



DATE: November 18, 2025

TO: ALL COUNTY WELFARE DIRECTORS Letter No.:25-25
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: UPDATED POLICY REGARDING NON-MODIFIED ADJUSTED GROSS
INCOME MEDI-CAL ELIGIBILITY DETERMINATION PROCEDURES
(Ref: All County Welfare Director Letters [14-18](#), [17-08](#), [17-26](#), [17-26E](#),
[22-22](#), [22-33](#), [25-14](#))

Purpose

The purpose of this All-County Welfare Directors Letter (ACWDL) is to provide updated guidance to counties regarding changes to the Non-Modified Adjusted Gross Income (Non-MAGI) Medi-Cal eligibility screening process as a result of the reinstatement of asset limits for Non-MAGI Medi-Cal programs. This change was enacted by the 2025-26 Health Omnibus Bill, Assembly Bill (AB) 116, which amends section 14005.62 of the Welfare and Institutions Code (WIC) to remove the subdivision that had eliminated the asset limits for all Non-MAGI Medi-Cal programs. Effective January 1, 2026, if a county cannot determine Non-MAGI Medi-Cal through the ex parte review, the county must mail the Non-MAGI Medi-Cal Screening Packet. The Statewide Automated Welfare System (SAWS) will make programming changes in an upcoming SAWS release to implement mailing both the Non-MAGI Medi-Cal and Turning 65 Medi-Cal Screening Packets.

With the reinstatement of assets, counties must follow the portions of guidance outlined in ACWDLs [14-18](#), [17-08](#), [17-26](#), [17-26E](#), and [22-33](#) regarding the use of the Non-MAGI Medi-Cal Screening Packet materials. Effective January 1, 2026, the guidance in ACWDL [24-11](#) is superseded by this ACWDL.

Background

Elimination of the asset test was implemented in AB 133 (Chapter 143, Statutes of 2021), effective January 1, 2024, for purposes of determining eligibility for Non-MAGI

Medi-Cal programs, including Long-Term Care and Medicare Savings Programs. When the asset test was eliminated, DHCS and counties concluded that the screening packet was no longer needed for the Non-MAGI Medi-Cal eligibility determination. Counties were able to obtain the information required for the eligibility determination through ex parte review and use of request for information forms such as the CW 2200 and MC 355. Therefore, in September 2024, DHCS released ACWDL [24-11](#), eliminating the Non-MAGI Medi-Cal screening packet.

Reinstatement of the Asset Test and Non-MAGI Medi-Cal Screening Packet

Effective January 1, 2026, with the reinstatement of the asset test, counties will use the Non-MAGI Medi-Cal screening packet again. The Non-MAGI Medi-Cal Screening Packet documents include the cover letter, the Income and Property Supplement form ([MC 604IPS](#)) to collect assets, income, expenses, and household information required to complete the Non-MAGI Medi-Cal eligibility determination, a Non-MAGI Medi-Cal brochure ([Pub 10](#)), Medi-Cal General Property Limitations ([MC 007](#)), Notice Regarding Standards for Medi-Cal Eligibility ([DHCS 7077](#)), Notice Regarding Transfer of a Home for Both a Married and Unmarried Applicant/Beneficiary ([DHCS 7077A](#)), and a Covered California Advanced Premium Tax Credits (APTC) or Cost Sharing Reductions (CSR) [brochure](#).

Non-MAGI Medi-Cal Screening Packet

The Non-MAGI Medi-Cal screening packet is required when the member has linkage to Non-MAGI Medi-Cal at application, Change in Circumstance (CIC), annual renewal, and when an individual turns age 65, and the individual is being evaluated for Non-MAGI Medi-Cal. The Non-MAGI Medi-Cal screening packet does not replace the application or renewal form. It is a supplemental form used when additional income and asset information is required for determining Non-MAGI Medi-Cal, and the ex parte review does not provide the needed information.

Medi-Cal members will not be required to report assets at CIC until after completing their first annual renewal due on or after January 1, 2026. After that renewal, any subsequent CIC resulting in a Non-MAGI Medi-Cal determination, such as turning 65, will require reporting and verification of assets. Members must report eligibility-related changes within 10 days, including asset changes, once assets are considered in the eligibility determination.

Non-MAGI members with annual renewals due before January 1, 2026, who were discontinued from Medi-Cal for failure to provide information or verification needed to confirm ongoing eligibility, will not be required to provide asset information or verification to restore their case when their 90-day cure period extends past January 1, 2026. The

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following letters provide guidance on when to use the Non-MAGI Medi-Cal screening packet.

- ACWDLs [14-18](#) and [22-33](#) for annual renewal and CIC
- ACWDLs [17-08](#) for turning 65 years old
- ACWDLs [17-26](#) and [17-26E](#) for application

If you have any questions, please contact the Medi-Cal Eligibility Division (MCED) Policy inbox at MCED-Policy@dhcs.ca.gov

Sincerely,

Sarah Crow, Chief
Medi-Cal Eligibility Division