this happens, sometimes the county will terminate the DAC Medi-Cal benefits and place individuals into the ABD MN program with a share of cost which is wrong.

If you are receiving DAC Medi-Cal benefits and you receive a Medi-Cal Notice of Action (NOA) terminating your DAC Medi-Cal benefits, then you should request a hearing immediately and request "aid paid pending" so your DAC Medi-Cal benefits do not terminate. Do not wait until you get a NOA telling you that you have been placed in the ABD MN program with a share of cost to ask for a hearing. You also may want to contact DRC for help.

For more information about other Medi-Cal programs, you can visit our [Medi-Cal](#) and [Health Care](#) Self-Advocacy Resource website pages.

Medi-Cal Notice of Action (NOA) and Hearing Requests

The county must send you a written Notice of Action when there is a change in your Medi-Cal benefits.^{ix} Your Medi-Cal Notice of Action should tell you which Medi-Cal program you have been placed in and explain any other change in your Medi-Cal benefits. For example:

- If you have been placed in the Disabled Adult Child (DAC) Medi-Cal Program then your Notice of Action will inform you that you have been placed in the DAC Medi-Cal Program which is a Medi-Cal program with no SOC.
- If your DAC Medi-Cal benefits have been terminated then your Notice of Action will inform you when the termination will happen and the reason for the termination, such as being over income.
- If you have been placed in the ABD MN Program, then your Notice of Action will inform you of when your SOC will begin and should provide information about how your income was used to determine your SOC.

Here is an example of what a typical [Medi-Cal Notice of Action](#) form looks like. Your Medi-Cal Notice of Action must also provide you with information about how to dispute the county's action by asking for a hearing.

Requesting a Hearing and “Aid Paid Pending” your Hearing

You can appeal the Notice of Action you receive immediately and ask for “aid paid pending.” Aid paid pending means that your services will continue and remain unchanged until the hearing decision. **If you ask for a hearing before the effective date of the Medi-Cal change listed on your Notice of Action, then your Medi-Cal will continue unchanged until the outcome of your hearing.**^x For example, if you get a Medi-Cal Notice of Action saying that your free Medi-Cal is terminating on July 1st and you ask for a hearing with aid paid pending on June 15th, then you will continue to get free Medi-Cal benefits pending your hearing. However, in this example, if you do not ask for a hearing before July 1st then your free Medi-Cal will terminate on July 1st.

90 Day Deadline for Requesting a Hearing

If you miss the deadline to ask for a hearing with aid paid pending, you still have 90 days to ask for a hearing from the date you receive the Notice of Action.^{xi} Here is where you can find more information about asking for a hearing: <https://www.cdss.ca.gov/hearing-requests>. If you believe you need a Home Hearing, you may want to review our publication entitled, [Right to Request a Home Hearing](#) for more information about how to get a home hearing.

How to Get More Information About Your Rights

If you have a question about Medi-Cal and your legal rights:

- Call DRC’s intake line at: 1-800-776-5746 (TTY 1-800-719-5798)
- Call DRC’s Office of Clients’ Rights Advocacy (OCRA) at:
 - Northern California 1-800-390-7032 (TTY 877-669-6023)
 - Southern California 1-866-833-6712 (TTY 877-669-6023)

ⁱ Social Security Administration (SSA) Policy Operations Manual (POMS) RS 00203.035

ⁱⁱ Social Security Administration (SSA) Policy Operations Manual (POMS) RS 00203.001; 42 U.S.C. § 402(d)(1)(B); 42 C.F.R. § 404.350(a)(4).

ⁱⁱⁱ Social Security Administration (SSA) Policy Operations Manual (POMS) RS 00203.035

^{iv} 42 U.S.C. § 402(d); 20 C.F.R. § 404.350; *Smolen v. Chater*, 80 F.3d 1283 (9th Cir. 1996).

^v Social Security DAC beneficiaries begin to receive payments at the time of their parent's retirement, disability or death. A person who was receiving SSI can begin receiving Social Security DAC payment. If the Social Security DAC payment is higher than the SSI payment rate, then the person will be terminated from SSI. If the person is ineligible for SSI, then they are ineligible for SSI-linked Medi-Cal. The DAC Medi-Cal Program maintains the status quo with respect to Medi-Cal by continuing to provide categorical Medi-Cal so long as the individual would be eligible for SSI if the individual were not receiving the DAC Social Security payments.

^{vi} ACWDL 91-47 (May 9, 1991) found at <https://www.dhcs.ca.gov/services/medi-cal/eligibility/letters/Documents/c91-47.pdf> and California Department of Social Services ParaRegs 447-14 found at: <https://www.cdss.ca.gov/shd/res/pdf/ParaRegs-Medi-Cal-Program-Eligibility.pdf>

^{vii} 42 U.S.C. § 1383c(c); ACWDL 91-47 (May 9, 1991) found at <https://www.dhcs.ca.gov/services/medi-cal/eligibility/letters/Documents/c91-47.pdf>. The ACWDL states that to be eligible for the DAC Medi-Cal Program, the Social Security DAC beneficiary must have been discontinued from SSI/SSP as a result of either having begun receiving DAC benefits or receiving an increase in DAC benefits.

^{viii} ACWDL 93-30 (May 25, 1993) found at <https://www.dhcs.ca.gov/services/medi-cal/eligibility/letters/Documents/c93-30.pdf>; ACWDL 07-29 (November 26, 2007) found at <https://www.dhcs.ca.gov/services/medi-cal/eligibility/letters/Documents/c07-29.pdf>.

^{ix} 42 C.F.R. § 435.919(a); 22 CCR § 50179(a).

^x MPP sec. 22-072.5.

^{xi} MPP sec. 22-009.1.