



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



EDMUND G. BROWN JR.
Governor

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Medi-Cal Eligibility Division Information Letter No.: I 14-02

TO: ALL COUNTY WELFARE DIRECTORS
ALL COUNTY ADMINISTRATIVE OFFICERS
ALL COUNTY MEDI-CAL PROGRAM SPECIALISTS/LIASONS

SUBJECT: AFFORDABLE CARE ACT GUIDANCE

The Department of Health Care Services (DHCS) is providing this additional guidance as a result of recently enacted state law, Senate Bill x1 1, Statute of 2013, Chapter 4, and Assembly Bill x1 1, Statute of 2013, Chapter 3, as well as recent guidance provided by the federal Centers for Medicare & Medicaid Services (CMS) on the Affordable Care Act of 2010 (ACA). This letter provides various ACA related policy guidance to counties and Statewide Automated Welfare Systems (SAWS) based on the analysis of state law, proposed federal regulations, and discussions with CMS as ACA policy and guidance continue to develop.

Processing Pending California Healthcare Eligibility, Enrollment and Retention System (CalHEERS) Applications for Individuals with Current Medi-Cal Eligibility

Counties have been evaluating new applications from individuals who applied for insurance affordability programs through CalHEERS in the October to December 2013 timeframe (for benefits starting in January 2014) but who may also qualify for the Medi-Cal program under pre-ACA eligibility rules. For those applicants who do qualify under pre-ACA Medi-Cal rules, their applications have been entered into SAWS and been determined eligible for Medi-Cal. Those beneficiaries are receiving health benefits through the Medi-Cal program. However, the initial applications are still pending in CalHEERS and waiting further processing. For those Medi-Cal pending individuals in CalHEERS that are already entered in SAWS and granted Medi-Cal eligibility, county eligibility workers must verify the cases are active with Medi-Cal granted in SAWS or Medi-Cal Eligibility Data System then deny the individual in CalHEERS based on the applicant already having been granted Medi-Cal. This denial in CalHEERS will not discontinue the case in SAWS and beneficiaries will not be affected by the denial in

CalHEERS. Since this denial in CalHEERS does not discontinue the case in SAWS, no discontinuance letter will be sent to the consumer.

Ex Parte Review of Pending CalHEERS Application for Medi-Cal

Counties are hereby instructed to conduct an ex parte review of all CalHEERS pending Medi-Cal applications to see if the applicant is currently receiving CalFresh or California Work Opportunity and Responsibility to Kids (CalWORKs) benefits. To the extent that the applicant is receiving current CalFresh or CalWORKs benefits, counties shall use the information contained in the active CalFresh or CalWORKs case as verification for the pending Medi-Cal data elements. For example, if the applicant is pended for income verification and the applicant has an active CalFresh case, the county shall take the applicant's income from the CalFresh case and use that income to rerun the CalHEERS business rules engine to determine eligibility.

Please note that the CalFresh or CalWORKs case must be an open case or a case that was closed in the last 90 days. As of January 1, 2014, Section 14005.37(e)(1) of the California Welfare and Institutions Code permits a case can be closed within the last 90 days and still be used for verifying consumer information. If the CalFresh or CalWORKs case was closed beyond 90 days of the CalHEERS application being received, the information in the case cannot be used to adjudicate the pending CalHEERS application.

State Residency Verification

Until DHCS is able to verify residency electronically, the county eligibility worker must conduct an ex parte review to verify California state residency. For purposes of this section, the ex parte review consists of checking to see if state residency has been verified by any other social services program (i.e., Medi-Cal, CalWORKs, CalFresh) that is open or was closed within the previous 90 days. This ex parte review must be conducted before contacting the applicant or beneficiary and asking them to provide supporting documentation. Paper documentation may be required in the event that the ex parte review and electronic process does not provide the required information needed to verify state residency.

Medi-Cal Cases Leaving CalWORKs

If a CalWORKs recipient is leaving CalWORKs but not discontinued for reasons that would affect their Medi-Cal eligibility (for example, adults who time-out of CalWORKs), the county eligibility worker shall transfer the beneficiary into aid code 3N or aid code 38 until their annual renewal. In the event SAWS has been coded to not use 3N

automatically when there is a discontinuance of CalWORKs, the county eligibility worker can use aid code 38.

Prior to the renewal date, the county eligibility worker will use the Request for Tax Household Information (RFTHI) form to collect the necessary information to make an eligibility determination for all health insurance affordability programs. Health insurance affordability programs include the following:

- Modified Adjusted Gross Income Medi-Cal
- Advanced Premium Tax Credits (APTCs)
- Cost Sharing Reductions (CSRs)
- Unsubsidized coverage
- Access for Infant and Mothers

If a CalWORKs recipient is discontinued for reasons that could affect their Medi-Cal eligibility, the Medi-Cal change in circumstances process must be completed. The Medi-Cal change in circumstance redetermination process will be prescribed in a forthcoming All County Welfare Directors Letter.

Application and Redetermination for CalFresh Benefits

The CalFresh application (CF 285) asks the following question related to Medi-Cal:

Are you interested in applying for Medi-Cal? If you answer yes, the County will use your answers to find out if you can get Medi-Cal.

If the applicant is found eligible for CalFresh benefits and answers “yes” to this question, the applicant shall be enrolled into Medi-Cal through the express lane program. If the applicant is ineligible for CalFresh benefits and answers “yes” to this question, the county eligibility worker must send the applicant the RFTHI form. The application date will be set once the RFTHI form is completed and received at the county office. The county eligibility worker must then use the information on the CF 285 and the RFTHI form to complete the application and determine Medi-Cal eligibility.

Medically Needy Medi-Cal with a Share of Cost (SOC) and Minimum Essential Coverage

The Internal Revenue Service’s (IRS) preliminary guidance on minimal essential coverage has indicated that coverage for the medically needy with a SOC will not be minimum essential coverage for purposes of the individual mandate tax penalty; however, the medically needy with a SOC population may qualify for advanced payment of premium tax credits (APTCs) and cost sharing reductions (CSRs). Therefore, until

further guidance is received from the IRS and/or the Centers for Medicare and Medicaid Services, if a beneficiary has ONLY medically needy Medi-Cal coverage, there is a risk that he or she may not be considered to have minimum essential coverage and may be subject to a tax penalty from the IRS.

Remote Identity Proofing Requirements

Remote Identity Proofing (RIDP) is a required process for online or telephonic health insurance affordability program applications. For paper applications, the physical signature on the application satisfies the RIDP requirement. If an individual who submitted a paper application then wants to move into an electronic process (for example, to select a health plan online), he or she will need to complete the RIDP process.

The RIDP process will be effective for counties once the functionality is CalHEERS is available. More information on the timing of the functionality release in CalHEERS is forthcoming. There are several ways RIDP can occur. Please see Attachment A for more information and a list of acceptable processes and documents to meet the RIDP requirements.

Since the majority of approved documentation is accepted for Medi-Cal, CalWORKs, and CalFresh as sufficient verification of identity, and the Medi-Cal identity verification requirements remain in place post 2014, counties will have the ability to exercise more flexible processes for RIDP verification. To the extent possible, documentation used to verify identity should also be used to verify state residency.

Applicants will have the opportunity to first submit an application then be provided with the option of providing documentation or completing an electronic/telephonic check through Experian. In the event that an applicant does not prefer an electronic or telephonic check through Experian for RIDP, Medi-Cal staff will be able to:

1. Complete an ex parte review of any prior case or current CalFresh case in the county system to determine if acceptable identity documentation is on file to serve as RIDP verification. If so, the RIDP requirement is met.
2. Request identity verification if sufficient information is not on file.
3. Request a second document to meet the 2-document requirement in the event that a "secondary" CMS document is provided as verification of identity.

Because county online portals will not be programmed to automatically run through the federal data hub until county staff process a case, RIDP does not have to occur upon submitting an application through the online county portals. The only instance where RIDP will have to occur upon contact is during the quick-sort process phone calls transferred from Covered California. In this instance, counties can complete the electronic/telephonic Experian process or complete an ex parte case review as the first step in RIDP.

With the exception of the statement by a collateral contact for CalFresh and any current valid document that establishes identity for Medi-Cal, all of the documentation types accepted by Medi-Cal and CalFresh are also acceptable for RIDP per CMS' guidance. Though the documents are all acceptable by CMS, some are "secondary" documents and the applicant would have to provide two documents to serve as RIDP verification.

Further guidance on RIDP is forthcoming.

If you have any questions, or if we can provide further information, please contact Crystal Haswell at (916) 552-9542 or at Crystal.Haswell@dhcs.ca.gov.

Original Signed By

Tara Naisbitt, Chief
Medi-Cal Eligibility Division

Attachment

Remote Identity Proofing for Counties

RIDP Requirements

Remote Identity Proofing (RIDP) will become a required process for counties effective January 1, 2014 for any Medi-Cal or Health Insurance Affordability Programs taken that must be run through the Federal Data Hub. There are several ways that RIDP can occur and counties are exploring these options for use. In addition to an electronic/telephonic Experian check, one of the RIDP verification options is for an applicant to provide a copy of, or present in person, a copy of one of the following documents approved for RIDP per Center of Medicare and Medicaid Services (CMS):

- Driver's license issued by state or territory
- School ID
- Voter registration card
- U.S. military card or draft record
- ID card issued by federal, state, or local government, including a U.S. passport
- Military dependent's ID card
- Native American Tribal document
- U.S. Coast Guard Merchant Mariner card
- Affidavit signed by a third party under penalty of perjury when the applicant cannot produce a document (i.e., homeless person)

If one of the approved documents listed above is unavailable, the applicant can submit two of the following documents instead:

- Birth certificate
- Social Security Card
- Marriage certificate
- Divorce decree
- Employer ID
- High school or college diploma
- Property deed or title

Current Practice

Currently, most of the programs administered by county Social Service/Human Service agencies through county systems require ID verification of some sort. Focusing on the three most common programs, Medi-Cal, CalFresh, and CalWORKs, the ID verification requirements for these programs as established per current regulations are:

Medi-Cal (references: MEM 50167 and MEPM 4M-5)

- California driver's license
- ID card issued by the Department of Motor Vehicles
- Any valid document that establishes ID
- U.S. citizenship or alien status document (e.g. passport, or Legal Resident Card)
- Birth certificate

- School ID
- Marriage record
- Work badge
- Church membership or baptism/confirmation record,
- Social Security card

CalFresh (references: 63-300.5(e)(3) and 63-300.5(h)(2)) – Identity verification requirements for CalFresh are based on readily available documentary evidence of identity; examples include, but are not limited to:

- Social Security card or other document containing the social security number
- Driver’s license
- Work or school ID
- An ID for health benefits or other assistance program
- Voter registration card
- Check stub
- Birth certificate
- If one of the above listed documents can’t be provided, a statement by a collateral contact outside of the assistance unit that is reliable can be used as verification.

CalWORKs: Although there are no program requirements to verify ID for CalWORKs, as part of the CalWORKs program, applicants are likely to also receive CalFresh, and ID verification is required for CalFresh therefore *most* CalWORKs cases will contain a document to verify ID.

The table below compares the different identity documentation types approved by CMS for RIDP and for Medi-Cal and CalFresh for identity verification:

Document Type	CMS Approved	MC Approved	CF Approved
Driver’s License	Y	Y	Y
School ID	Y	Y	Y
Voter Registration Card	Y	Y	Y
U.S. Military Card or Draft Record	Y	Y	Y
U.S. Government Issued ID	Y	Y	Y
U.S. Passport	Y	Y	Y
Military Dependent’s ID Card	Y	Y	Y
Native American Tribal Document	Y	Y	Y
U.S. Coast Guard Merchant Mariner card	Y	Y	Y
For children under 19, a clinic, doctor, hospital, or school record (including preschool or day care records).	Y	Y	Y
Birth certificate	2	Y	Y
Social Security Card	2	Y	Y
Marriage certificate	2	Y	Y
Divorce decree	2	Y	Y
High school or college diploma	2	Y	Y

Employer ID	2	Y	Y
Property deed or title	2	Y	Y
Finding of identity from a Federal or State governmental agency: (i.e., law enforcement, IRS, corrections, etc.)	Y	Y	Y
Finding of identity from an Express Lane agency	Y	Y	N
I-551	Y	Y	N*
I-179	Y	Y	N*
I-197	Y	Y	N*
Any valid document that establishes ID	N	Y	Y
Affidavit by a collateral contact	Y	N	Y

*These forms alone would not be sufficient in California to verify the identity of a legal noncitizen for CalFresh purposes; however, the information on the form can be entered into SAVE to get a positive match, which would constitute verification of identity for CalFresh purposes.

“2” indicates acceptable CMS documentation, but 2 of the documents must be used in conjunction with one another for RIDP verification.

Today, Per Title 22 CCR MEM section 50167, identity for the primary applicant or parent on the case must be verified in order to establish Medi-Cal eligibility. This identity requirement is separate from the electronic identity verification or match that occurs through the federal hub or SSA data match for Deficit Reduction Act (DRA) identity verification purposes. Beginning January 1, 2014, this requirement will no longer be applicable. If identity is verified through the federal hub, or through the process prescribed in this paper when an individual comes to their local county office, the identity verification requirement shall have been met and identity shall not be verified again. DHCS is currently reviewing the need to make statutory change to Title 22 CCR MEM, Section 50167.