October 29, 2018

TO: ALL COUNTY WELFARE DIRECTORS
    ALL COUNTY ADMINISTRATIVE OFFICERS
    ALL COUNTY MEDI-CAL PROGRAM SPECIALISTS/LIAISONS
    ALL COUNTY PUBLIC HEALTH DIRECTORS
    ALL COUNTY MENTAL HEALTH DIRECTORS
    ALL CONSORTIA/SAWS PROJECT MANAGERS

Letter No: 18-24

SUBJECT: Notices of Action Requirements for Beneficiaries Who Do Not Complete the Non-Modified Adjusted Gross Income Evaluation at Annual Renewal or Change in Circumstance
(Reference: All County Welfare Directors Letters 14-18, 15-27, 16-14 and 17-35 and Medi-Cal Eligibility Division Information Letter I 16-04)

Purpose

The purpose of this letter is to provide counties with updated guidance concerning Discontinuance Notices of Action (NOAs) for individuals losing eligibility for modified adjusted gross income (MAGI) Medi-Cal under the following set of circumstances:

- The beneficiary is determined over income, is aged 65 or older, or is otherwise ineligible* for MAGI Medi-Cal; and
- The beneficiary has potential eligibility for Non-MAGI Medi-Cal; and
- The beneficiary does not complete the Non-MAGI evaluation when the ex parte review is unsuccessful in establishing ongoing eligibility.

Individuals losing MAGI Medi-Cal, who do not complete the Non-MAGI evaluation, must be informed on the Discontinuance NOA of both the specific reason they are ineligible to MAGI Medi-Cal and the specific reason that the county was unable to complete the Non-MAGI evaluation.

*Please note that otherwise ineligible for MAGI Medi-Cal does not include individuals who are discontinued from MAGI Medi-Cal as a result of failure to respond or provide necessary information or verification.
Background

The Department of Health Care Services (DHCS) has issued several All County Welfare Directors Letters (ACWDLs), consistent with 42 Code of Federal Regulations Section 435.911 and Welfare and Institutions (W&I) Code, Section 14005.37, to provide guidance on processing Medi-Cal eligibility under all bases prior to discontinuance and sending Discontinuance NOAs. These include the following:

- **ACWDL 14-18** and **ACWDL 17-35**
  - Require that a MAGI beneficiary who is losing MAGI Medi-Cal and who has potential linkage to Non-MAGI Medi-Cal be evaluated using the Non-MAGI Medi-Cal rules prior to discontinuance from Medi-Cal.
  - Outline the process and procedures for evaluating Non-MAGI Medi-Cal for those beneficiaries losing MAGI Medi-Cal.
  - Require counties to conduct an ex parte review of available information, as prescribed in W&I Code, Section 14005.37, before requesting information from the beneficiary.
  - Require that a beneficiary who does not complete the Non-MAGI evaluation, if one is required, be provided with a 90-Day Cure Period.
  - Require that the beneficiary remain in his/her existing MAGI Medi-Cal aid code during the non-MAGI evaluation process.

- **Medi-Cal Eligibility Division Information Letter (MEDIL) I 16-04**
  - Provides the required 90-Day Cure Period NOA language. NOTE: **ACWDL 16-24** provides translations of the MEDIL 16-04 NOA snippets into the Medi-Cal threshold languages

- **ACWDL 15-27**
  - Requires that the discontinuance NOA list the specific information or verification needed when the reason for discontinuance is a failure to provide information or verification.

- **ACWDL 16-14**
  - Provides required discontinuance NOA language for individuals who are losing MAGI Medi-Cal as a result of being over income for the MAGI Medi-Cal program. NOTE: **ACWDL 17-17** provides the translations of the ACWDL 16-14 NOA snippets into the Medi-Cal threshold languages.
**NOA Language Requirements When Beneficiary Fails to Respond to the Non-MAGI Evaluation**

After counties have followed processes outlined in ACWDL 14-18 and 17-35 for beneficiaries who are losing MAGI Medi-Cal and who fail to provide the necessary information or verifications to complete the Non-MAGI evaluation, the following information must be included on the Discontinuance NOA:

- The reason the person is losing MAGI Medi-Cal; and
- The reason that a Non-MAGI evaluation could not be completed; and
- The required 90-Day Cure Period language.

Counties must continue to send the appropriate MAGI discontinuance NOA providing the specific reason the person is no longer eligible for MAGI Medi-Cal. Please note that counties must use the MAGI discontinuance NOA from ACWDL 16-14 when the reason for discontinuance from MAGI is being over income. When these individuals have potential linkage to the Non-MAGI program and were sent the Non-MAGI screening packet but did not return it, counties must also add the following new snippet:

> “We sent you a letter about other Medi-Cal programs, also called “Non-MAGI” Medi-Cal. We asked you to reply to the letter and tell us more about your income and property so we can see if you can get Non-MAGI Medi-Cal. You did not give us the information we need. If you want to give us the information, please call us, visit your local county office, or reply to the letter.”

DHCS will release the threshold translations of this NOA snippet in a subsequent MEDIL.

**Reminder of NOA Requirements When Beneficiary Responds to the Non-MAGI Evaluation but Does Not Provide All Required Information or Verification**

As a reminder, when a beneficiary returns the Non-MAGI screening packet but fails to provide information or verification necessary to complete the determination, counties must attempt to contact the beneficiary to request the necessary information as required by W&I Code, Section 14005.37(f)(4) and (g)(3). If, after the attempted contact, the beneficiary still does not submit the required information, ACWDL 15-27 requires that the MAGI discontinuance NOA list the specific items of information or verification needed to determine Non-MAGI eligibility.

Additionally, counties must add the 90-Day Cure Period language, issued in MEDIL I 16-04 (or its translations as provided in ACWDL 16-24), on the MAGI discontinuance NOA when the beneficiary either failed to return the Non-MAGI screening packet, or returned the Non-MAGI screening packet but failed to provide required information or verification.
Implementation Timeline

The Statewide Automated Welfare System (SAWS) must make all necessary programming changes to ensure NOAs meet the requirements outlined in this ACWDL, within the next available SAWS release.

Multilingual Notification Reminder

As a reminder, counties are required to include a multilingual notification (GEN 1365) with every NOA sent to all applicants/beneficiaries regardless of the primary language specified on the Medi-Cal Eligibility Data System.

If you have any questions or require additional information, please contact Alison Brown at (916) 345-8078 or by email at Alison.Brown@dhcs.ca.gov.

Original Signed By

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