State of California—Health and Human Services Agency
Department of Health Services

California Department of Health Services

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Director

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Governor

August 27, 2002

TO: All County Welfare Directors
All County Administrative Officers
All County Medi-Cal Program Specialists/Liaisons
All County Health Executives
All County Mental Health Directors

Letter No.: 02-43

INCOME VERIFICATION FOR RETROACTIVE MEDI-CAL

Ref.: All County Welfare Directors Letter (ACWDL) Nos. 00-31, 00-31E, and 00-42

The purpose of this ACWDL is to provide clarification regarding income verification for retroactive Medi-Cal.

Income verification used to determine current month eligibility on the signed and dated MC 210 (Statement of Facts), can be used to determine income eligibility for each retroactive month provided "no change" is indicated on the MC 210 A (Supplement to Statement of Facts for Retroactive Coverage/Restoration). Applicants or beneficiaries are required to provide income verification for each retroactive month where a change of income is annotated on the MC 210 A.

Only one pay stub is required to verify income, as long as it adequately reflects the actual retroactive month(s) income. Self-employment income verified and calculated at initial application can also be used for each retroactive month requested provided it adequately reflects actual monthly income. Counties are not prohibited from requesting further income verification if income reported is inconsistent with the income verification provided.

EXAMPLES

1. Applicant applies for Medi-Cal on May 6, 2002. Applicant states on the MC 210 they are paid $200 weekly (every Friday) and provides one pay stub dated May 3, 2002, as income verification. County determines current month income and projects future month income from the pay stub provided.

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Applicant applies for retroactive Medi-Cal for the month of April and March 2002, completes the MC 210 A and indicates "no change" to income for retroactive months. Based on the single pay stub provided and "no change" indicated on the MC 210 A, the county determines:

- $800 as actual income received for April 2002 ($200 received on April 5, 2002, April 12, 2002, April 19, 2002, and April 26, 2002) and,

- $1,000 as actual income received for March 2002 ($200 received on March 1, 2002, March 8, 2002, March 15, 2002, March 22, 2002, and March 29, 2002).

2. Applicant applies for Medi-Cal on May 24, 2002. Applicant states on the MC 210 they are paid $500 every other Friday (bi-weekly) and provides one pay stub received on May 10, 2002 as income verification. County determines current month income and projects future month income from pay stub provided.

   Applicant applies for retroactive Medi-Cal for the three months prior to date of application and completes the MC 210 A. Applicant indicates "no change" to income for April 2002, however due to reduced hours, applicant indicates different income amounts for March and February 2002.

   - Based on the single pay stub provided, the county determines $1,000 as actual income received for retroactive month of April 2002 ($500 received on April 12, 2002 and April 26, 2002).

   - County requests applicant to provide income verification for retroactive months of February and March 2002. Applicant provides one pay stub received on March 1, 2002 for $300 as income verification and states that income is consistent for both February and March. County determines $600 ($300 received February 1, 2002 and February 15, 2002) as actual income received for February 2002 and $900 ($300 received on March 1, 2002, March 15, 2002, and March 29, 2002) as actual income received for March 2002.

3. Applicant applies for Medi-Cal on June 1, 2002. Applicant states on the MC 210 they are self-employed and provides a copy of their 2000 'Schedule C' Federal Income Tax Form as income verification. County determines applicants net monthly income to be $1,500 based on current Medi-Cal methodology used to calculate self-employment income.

Applicant applies for retroactive Medi-Cal for the month of March 2002 and indicates "no change" to income on MC 210 A. Since the county has already determined the applicants net monthly income to be $1,500 based on the self-employment income calculated at initial application, this income is also used for the retroactive months. Therefore, the county uses $1,500 as actual income received for March 2002.

If you have any questions regarding income verification for retroactive Medi-Cal, please contact Mr. Mack Guynn at (916) 657-1064 or by e-mail at mguynn@dhs.ca.gov.

Sincerely,

ORIGINAL SIGNED BY

Richard Brantingham
Acting Chief
Medi-Cal Eligibility Branch