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

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TO: ALL COUNTY WELFARE DIRECTORS
ALL COUNTY ADMINISTRATIVE OFFICERS
ALL COUNTY MEDI-CAL PROGRAM SPECIALISTS/LIAISONS
ALL COUNTY HEALTH EXECUTIVES
ALL COUNTY MENTAL HEALTH DIRECTORS
ALL COUNTY MEDS LIAISONS

Letter No.: 18-02E

SUBJECT: Senate Bill 1339 Intercounty Transfer Process
(Reference: All County Welfare Directors Letters 03-12, 04-14, 15-30; 16-10, 16-10E and Medi-Cal Eligibility Division Information Letter I 14-59, I 15-32)

The purpose of this All County Welfare Directors Letter (ACWDL) Errata is to provide clarification to the instructions for Intercounty Transfers (ICTs) for an individual in a household who permanently moves out of the county. Also, enclosed are responses to questions received from counties after the release of ACWDL 18-02 regarding ICT processing.

Corrections are recorded using the following:

- strike-through for deleted language
- underline and bolding for adding new language

Summary of Changes

The Department of Health Care Services (DHCS) received several county questions regarding the guidance provided specific to ICTs for an individual household member who is permanently moving out of the county. DHCS' current instruction requires the Sending County to process the change in circumstances and make the new redetermination for the individual moving to the new county, prior to initiating the ICT. DHCS recognizes that this requirement would place the Sending County out of compliance with initiating a timely ICT within seven days of notification, as required by Welfare and Institutions Code (W&I Code) Section 10003. As a result, DHCS is amending the current guidance on page 7.

Background

Senate Bill (SB) 1339 (Chapter 801, Statutes of 2016) and the changes to Medi-Cal ICT processes became effective June 1, 2017 and adds Sections 10003 and 11102 to the W&I Code and amends Section 11052.5, codifying the Medi-Cal ICT process.

The statutes mandate Medi-Cal ICT processes and standardize requirements for ICTs across the Medi-Cal, California Work Opportunity and Responsibility to Kids, and CalFresh programs. SB 1339 formalized the process and requirements for Medi-Cal beneficiaries who report address changes, county ICT processes and timeframes, and Medi-Cal managed care health plan (MCP) enrollment and disenrollment processes.

New Changes to Beneficiary Responsibilities for Requesting a Permanent Change of Residence Address

Pursuant to W&I Code, Section 10003, it is the Medi-Cal beneficiary's responsibility to promptly notify *either* the county from which they moved from (Sending County) or the county to which they moved to (Receiving County) of the change in residence.

The Medi-Cal beneficiary has the option to report a change of residence in person, in writing, telephonically, or electronically online and individuals must be advised of these options at the time of application, redetermination, and/or certification. DHCS plans to include the change of address reporting options in applicant/beneficiary informing materials that are distributed at application and annual renewal. Until the updated informing materials are available to counties, county workers should review reporting requirements and change of address reporting options when having contact with applicants or beneficiaries at the application and redetermination/recertification.

Responsibility of Either County to Initiate the ICT

SB 1339 places responsibility on the county that the beneficiary notifies of the change in residence to initiate an ICT for all the benefits that the beneficiary is receiving. The notified county can be either the Sending County or the Receiving County. SB 1339 does not change current Medi-Cal program ICT timeframes, only the county responsible for initiating the ICT. SB 1339 requires that within seven business days of notice of a new residence, the notified county shall initiate an ICT.

Sending County

If the beneficiary notifies the Sending County of the move, the Sending County must initiate an ICT with the Receiving County, electronically or by written request, within seven business days. The Sending County may only discontinue Medi-Cal benefits during the ICT once the Sending County confirms a new benefit effective date with the Receiving County.

Receiving County

If the beneficiary notifies the Receiving County of their new residence, the Receiving County must initiate an ICT with the Sending County, electronically or by written request, within seven business days.

Consistent with current Medi-Cal program policy, SB 1339 prohibits counties from requiring the beneficiary changing county residences to reapply for Medi-Cal benefits in the Receiving County. Counties must ensure all Medi-Cal cases remain active throughout the ICT period without an interruption in benefits. See specific rules for beneficiaries enrolled in the MCP below.

Additionally, since beneficiaries may report address changes to the MCP, counties should refer to the guidance issued in ACWDL 15-30, as it pertains to when a beneficiary contacts the MCP, to report a permanent change of address and the beneficiary provides approval for the MCP to provide the updated contact information, including address change to the county.

ICT Completion Timeframes

The ICT must be completed no later than the first day of the next available benefit month following the 30 days after the beneficiary's initial notification to either the Sending County or Receiving County of the change in residence county.

Example: The beneficiary contacts the county worker (Sending County) on Wednesday, January 10 to report that they will be moving to a new county. The Sending County must initiate the ICT within seven business days or, in this instance, no later than Friday, January 19. To comply with SB 1339, the ICT must be completed by the next available benefit month which falls after the 30th day from the beneficiary's initial notification that they have moved. In this scenario, the beneficiary's ICT must be processed and completed by the Receiving County, effective March 1.

DHCS has previously issued ACWDLs 03-12, 04-14, 16-10 and 16-10E to provide counties with ICT guidelines for general case management responsibilities when an ICT occurs before, during, or at annual redetermination and other situations. These policies have not changed with the implementation of SB 1339 or the electronic ICT (e-ICT) process and counties are referred to these prior ACWDLs for guidance to assist with timely ICT completion.

E-ICT via Statewide Automated Welfare System

SB 1339 requires that, to the greatest extent possible, the ICT process shall be simple, client friendly, and minimize workload for county eligibility operations. SB 1339 also requires case file documents be electronically shared between the prior county of residence and the new county of residence, to the extent possible. This process ensures that beneficiaries do not need to provide documents that were already provided to the prior county.

Beneficiary ICT Process, MCP Enrollment and the Managed Care Ombudsman

SB 1339 mandates Medi-Cal MCP enrollment and disenrollment practices and processes for beneficiaries who report they are changing counties of residence.

- If the beneficiary moves to another county and is still enrolled in a MCP in the county that they moved from, the beneficiary shall have continued access to emergency services and any other coverage the MCP authorizes out-of-network until the time that the ICT process is complete and the beneficiary is disenrolled from the MCP.

Medi-Cal Managed Care Ombudsman Requests

If the beneficiary moves to another county and is still enrolled in a MCP in the county from which they left and needs non-emergent care that same month in the new county, the Medi-Cal Managed Care Ombudsman shall, upon request by the beneficiary or either county, disenroll the beneficiary as an expedited disenrollment from their MCP.

For Beneficiaries Enrolled in Managed Care - Online Form for County Use Only

As stated in Medi-Cal Eligibility Division Information Letter (MEDIL) I 14-59, the DHCS Medi-Cal Managed Care Office of the Ombudsman has developed an online fillable form that counties should use as a tool for urgent Medi-Cal Managed Care Ombudsman requests. This easy-to-use online, fillable form was developed for county staff to use in order to increase efficiency and response times, ensure a secure

transmission of Personal Health Information, and provide minimally required information for processing. This tool is available only to county staff, and is located at the following DHCS website: http://dhcs.ca.gov/MCOmbudsman

Counties should utilize this on-line form for urgent expedited matters only.

County-initiated disenrollment using an online form, described below, shall be processed no later than three business days after the request is made.

Counties should use the online, fillable form when requesting expedited changes that cannot wait for the monthly Medi-Cal Eligibility Data System (MEDS) renewal to process, such as:

- Current or retroactive month MCP Changes for access to care
- Current or retroactive month MCP Enrollments for access to care
- Current or retroactive month MCP Disenrollments for access to care
- Removal of 59 holds

Please note the following criteria for counties submitting the on-line form:

- MEDS must reflect all current information (i.e., residence address and county code).
- MEDS must show active coverage for the beneficiary.
- County staff must verify with the beneficiary that Medi-Cal services have not been used through the MCP located in the Sending County for the current month. Examples of services: Filled a prescription, visited a doctor, received Emergency Room services, received an x-ray, etc. that would be covered under the beneficiary's current MCP.
- There are exceptions for beneficiaries with an immediate need for Non-emergent services, which are reviewed on a case-by-case basis, regardless of services rendered with the MCP. An example of immediate non-emergent need would be prenatal services needed in the current month.

Counties are reminded that completion of this on-line form does not guarantee that the request will be approved. If the Medi-Cal beneficiary does not meet the required expedite criteria, described above, or the form is not sent from a valid county office email address, the request will not be processed by the Medi-Cal Managed Care Ombudsman. For more information about the online, fillable form tool, please see the Frequently Asked Questions in MEDIL I 14-59.

Telephone Requests by Beneficiaries

SB 1339 requires:

- Beneficiary-initiated disenrollment requests by phone to the Medi-Cal Managed Care Ombudsman at 1-888-452-8609 shall be effective no later than two business days after the request is made when the request is made before 5 p.m.

- Beneficiary-initiated disenrollment requests by telephone to the Medi-Cal Managed Care Ombudsman at 1-888-452-8609 made after 5 p.m. shall be processed the following business day and be effective no later than two business days after the request is processed.

All standard, non-urgent enrollment change requests need to be submitted by the beneficiary or authorized representative through Health Care Options (HCO) at 1-800-430-4263.

SB 1339 Medi-Cal Coverage Requirements during the ICT Process

A beneficiary who is disenrolled from the MCP in the county where they moved from shall be entitled to the full scope of benefits for which they are entitled to in the new county through the fee-for-service delivery system until they are enrolled in a MCP in the new county.

If the beneficiary moves to a county that provides Medi-Cal services through a county organized health system (COHS), the beneficiary shall be enrolled in that COHS plan on the first day of the following month once the new county of residence is reflected in MEDS. If a beneficiary moves to a county without a COHS, the usual health plan choice process shall apply.

When a beneficiary provides the new address, the Sending County initiates an ICT to the Receiving County. For beneficiaries enrolled in a MCP, when the new county address is updated in MEDS as the residence address, even if the responsible county has not yet changed, a “59 hold” could be placed on the beneficiary’s MCP enrollment, which would place the beneficiary temporarily in fee-for-service.

DHCS reminds counties that when either the Sending or Receiving County becomes aware that a beneficiary is in immediate need of medical treatment, that county should request that the transfer be expedited. In urgent situations, either county can assist the beneficiary in expediting health plan disenrollment/enrollment. Once the new residence

county code is reflected in MEDS, either county may submit the online, fillable form to expedite disenrollments/enrollments needed for current month. If the need is for future months, MEDS will update the beneficiary's record during the monthly MEDS renewal process. The beneficiary may also contact HCO to request a plan change once the address is updated in MEDS. Beneficiaries, who are not in a COHS county and are not in immediate need of medical treatment, may make a health plan choice online at the HCO website. Beneficiaries may also attend HCO presentations in the new county, contact HCO by phone at 1-800-430-4263, or submit the choice form mailed to them.

Individual Household Member Moves Out of County

Medi-Cal eligibility must continue uninterrupted for an individual household member who moves out of the county either for a temporary move or a permanent move, as described below.

Temporary Move

MEDIL I 15-32 provides counties with guidance for updating the address of a beneficiary who reports a short-term change in county residence to their county human services agency. This guidance is for a family member temporarily moving out of the home due to attending school, college or obtaining health treatments outside the county of residence. Please note, reporting a temporary move does not initiate the ICT process.

~~Permanent Move:~~

~~DHCS would like to clarify that there are no partial ICTs for Medi-Cal cases if one member of the household permanently moves out of the county and is no longer claimed as a member of the tax household. The Sending County must treat this reported change in residence as a change in circumstances, remove the individual beneficiary from the current case record, and establish a new case that will be sent to the Receiving County. Since this is a change in circumstances, the Sending County must obtain any missing information from the individual through the process outlined in W&I Code 14005.37, including ex parte and requests for information only, where necessary. Additionally, the Sending County must also reevaluate Medi-Cal eligibility for the remaining members of the original case if the change in household impacts eligibility of other members.~~

Permanent Move:

A beneficiary may report to either the Sending County or Receiving County that they are permanently moving out of a household to a new county and they are no longer being claimed as a member of the tax household in the Sending County. The Sending County, however, must initiate a timely manual ICT.

The Sending County shall use the manual ICT process to transfer the beneficiary's information to the Receiving County within seven business days of notification of the move to either county. The Sending County must complete an MC 360 form and include all available information about the beneficiary. This includes the most current application or renewal form, and/or system printouts, and if available: tax filing information, verifications such as property, income, citizenship, and case notes relevant to the eligibility determination. The manual ICT process is initiated and completed outside of the county's Statewide Automated Welfare System (SAWS) e-ICT process, therefore the Sending and Receiving Counties will have to maintain clear and timely communication regarding the status of the manual ICT.

As the county responsible for initiating the manual ICT, the Sending County must ensure the beneficiary remains eligible during the ICT process. The beneficiary should remain on the Medi-Cal case in the Sending County until the Sending County receives notification from the Receiving County that the beneficiary has an active Medi-Cal case in the Receiving County.

Additionally, the Sending County shall in accordance with ACWDL 14-22 also reevaluate Medi-Cal eligibility for the remaining household members of the original case, to determine if the change in household size affects eligibility of other members. If the change affects eligibility, the Sending County must complete a change in circumstance redetermination for the remaining household members. For example, if after removing a household member the income of the remaining household members remains at or below the income limits for their new household size, the change will not affect eligibility. It is important to note that when reevaluating Medi-Cal eligibility, the county must first conduct an ex parte review, utilizing all available information that could affect eligibility for Medi-Cal benefits prior to contacting the beneficiary. If there is not sufficient information available to determine continued eligibility the county must only request necessary information related to the change in circumstances from the beneficiary. See W&I Code Section 14005.37(g)

The Receiving County in accordance with ACWDL 14-22, must complete a timely change in circumstances redetermination after the county receives the ICT. This would include, but not be limited to, the requirement that the Receiving County:

- **Obtain needed information through the process outlined in W&I Code Section 14005.37 including ex parte review and requests for information from the beneficiary only where necessary and related to the change in circumstances.**

- **Review the information in the ICT case file with the beneficiary who moved out of the household in the Sending County, confirm the accuracy of the information in the ICT case file, and request any necessary information not available through ex parte review, including verifying property for Non-Modified Adjusted Gross Income (Non-MAGI) cases.**

- **In addition, if the beneficiary who moved out of the household was not the applicant (case holder/primary contact) in the Sending County, review Rights and Responsibilities, and obtain a signed penalty of perjury statement from the beneficiary for the new case file.**

The Receiving County shall accept information via the Internet, by telephone, by mail, in person, or through other commonly available electronic means. See W&I Code 14005.37(g), (q) and (r).

Exceptions to Manual ICT Processing for an individual moving out of the county:

- **If the Sending County receives new and complete information regarding the beneficiary who is moving to a new county, such as the current address in the new county, tax filing status, current income, other household members, etc., the Sending County shall use the new information to establish a new case record in their SAWS and redetermine the beneficiary's Medi-Cal eligibility. The Sending County should then initiate an ICT for the beneficiary using the e-ICT automated process. The Sending County must complete this process within seven business days of notification of the move.**

- **An ICT is not initiated if the County receives information from the head of the household that a beneficiary moves out of the home to a new county, but the address in the new county is unknown. The county must conduct**

an ex parte review to determine if a new address is available and if information is not available, send an MC 355 to the beneficiary at the last known address. If the mail is returned undeliverable, the county shall follow the guidance in ACWDL 16-23 to discontinue the beneficiary and send the discontinuance notice of action for whereabouts unknown to the last known address.

- If an individual beneficiary moves to a new county but they continue to be claimed as a member of the tax household in their former county, this is not considered an ICT for the individual and they will continue to be aided on the existing case. The county will update the address for the individual only. When the address is updated, the individual will be able to enroll in a health plan in the new county.

DHCS appreciates the cooperation of counties working together in coordination with MCPs, the Office of Medi-Cal Ombudsman, and HCO to successfully transfer beneficiaries and their health coverage in accordance with these established ICT requirements and processes.

If you have any questions or if we can provide further information, please contact Guadalupe (Lu) Sanchez at (916) 345-8085 or email at Guadalupe.Sanchez@dhcs.ca.gov

Original Signed By

Sandra Williams, Chief
Medi-Cal Eligibility Division

Attachment: ICT Questions and Answers

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Questions and Answers

Q1. Does the section, "Individual Household Member Moves Out of County" apply to an individual solely or can this also be a group of individuals such as in the case with mother, father and two children; and, the father and one child move to another county?

A1. Yes, the updated guidance applies to an individual or a group of family members who move together to a new county while other household members do not move.

Q2. Does a SAWS2A, Rights, Responsibilities and Other Important Information form need to be received in the newly established case?

A2. For the Medi-Cal program, the Rights and Responsibilities form is the MC 219 and the beneficiary is not required to sign the MC 219 form. For individuals who are leaving one case and establishing a new case based on a change of circumstances, the Receiving County should provide the beneficiary the packet of informational materials that would be sent to new applicant households as described in ACWDL 20-22 for their records.

Q3. Is the MC 360, Notification of a Medi-Cal Intercounty Transfer, still a required (mandatory) form for ICTs?

A3. No, the MC 360 form is no longer required when using the electronic Intercounty Transfer (eICT) interface as it contains all of the information contained on the MC 360. However, the Sending County should verify that all of the information that is captured on the MC 360 form is provided in the e-ICT information. Where applicable the county should allow their SAWS to create the e-ICT. However, if the county is not able to initiate an e-ICT due to systems outage, the county must use the MC 360 form to send a manual ICT. Also, if an individual has permanently moved out of the household to a new county, and the Sending County is sending a manual ICT to the Receiving County, a MC 360 form will need to be included.

Q4. It is our process, in the absence of receiving the most recent Statement of Facts/Renewal packet from the Sending County, to use the most recent

application information located in California Healthcare Eligibility, Enrollment, and Retention System (CalHEERS). Is this allowed?

A4. Yes. W&I Code, Sections 14005.37 and 14013.3 authorize counties, as part of the ex parte review process, to gather available information relevant to the beneficiary's eligibility from sources available to the county. This would include case information contained in CalHEERS to complete an ICT.

Q5. Do we use the application date in the previous household for individuals that move to another county or is the application date now the date the individual notifies the Sending County of the move?

A5. The date of application would be the same date for the individuals moving to the new county as it was in the case in the Sending County. However, the reported change in household will be a change in circumstances for both households. The Sending and Receiving Counties must re-run eligibility for both cases due to any changes to income, household size, etc., See ACWDL 14-22 for additional guidance on resetting the annual redetermination date.

Q6. In the absence of receiving the income verifications from the Sending County where the income is verified administratively in CalHEERS, is it allowable for the Receiving County to use the information as listed in CalHEERS? The assumption would be that the Sending County truly administratively verified this in order to allow the eligibility in their county.

A6. Yes, W&I Code, Sections 14005.37 and 14013.3 require counties, as part of the ex parte review process, to gather available information relevant to the beneficiary's eligibility from sources available to the county. This would include information contained in CalHEERS to complete an ICT.

Q7. Can a Sending County initiate an ICT on Edward -vs- Kizer cases (aid code 38) or should the Sending County complete an ex parte review and grant them for whatever appropriate Medi-Cal program the beneficiaries qualify for prior to initiating an ICT?

A7. The Sending County must update the address in the case record and initiate an ICT on aid code 38 cases without delay. The Receiving County shall complete a Medi-Cal eligibility review due to a change in circumstance redetermination beginning with ex parte review. The Receiving County shall contact the

beneficiary for additional information, only if the necessary information is not available through ex parte review.

The beneficiaries should remain active on the Medi-Cal case in the Sending County until the Receiving County notifies the Sending County that the beneficiaries have an active Medi-Cal case in the Receiving County.

Q8. When a beneficiary applies for Medi-Cal benefits in the Receiving County after their Medi-Cal case has already been terminated in the Sending County due to failure to provide information and they are within the 90-day cure period, how should the Receiving County process the application?

A8. The Receiving County shall inform the beneficiary (verbally) of the following:

- the Sending County requested information from them that they did not provide, and
- they are still within the 90-day cure period, which means that they have the option to provide the information to the Sending County to restore their Medi-Cal benefits if they are still eligible.

Once the Medi-Cal benefits are restored, the Sending County can process a change of address and initiate an ICT to the Receiving County. The notice of action issued by the Sending County is in effect and the Receiving County is not required to provide the beneficiary with another notice of action.

However, if the beneficiary states they do not want to provide the necessary information to the Sending County, then the discontinuance in the Sending County will stand and there will be no ICT initiated. The Receiving County should request the beneficiary submit a written statement that they do not want to use the 90-day cure period to provide the information to the Sending County to reestablish eligibility. The Receiving County should include this statement in the case record in addition to detailed case notes that the beneficiary does not wish to cure the discontinuance in the Sending County and did not request an ICT. The Receiving County can then process the new Medi-Cal application as an intake case.

Q9. Can a Sending County initiate an ICT, when one or more individuals on the Medi-Cal case are in soft pause status?

A9. The Sending County must initiate a timely ICT when one or more individuals are in soft pause and provide full documentation of the status of the eligibility of the

individual(s) in soft pause for the Receiving County in the ICT file sent to the county. The Receiving County will need to know the reason for soft pause, such as eligibility under a consumer protection program (CPP) and the end date of the CPP or if the beneficiary is pending a Non-MAGI screening. When accepting the ICT, the Receiving County must continue the current aid code based on the soft pause and take the appropriate next steps for processing the case (i.e. sending the Non-MAGI screening packet, setting a task for the end of the CPP period, etc.). In compliance with ICT mandates, the Sending and Receiving counties must coordinate to process an ICT timely and prevent any break in aid or barriers to access to care for beneficiaries.