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EDMUND G. BROWN JR.
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November 30, 2015

TO: ALL COUNTY WELFARE DIRECTORS Letter No.: 15-37
ALL COUNTY ADMINISTRATIVE OFFICERS
ALL COUNTY MEDI-CAL PROGRAM SPECIALISTS/LIAISONS
ALL COUNTY HEALTH EXECUTIVES
ALL COUNTY MENTAL HEALTH DIRECTORS
ALL PROBATION CHIEFS

SUBJECT: Former Foster Youth Who Applied for Health Coverage through California
Healthcare Eligibility, Enrollment and Retention System and Enrolled in a
Qualified Health Plan

The purpose of this All County Welfare Director's Letter (ACWDL) is to provide instructions and guidance to counties for processing youth who indicated on their California Healthcare Eligibility, Enrollment and Retention System (CalHEERS) application that they are Former Foster Youth (FFY) (formerly known as Former Foster Care Children) and who are eligible for and have not been enrolled into Medi-Cal under aid code 4M.

These youth have been grouped in the following three categories:

1. FFY with incorrect Medi-Cal Aid Code:
Youth who applied for health coverage through CalHEERS or Statewide Automated Welfare Systems (SAWS) and have been determined eligible for Medi-Cal, but have been placed in an aid code other than 4M.
2. FFY with No Aid Code and with Advanced Premium Tax Credit (APTC) Eligibility:
Youth who applied for health coverage through CalHEERS and have been determined eligible for APTC, but did not select or pay for a Qualified Health Plan (QHP) and are not currently enrolled in coverage.
3. FFY Enrolled in a QHP:
Youth who applied for health coverage through CalHEERS and have been determined eligible for APTCs and have paid premiums to a QHP and are currently enrolled in coverage through the Exchange.

The first two groups were discussed in ACWDL 15-29. The Department of Health Care Services (DHCS) is addressing the third group, FFY Enrolled in a QHP, in this ACWDL.

Youth who applied for health coverage through CalHEERS, identified themselves as FFY, and meet eligibility criteria, are entitled to receive continuous Medi-Cal coverage in aid code 4M up to age 26 as described in ACWDL 14-41.

Some of the FFY who applied through CalHEERS were determined ineligible for Medi-Cal because the system lacked the FFY programming logic. CalHEERS was conducting a Modified Adjusted Gross Income determination for all applicants, even though FFY are eligible for Medi-Cal regardless of their income. As a result, some youth may have been placed in aid codes other than 4M or not placed in any aid code. Please see ACWDL 14-41 for more information about FFY enrollment, including the FFY verification process and additional program requirements.

Data Extracts

The data extract file from CalHEERS will be posted to the password protected DHCS Secure File Transfer Protocol (SFTP) server for the SAWS Consortiums (i.e., California Work Opportunity and Responsibility to Kids Information Network, Consortium-IV Joint Powers Authority, and Los Angeles Eligibility, Automated Determination, Evaluation and Reporting System) to retrieve. The SAWS Consortium contacts will provide access to the data for their respective counties. The data extracts will be required for county processing, enrollment, and verification.

CalHEERS implemented the FFY logic in October of 2015, preventing this issue from reoccurring. Counties are instructed to continue to use the process described in this letter by reviewing and processing the data extracts until all erroneous determinations that occurred prior to implementation of the FFY programming changes have been remedied. Since the implementation of the FFY logic in CalHEERS, FFY eligibility is being determined by CalHEERS and sent via SAWS to the counties, so counties can verify the 4M status and eligibility pursuant to ACWDL 14-41.

County Instructions

FFY Enrolled in a QHP

Before or at the time that DHCS posts the data extracts to the SFTP server, DHCS will send an initial outreach letter to the FFYs enrolled in a QHP to inform them: (1) that at the time of their application they were not assessed for Medi-Cal eligibility as a FFY due to limitations with the CalHEERS programming; and (2) that the county will now be evaluating their case to determine their eligibility for Medi-Cal as a FFY.

Upon posting of the data extract, the county shall immediately verify the FFY status of the individuals in this group to ensure that they are actually eligible for FFY Medi-Cal coverage. After verifying 4M status, no further verification or information shall be required of the FFY and the county shall contact the FFY in this group only for the purpose of gathering information needed to provide them the choice of coverage options. This group has the choice of two options:

- They can either elect to be enrolled into Medi-Cal coverage (4M) till age 26, or
- If they decline Medi-Cal coverage, they can be enrolled in unsubsidized Covered California coverage (they are not eligible for APTC/Cost Sharing Reductions (CSRs) because they are eligible for Medi-Cal and declined it).

Initial county outreach efforts to inform FFY of their eligibility for the FFY program may be made by phone or by email (if available), but must be followed by a written notice of action by mail (please see ACWDL 15-32 for instructions on noticing FFY). Upon making contact with the FFY, the county shall inform them that although they reported that they were a FFY on their original application submitted through Covered California, the online system previously did not assess their eligibility for the FFY program due to computer programming logic limitations. The county shall also inform the FFY of the following:

- They may qualify for free, full-scope Medi-Cal until age 26 regardless of income;
- If they qualify for free Medi-Cal, they will no longer qualify for premium assistance to pay for their Covered California plan; and
- If they qualify for free Medi-Cal, if they choose to keep their Covered California plan, their monthly premium will increase.

If the FFY chooses Medi-Cal coverage, the county shall enroll the youth into the 4M aid code effective the first of the month prospectively after their 4M status has been verified.

After enrolling the individual into the 4M aid code in SAWS, counties shall assist the youth with the disenrollment process from their QHP by providing DHCS with the "Y" in the data extract of the verified FFY enrolled into 4M via the SFTP server. DHCS will coordinate the disenrollment process from the QHP with Covered California, as well as ensure APTC/CSR eligibility is terminated in CalHEERS and MEDS. The county is to maintain the youth in aid code 4M until the youth attains the age of 26 or until the youth moves out of state, or is deceased. In the event that the youth is incarcerated, the county shall follow the instructions in ACWDLs 14-26 and 14-26E to appropriately suspend Medi-Cal benefits.

If the youth chooses to enroll in the unsubsidized Covered California coverage, using the data extract from DHCS, the county shall identify those youth who elected to transition into unsubsidized QHP coverage and have turned down coverage through Medi-Cal by entering "Q". The county shall post the updated data extract containing

November 30, 2015

both the verified FFY enrollments and the FFY who want to transition into unsubsidized QHP coverage to DHCS' FTP server.

For youth who either turn out to not be FFY or their FFY status is not able to be verified, counties shall leave them in their current QHP and APTC aid-code. The county must exhaust all FFY verification methods, including notifying the FFY that the county has been unable to verify their FFY status, and give the youth an opportunity to provide documentation. Counties shall notify DHCS of those individuals who are not FFY or have failed to verify FFY status by updating the data extract for DHCS with an "N" to show the individual is not 4M eligible and the 4M verification process has been completed. The counties shall send these individuals a written notice of action pursuant to ACWDL 15-32.

Prospective Program Corrections

The Centers for Medicare and Medicaid Services, Internal Revenue Service and the Center for Consumer Information and Insurance Oversight have confirmed that applicants who received subsidies through a state marketplace (even if erroneously) will not have any tax liability for those received subsidies. Also, they indicated that if an applicant was erroneously enrolled into an incorrect program that all program corrections will occur prospectively and since the applicant purchased and received insurance coverage (even if erroneously) there is no basis for the refunding of any premium payments that were made. Additional guidance will be forthcoming on retroactive Medi-Cal coverage.

For more information on other FFY categories not mentioned in this guidance, please refer to the processing instructions in ACWDL Numbers: 01-41, 14-41, 15-29, and 15-32. Unless superseded by later ACWDLs, the eligibility information in this and other ACWDLs must continue to be followed when processing FFY eligibility.

If you have any questions or need further information, please contact the Access Unit in the Access Programs and Policy Branch at (916) 552-9200 or by email at FFY@dhcs.ca.gov.

Alice Mak, Chief (Acting)
Medi-Cal Eligibility Division

Former Foster Youth and Enrollment into Aid Code 4M FFY in QHP with APTC and Premium

This document provides instructions and guidance to counties on the handling of the Former Foster Youth (FFY) (formerly known as Former Foster Care Children) who indicated on their application that they were in foster care at age 18 or older and who are eligible for and have not been enrolled into aid code 4M.

Any youth living in California, previously in foster care and receiving Medi-Cal benefits at age 18 or older and under age 26, should be identified and immediately enrolled into aid code 4M. The process flow narrative (see County Instructions below) provides steps for those FFY that applied for health coverage through California Healthcare Eligibility, Enrollment, and Retention System (CalHEERS) or Statewide Automated Welfare Systems (SAWS) and were determined eligible for an Advanced Premium Tax Credit (APTC) and enrolled into a Covered California Plan.

The Centers for Medicare and Medicaid Services, Internal Revenue Service and the Center for Consumer Information and Insurance Oversight have indicated that applicants who received subsidies through a state marketplace (even if erroneously) will not have any tax liability for those received subsidies. Also, they indicated that if an applicant was erroneously enrolled into an incorrect program that all program corrections will occur prospectively.

4M Coverage

Youths who apply for health coverage through CalHEERS, and identify themselves as FFY and meet the applicable eligibility criteria for 4M are entitled to receive continuous Medi-Cal coverage in aid code 4M up to age 26. Please see All County Welfare Director's Letters (ACWDLs) 14-41 and 15-29 for more information about FFY enrollment in this program, including the FFY verification process and additional program requirements.

Some of the FFY who applied through CalHEERS were determined ineligible for Medi-Cal because the system lacked the FFY programming logic. As a result, some youth may have been placed into a Qualified Health Program (QHP) with Advance Premium Tax Credits (APTC). CalHEERS was conducting a Modified Adjusted Gross Income determination for all applicants; however, FFY are eligible for Medi-Cal regardless of their income. The Department of Health Care Services (DHCS) shall provide data extract files of this third group of FFY who have applied through the CalHEERS system and have not been correctly enrolled into 4M.

Before or at the time that DHCS posts the data extracts to the Secure File Transfer Protocol (SFTP) server, DHCS will send an initial outreach letter to the FFYs enrolled in a QHP to inform them: (1) that at the time of their application they were not assessed for Medi-Cal eligibility as a FFY due to limitations with the CalHEERS programming; and (2) that the county will now be evaluating their case to determine their eligibility for Medi-Cal as a FFY. Initial county outreach efforts to inform FFY of their eligibility for the FFY program may be made by phone or by email (if available) but must be followed by

Former Foster Youth and Enrollment into Aid Code 4M FFY in QHP with APTC and Premium

a written Notice of Action (NOA) by mail. If the FFY chooses Medi-Cal, the county shall follow the instructions in ACWDL 14-41 to enroll the youth into the 4M aid code after their 4M status has been verified.

County eligibility workers (CEWs) shall immediately verify the 4M status of the individuals in this group to ensure that they are actually eligible for FFY Medi-Cal coverage. Further information about the verification process is provided in the county instructions below. After verifying the 4M status, no further verification or information shall be required of the FFY and the CEW shall contact the FFY in this group and provide them the choice of coverage options. This group has the choice of two options:

- They can either elect to be enrolled into free, full-scope Medi-Cal coverage (4M) until age 26, or
- If they decline Medi-Cal coverage, they can be enrolled in unsubsidized Covered California coverage (they are not eligible for APTC/Cost Sharing Reductions (CSR) because they are eligible for Medi-Cal and declined it).

Initial county outreach efforts to inform FFY of their eligibility for the FFY program may be made by phone or by email (if available), but must be followed by a written NOA by mail. Upon making contact with the FFY, the county shall inform them that although they reported that they were a FFY on their original application submitted through Covered California, the online system previously did not assess their eligibility for the FFY program due to computer programming logic. The county shall also inform the FFY of the following:

- They may qualify for free, full-scope Medi-Cal until age 26 regardless of income;
- If they qualify for free Medi-Cal, they will no longer qualify for premium assistance to pay for their Covered California plan; and
- If they qualify for free Medi-Cal, if they choose to keep their Covered California plan, their monthly premium will increase.

For a mixed household, the CEW will add the 4M household member as a companion case or in a different case segment/program window (depending on SAWS functionality). The FFY should be assigned the 4M aid code. This will allow the 4M household member to remain eligible even if changes are made or a discontinuance action is taken on the other household members' eligibility.

County Instructions

For youth who applied for health coverage through CalHEERS and have been enrolled in a QHP with APTC and are not currently enrolled in Medi-Cal, the following steps will be used to address this population.

1. Medi-Cal Eligibility Division (MCED) receives the CalHEERS data extract.

Former Foster Youth and Enrollment into Aid Code 4M FFY in QHP with APTC and Premium

2. MCED checks the CalHEERS data extract against the Medi-Cal Eligibility Data System (MEDS).

Note: Due to timing of CalHEERS data extracts to DHCS and timing of MEDS transactions, some overlap of data may occur; i.e., some FFY will already have 4M status.

3. MCED reviews data before posting.
4. MCED posts the data extract on the DHCS SFTP server. The SAWS Consortium (i.e., California Work Opportunity and Responsibility to Kids Information Network, Consortium-IV Joint Powers Authority and Los Angeles Eligibility, Automated Determination, Evaluation and Reporting System) contacts will provide access to the data for their respective counties. Using the retrieved data extract, the CEW shall immediately verify the FFY status of the individuals in this group to ensure that they are actually eligible for FFY Medi-Cal coverage (see step 6).
5. Verify the youth's status as a FFY as instructed in step 5. Verification should be completed within 30 days of receipt of data extract file.

Note: Verification of the youth's status should be completed within 30 days, and the results should be coded (Y, N, I, NC or Q) on the data extract listing (see step 13). Subsequent process steps may be completed beyond the 30-day threshold.

The county must use all available information and resources to attempt to verify FFY status as indicated in ACWDL 14-41 and utilize all records in the MEDS, the SAWS, and/or the Child Welfare System/Case Management System. If after this data review the county is unable to verify FFY status, the county must contact the youth to obtain additional information to help verify FFY status. Because the CalHEERS application does not currently ask for information about which state the youth was in foster care, the county will need to ask if the FFY was in foster care in another state if FFY status in California cannot be verified. If the youth attests FFY status in another state, the county must attempt to verify FFY status with the other state. If the county's attempts to verify FFY status are unsuccessful and the youth then provides verification of FFY status, the county can proceed to enroll the youth into aid code 4M as described in step 8.

6. After verifying FFY status, the CEW shall contact the youth to inform them of their choice of coverage. Initial outreach efforts to inform FFY of their eligibility for the FFY program may be made by phone or by email (if available) but these efforts must also be followed by a written NOA by mail. Upon making contact with the FFY, the county shall inform them that although they reported that they were a FFY on their original application submitted through Covered California, the online system previously did not assess their eligibility for the FFY program due to computer programming logic. The county may also inform FFY of the following:

Former Foster Youth and Enrollment into Aid Code 4M FFY in QHP with APTC and Premium

- They may qualify for free, full-scope Medi-Cal until age 26 regardless of income.
 - If they qualify for free Medi-Cal, they will no longer qualify for premium assistance to pay for their Covered California plan.
 - And if they qualify for free Medi-Cal, if they choose to keep their Covered California plan, their monthly premium will increase.
 - Individuals are required to have health coverage due to the individual mandate
7. If the youth tells the county they want Medi-Cal, the CEW shall establish a SAWS case and enroll them in FFY Medi-Cal 4M effective prospectively. County shall assist the youth with the disenrollment process from their QHP by updating the data extract for DHCS with a "Y". DHCS will coordinate the disenrollment process from the QHP with Covered California, as well as ensure APTC/CSR eligibility is terminated in CalHEERS and MEDS.
 8. If the youth chooses to remain in the unsubsidized Covered California coverage, the county shall inform the youth that they are not eligible for subsidies because they are eligible for Medi-Cal. The county should then leave the youth in the QHP. County will update the data extract for DHCS with a "Q" to show the 4M verification was completed and to show that the youth stayed in the QHP but is not eligible for subsidies. DHCS will coordinate the removal of APTC subsidies with Covered California.
 9. If the youth is verified as not FFY or cannot be verified as FFY after verification efforts by the county have been exhausted and FFY have been notified that the county has been unable to verify their FFY status and they've been given an opportunity to provide documentation, the county shall leave the youth in their current QHP and APTC aid code. County shall update the data extract for DHCS with an "N" to show the individual is not 4M eligible.
 10. Inform the FFY in writing using the appropriate NOA regarding 4M eligibility for the Medi-Cal program with the effective date.
 11. The FFY remains in Medi-Cal until 26 years old unless the FFY moves out of California, dies, or requests the county to discontinue their coverage. If an FFY is incarcerated, follow the steps in ACWDLs 14-26 and 14-26E to appropriately suspend their Medi-Cal eligibility.
 12. The county indicates enrolled FFY who are verified (Y), unverified (N) youths, in-process (I) youths, youths with no change (NC), and youths remaining in QHPs without APTC subsidies (Q) on the data extract report. The report is returned to SAWS for posting back on the DHCS SFTP server each month within 30 days of the date posted by DHCS.

Note: Y = 4M verification completed

N = Verification of not being eligible for 4M

**Former Foster Youth and Enrollment into Aid Code 4M
FFY in QHP with APTC and Premium**

I = In-process of verifying 4M eligibility

NC = No change (due to Supplemental Security Income/California Work Opportunity and Responsibility to Kids)

Q = Remains in QHP under Covered California without APTC subsidies.

13. DHCS provides Covered California with a list of youth who want QHP coverage (CalHEERS to remove APTC eligibility, i.e., unsubsidized coverage) and those that have chosen to enroll into FFY Medi-Cal 4M (CalHEERS to disenroll them from QHP).

14. CalHEERS sends MEDS update transaction. End of process.

If you have any questions or need further information, please contact the Access Unit in the Access Programs and Policy Branch, at (916) 552-9200 or by email at FFY@dhcs.ca.gov.