



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



Date April 28, 2021

TO: ALL COUNTY WELFARE DIRECTORS Letter No.: 21-09
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: Introduction to Eligibility Review through the Statewide Automated Welfare System (SAWS) and the California Healthcare Eligibility, Enrollment, and Retention System (CalHEERS).

Purpose

The purpose of this All County Welfare Directors Letter (ACWDL) is to provide counties with policy guidance for the use of the new Eligibility Review functionality in SAWS and CalHEERS for Modified Adjusted Gross Income (MAGI) Medi-Cal eligibility determinations at application, annual renewal, and change in circumstance. Eligibility Review will be implemented with Change Request (CR) 164544 in CalHEERS Release 21.6 scheduled for June 2021.

Background

The Department of Health Care Services (DHCS) worked collaboratively with the County Welfare Directors Association (CWDA), counties, and Covered California to develop and improve the functionality between SAWS and CalHEERS to ensure the accuracy of MAGI Medi-Cal eligibility determinations while aligning eligibility results functionality with current policy.

Currently, when a County Eligibility Worker (CEW) receives a result from CalHEERS, the eligibility has already been finalized by the Business Rules Engine (BRE). If modifications or changes are needed, CEWs must make the modifications by running the BRE for another eligibility determination. CR 164544 improves functionality to allow the CEW the ability to review, modify, and authorize the eligibility determination results received in the SAWS **before** they are finalized in CalHEERS. This enhanced functionality is referred to as “Eligibility Review.”

Eligibility Review Policy

DHCS and Covered California use CalHEERS to determine eligibility for a variety of Insurance Affordability Programs (IAPs) including, but not limited to, MAGI Medi-Cal, County Children's Health Initiative Program (CCHIP), Medi-Cal Access Program (MCAP), and Covered California Advanced Premium Tax Credits (APTC). While DHCS and Covered California share some of the same rules regarding application and case processing, there are also key distinctions in regards to "real-time" eligibility determinations:

- Covered California grants initial eligibility primarily through self-attestation or through the applicant's certification that all information is true and correct. Should additional verifications be required to complete the case, they typically occur after eligibility has been determined. This allows for the streamlining of the application process and minimizes the amount of steps the applicant or beneficiary would have had to do otherwise. Further guidance can be found in [10 California Code of Regulations \(CCR\) § 6492](#) on the acceptance of self-attestation for Covered California applicants.
- MAGI Medi-Cal's eligibility is based on the responsibility of the CEW to make sure all verifications required to authorize eligibility results have been e-verified or manually verified prior to authorization (Welfare and Institutions Code (WIC) § 14015.5).

In order to comply with Federal regulations and the State statute cited above, Eligibility Review is only triggered for eligibility results in the following situations:

- Applications initiated in SAWS that result in eligible or conditionally eligible for MAGI Medi-Cal,
- Annual renewals and reported changes in circumstance initiated in SAWS or completed by beneficiaries in CalHEERS, with the following eligibility results:
 - Eligible or conditionally eligible for MAGI Medi-Cal,
 - Discontinued from MAGI Medi-Cal and not Soft Pause eligible, and
 - Individuals transitioning from MCAP/CCHIP to MAGI Medi-Cal.

Individuals/Cases not subject to Eligibility Review include:

- Covered California eligible,
- SAWS/CalHEERS batch transactions,
- Individuals in Soft Pause or Carry Forward,
- Applications initiated in CalHEERS,
- Individuals transitioning from Covered California to MAGI Medi-Cal not in Carry Forward,
- Applications initiated in SAWS that result in a denial,

- MAGI Medi-Cal discontinuances due to a negative action or non-compliance, and
- MAGI Medi-Cal cases pending eligibility due to outstanding verifications.

Note: Eligibility Review is not triggered for either denied MAGI Medi-Cal applications initiated in SAWS or discontinuances due to a negative action or non-compliance because in these particular instances, the CEW has control of the required determination when the denial or discontinuance is appropriate, instead of waiting for results from the BRE.

When MAGI Medi-Cal eligibility results meet the criteria for Eligibility Review, CalHEERS will not finalize the eligibility until the CEW accepts the results and SAWS sends confirmation to CalHEERS. CEWs shall review the eligibility determination from CalHEERS and determine whether the eligibility results are accurate.

- If the eligibility determination is correct, the CEW shall authorize the eligibility according to the functional instructions provided by SAWS.
- Should erroneous information be entered in CalHEERS, such as income or household information leading to incorrect eligibility results, the CEW shall take the appropriate steps:
 - Correct the applicable data entry pages using applicable SAWS functional directions,
 - Send a new transaction to CalHEERS for another eligibility determination, or
 - If unable to resolve the discrepancy, the CEW shall submit a CalHEERS help desk ticket.

Note: If a CEW does not authorize the results of the determination under Eligibility Review, the beneficiary will continue to remain in their existing eligibility status but will remain in a pending Medi-Cal determination status in CalHEERS. This means the MAGI Medi-Cal program in CalHEERS will not be finalized, information provided will remain incomplete and both SAWS and CalHEERS will have contradictory eligibility results. This will **not** result in any adverse actions to the applicant or beneficiary's eligibility status.

CCHIP and MCAP Eligibility

Currently, individuals cannot receive eligibility for MAGI Medi-Cal and CCHIP or MCAP at the same time. Effective with the implementation of CR 164544, individuals who are transitioning from MCAP/CCHIP to MAGI Medi-Cal and whose determination falls under the Eligibility Review criteria shall remain eligible for these programs until the transition to MAGI Medi-Cal has been confirmed by the CEW. This may cause dual eligibility of

coverage during the transition month. Please see [ACWDL 17-03](#) regarding the process to transition someone from CCHIP or MCAP into Medi-Cal.

Eligibility Review Examples

Medi-Cal Application Initiated Through SAWS

- Person A applies for Medi-Cal at their local county office on 08/03/2021,
- Potential eligibility results for Person A are sent to CalHEERS on 8/10/2021 by the CEW in SAWS,
- The CEW then receives the response from CalHEERS that shows Person A is conditionally eligible for Medi-Cal and current status has been placed in “*Awaiting Review*,” (Eligibility Review),
- The CEW then reviews the case, determines that the eligibility results are correct, and moves forward by authorizing the MAGI Medi-Cal eligibility,
- CalHEERS receives the authorization confirming MAGI Medi-Cal eligibility,
- Person A’s Medi-Cal effective eligibility date begins as of 8/1/2021.

Report a Change (RAC) Initiated in CalHEERS

- On 9/11/2021, Person B reports a change from the CalHEERS portal attesting to being a US citizen,
- Person B is informed by CalHEERS of their potential eligibility results and that their case is “*Awaiting Review*” (Eligibility Review),
- CEW receives the potential eligibility results for September from CalHEERS, reviews case, and determines the eligibility results are correct,
- The CEW moves forward with authorizing the CalHEERS-determined MAGI Medi-Cal eligibility and sends the authorization to CalHEERS,
- Person B’s MAGI Medi-Cal effective eligibility date begins as of 9/1/2021.

If you have any questions or if we can provide further information, please contact Janis Kimball at (916) 345-8060 or by email at janis.kimball@dhcs.ca.gov.

Original Signed By

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