DHCS
CALIFORNIA DEPARTMENT OF
HEALTH CARE SERVICES
Michelle Baass | Director

DATE: November 24, 2026

TO: ALL COUNTY WELFARE DIRECTORS Letter No.:26-25
ALL COUNTY WELFARE ADMINISTRATIVE OFFICERS
ALL COUNTY MEDI-CAL PROGRAM SPECIALISTS/LIAISONS
ALL COUNTY HEALTH EXECUTIVES
ALL COUNTY MENTAL HEALTH DIRECTORS
ALL COUNTY MEDS LIAISONS

SUBJECT: DEATH VERIFICATION PROGRAM (DVP) PROCESSING GUIDELINES
(Reference: ACWDL 23-14E, ACWDL 22-33, H.R. 1 Section 71104, WIC Section 14005.39, WIC Section 14005.37, 42 U.S.C. 1396a, 42 CFR Sections 435.919)

Purpose

The purpose of this All County Welfare Directors Letter (ACWDL) is to advise County Welfare Departments (CWDs) of policy and procedural changes to the Medi-Cal Death Verification Program (DVP). It includes an overview of data sources used to administer DVP, such as the Social Security Administration (SSA) Death Master File (DMF), and the California Department of Public Health (CDPH) Vital Statistics report, and outlines the impact of recent changes to the DVP process due to Section 71104 of H.R.1, (Public Law 119-21). Additionally, this letter provides guidance on the procedures for correcting erroneous death records.

Background

Section 71104 of the federal H.R.1 legislation introduces new requirements for the state to review the SSA DMF every quarter. Beginning January 1, 2027, DHCS is required to treat DMF data as factual information confirming the death of a Medi-Cal member and promptly terminate benefits accordingly.

Current Process

The DVP was developed to address federal audit findings that revealed significant improper payments for Medi-Cal members. These improper payments occur when

benefits are provided to individuals who are ineligible for Medi-Cal, according to Welfare and Institutions Code (W&I Code) Section 14005.39. One example of improper payment involves undetected deaths. The Medi-Cal program collects information from multiple sources to identify members who are deceased and prevent these improper payments. DHCS reviews death records from multiple sources quarterly, and the records with the highest level of confidence are forwarded to all 58 counties for appropriate review and action.

Data sources:

- Death dates are received from SSA through the DMF and are used to identify deceased individuals enrolled in Medi-Cal.
- The California Department of Public Health (CDPH) provides vital records, including in-state death certificates, which are used to supplement SSA data and validate in-state deaths.
- The data provided to DHCS from SSA, CDPH, and other federal death sources are directly posted into the Medi-Cal Eligibility Data System (MEDS) in the form of daily death alerts (2047, 9003, 9004 and 2130). See ACWDL 23-14E for details on working the alerts.

If a county has clear evidence that a Medi-Cal member is ineligible due to death or moving out of state, Medi-Cal benefits must be discontinued immediately without redetermination under W&I code, Section 14005.37

New Process Effective 1/1/2027

In alignment with H.R.1, CWDs will treat information from the DMF as factual confirmation of a member's death and will discontinue the identified deceased member in CalSAWS without additional verification.

Processing-DMF

DHCS will discontinue identified deceased members from the DMF in MEDS. DHCS will begin sending daily death verification lists of cases with partial identity matches (such as incorrect Social Security Numbers or names) needing further verification to CWDs. These lists will be delivered via Secure File Transfer Protocol (SFTP). Once a member's identity is confirmed, County Eligibility Workers (CEW) must promptly terminate the member in

MEDS and CalSAWS. DHCS will monitor CWD processing of matches on the death verification list. Timely management and processing of these verification lists will minimize reconciliation issues, ensure that deceased individuals are not kept on Medi-Cal and stops further Medi-Cal payments on behalf of deceased members.

CWDs must work all death alerts received for Medi-Cal cases that affect other linked programs such as CalWORKs and CalFresh cases. See ACWDL 23-14E for further information and/or contact your MEDS liaison for the Death Date Procedures Manual.

Counties must continue to use the MC 239 R (05/07) Notice of Action (NOA) for death discontinuance. DHCS will update the necessary forms for discontinuance due to reported death as part of the Medi-Cal eligibility process and provide the forms to CalSAWS when necessary.

Processing - Non-DMF

DHCS will continue sending CWDs non-DMF sources, like obituaries and close matches, for manual verification and processing until further notice. These should be handled per the current Death Date Procedures Manual in MEDS. CDPH Vital Statistics data is excluded from these sources as it is not available via SSA DMF. DHCS will provide processing guidelines for CDPH Vital Statistics data in future guidance.

Per ACWDL 22-33, when a household member is confirmed deceased from one of the reporting sources, the county shall discontinue Medi-Cal for the member without completing a redetermination. The county must document that the member is no longer eligible under any basis and that a full redetermination would not result in eligibility. Please see WIC 14005.39 and ACWDL 22-33 for additional information.

Systems Programming

DHCS is collaborating with CalSAWS to automate the process for discontinuing Medi-Cal coverage for members identified as deceased upon receipt of MEDS death alerts (9003 and 2130). In most instances, when such alerts are received, CalSAWS will automatically begin the discontinuance procedure, eliminating the need for CEWs to manually initiate discontinuance in SAWS. If the identified deceased individual is the Primary Applicant and there are other active individuals on the Medi-Cal program, the CEW must manually discontinue the deceased member. For auditing purposes,

specialized journal entries will be generated for members identified as deceased per the SSA DMF. The installation of this update is scheduled for March 2027.

Reinstatement of Coverage in the Event of Error

SSA maintains multiple databases to monitor various features of each member's Social Security record, all of which report updates to MEDS. Corrections are submitted to MEDS on both a daily and monthly basis. To simplify the correction process, CEWs must make corrections promptly and ensure they have all of the necessary information before any changes are made.

If an individual is mistakenly identified as deceased and erroneously disenrolled from Medi-Cal, the county must immediately re-enroll them retroactively to the discontinuance date. Counties should contact their MEDS Liaison for assistance. If members wish to correct an incorrect deceased status, CWDs can offer the MC 194 form, which serves as a referral for members to present to the SSA. Members should be directed to their local SSA office using the locator at www.ssa.gov/locator.

If you have any questions, or if we can provide further information, please contact the DVP at DVP@dhcs.ca.gov.

Sincerely,

Sarah Crow, Chief
Medi-Cal Eligibility Division