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

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DATE: November 16, 2021

TO: ALL COUNTY WELFARE DIRECTORS Letter No: 21-27
ALL COUNTY ADMINISTRATIVE OFFICERS
ALL COUNTY MEDI-CAL PROGRAM SPECIALISTS/LIAISONS
ALL COUNTY CalWORKs PROGRAM SPECIALISTS
ALL COUNTY HEALTH EXECUTIVES
ALL COUNTY MENTAL HEALTH DIRECTORS

SUBJECT: TRANSITIONAL MEDI-CAL, FOUR-MONTH CONTINUING ELIGIBILITY AND CALIFORNIA WORK OPPORTUNITY AND RESPONSIBILITY FOR KIDS DENIALS AND DISCONTINUANCES
(Reference: All County Welfare Directors Letters, 01-36; 09-27; 91-66; 91-79; 96-19; 11-33; 14-05; 14-18; 14-28; 14-32; 14-41; 14-41E; 17-03, 19-23)

Purpose

The purpose of this All County Welfare Director's Letter (ACWDL) is to provide guidance to counties regarding Transitional Medi-Cal (TMC) and Four-Month Continuing (FMC) policies and guidance for determining Medi-Cal eligibility when California Work Opportunity and Responsibility to Kids (CalWORKs) is denied or discontinued.

This letter includes the following sections:

- Background
- Policy for Initial Extended Eligibility Period of TMC
- Policy for Second Extended Eligibility Period of TMC
- Policy for FMC
- Determining TMC or FMC Eligibility During the 90-day Cure Period
- Other Medi-Cal Programs and Their Relationship to TMC/FMC
- Assessing Medi-Cal After CalWORKs Discontinuance and Denials Process

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Background

Before the Affordable Care Act (ACA), Social Security Act, Section 1931(b) [42 U.S.C. Section 1396u-1(b)] Medi-Cal coverage of a family or child in receipt of CalWORKs was structured differently than it is now. Prior to the implementation of the ACA, parents, caretaker relatives, pregnant women in their third trimester, and children were enrolled in Medi-Cal under Section 1931(b) regardless of cash assistance from CalWORKs using the pre-ACA income methodology. In order to qualify for Medi-Cal under Section 1931(b), the child(ren) needed to be "deprived," either because they had a parent that was deceased, absent, incapacitated, or because the primary wage earner was unemployed or underemployed.

When an individual's CalWORKs eligibility ended, county eligibility workers (CEWs) redetermined Medi-Cal eligibility to evaluate whether the individual(s) still qualified under Section 1931(b). Individuals continued their Medi-Cal benefits while the county conducted the redetermination process. When Medi-Cal, under Section 1931(b), with or without CalWORKs, was discontinued due to an increase in earned income or hours of employment, the county evaluated eligibility for TMC under Welfare and Institutions (W&I) Code, Section 14005.8. When the Medi-Cal discontinuance was due to an increase in child/spousal support, the county evaluated for four months of FMC Medi-Cal under W&I Code, Section 14005.1.

With the implementation of ACA, the Medi-Cal program started using the Modified Adjusted Gross Income (MAGI) methodology to determine eligibility for many Medi-Cal groups. The Section 1931(b) program was split into three main eligibility categories:

1. MAGI Parent/Caretaker Relative group,
2. Mandatory Children's group, and
3. Certain individuals enrolled in the MAGI Pregnancy Coverage group

Refer to Enclosure 2 titled, *Table of Pregnancy Coverage Group, Parent/Caretaker Relative Group and Mandatory's Children's Group Aid Codes*, for a list of aid codes. In addition, the Legislature eliminated the deprivation requirement for a child's eligibility as allowed under the ACA federal rules. Guidance on MAGI is available in ACWDL 14-28.

As with the previous Section 1931(b) Medi-Cal coverage, pregnant individuals are enrolled in the MAGI Pregnancy Coverage group in their third trimester, regardless of having other children in the household, and with MAGI household income at or below 109 percent of the federal poverty level (FPL).

Policy for Initial Extended Eligibility Period of TMC

TMC provides continued Medi-Cal eligibility for individuals who are discontinued from the MAGI Parent/Caretaker Relative group, CalWORKs, Mandatory Children's group, or upon the end of the 60-day postpartum period for the MAGI Pregnancy Coverage group, as described below. There are two available periods of TMC:

1. An initial six-month extension, and
2. An additional six-month extension period based on an individual meeting certain eligibility requirements.

TMC provides up to twelve months of continued Medi-Cal eligibility. There is no income or resource limits during the initial extended eligibility period.

***References to the MAGI Pregnancy Coverage group includes individuals in their third trimester, regardless of having other children in the household, and with MAGI household income at or below 109 FPL**

To qualify for TMC, an individual must meet all of the following requirements:

1. An adult aided on CalWORKs, enrolled in the MAGI Parent/Caretaker Relative group, or the MAGI Pregnancy Coverage group* in three of the six months immediately preceding the month of ineligibility. Months of retroactive Medi-Cal eligibility count toward the three months.

2. Discontinued solely due to increased earnings, loss of earned income disregards, or increased hours of employment. When multiple changes are reported, the CEW shall determine if the increase in earned income or hours of employment is the sole reason for the discontinuance.

   Example: A family consists of mom and two children (17 year old child and 21 year old child). Mom's earnings increase by $200 a month. During the same month, mom reports that the 21 year old child is moving out and she is no longer claiming that child as a tax dependent. Mom is now over income for the MAGI Parent/Caretaker group. The CEW must determine if the $200 increased earnings alone made mom ineligible. If her earnings are the sole reason for the ineligibility, she is potentially eligible for TMC. If ineligibility is due to a combination of both the tax household change and the increase in earnings, mom is ineligible for TMC.

3. Have a dependent child in the household. A dependent child is under the age of 18, or if age 18, enrolled in school and expected to graduate by their 19th birthday. If the only child is unborn, the pregnancy must be in the third trimester. A dependent child may include a child who is receiving Supplemental Security Income/State Supplementary Payments (SSI/SSP) or Adoption Assistance.

If another parent of the child returns to the family following an absence from the home, the returning parent is eligible for the remainder of the extended eligibility period. Additionally, any children born or adopted into the family, and any children returning home after a period of absence, also qualify for the remainder of the parent/caretaker relative's period of extended eligibility.

A child who is enrolled in TMC who becomes an adult during the TMC period may remain in TMC with their parent/caretaker relative(s) unless there is no other dependent child in the household.

Refer to Enclosure 1 titled, *Transitional Medi-Cal and Four-Month Continuing Requirements*, for a list of requirements for TMC and FMC.

Note: The process for screening for TMC after CalWORKs discontinuance can be found in the *Assessing Medi-Cal After CalWORKs Discontinuance and Denials Process* section of this letter.

Process for Initial Extended Eligibility Period of TMC for MAGI Medi-Cal

When individuals discontinue from the MAGI Parent/Caretaker Relative group or MAGI Pregnancy Coverage group*, the CEW shall evaluate the case for continued eligibility as follows:

Adults: The CEW must evaluate the case for TMC. If adults are found ineligible for TMC, the CEW must evaluate for all other Medi-Cal programs before being discontinued from benefits and evaluated for Advanced Premium Tax Credits (APTC) or Cost Sharing Reductions (CSR) in accordance with ACWDL 14-18.

Pregnant Individuals: The CEW must evaluate the case for TMC. If the determination results in no eligibility for either TMC or any other no-Share-of-Cost (SOC) Medi-Cal program, the pregnant individual shall be evaluated for Continuous Eligibility for Pregnant Women (CEPW), regardless of trimester. The CEPW aid code shall be identical to the original no-SOC aid code unless the beneficiary's income increases over 138 percent FPL, in which case the beneficiary will be eligible for Medi-Cal coverage in

Pregnancy Related Medi-Cal. The beneficiary shall **not** be concurrently enrolled into SOC Medi-Cal, as a SOC amount can be a barrier to a pregnant individual using their no-SOC Medi-Cal.

Children: If the child(ren) remain eligible for a Mandatory Children's group, they are to remain in that coverage group.

If eligibility for a Mandatory Children's group ends, the CEW shall evaluate for Continued Eligibility for Children (CEC) first in accordance with ACWDL 14-05. When the CEC period ends, the child(ren) shall be placed in TMC with any eligible parent/caretaker relative(s) for the remainder of the extended eligibility period.

If the child(ren) is found not eligible for CEC first, the child(ren) shall be placed in TMC with any eligible parent/caretaker relative(s) for the remainder of the extended eligibility period. If found not eligible for a TMC period, the CEW must evaluate for all other Medi-Cal programs before being discontinued from benefits and evaluated for APTC/CSR.

Deemed Infant: A newborn with deemed eligibility (DE) who turns one year old and undergoes a redetermination, and whose family is on TMC or FMC, is eligible with the family for the remainder of the TMC or FMC period if the infant is not eligible under the applicable Mandatory Children's group.

Refer to Enclosure 3, titled *Table of Transitional Medi-Cal and Four-Month Continuing Aid Codes*, for a list of TMC and FMC aid codes.

Policy for Second Extended Eligibility Period of TMC

The policy for the second extended eligibility period of TMC applies to individuals aided for the entire initial extended eligibility period of TMC and to children who would have been aided but who were aided under CEC or DE instead for part or all of the initial extended eligibility period of TMC. There are income limits but no resource limits for the second extended eligibility period of TMC.

To qualify for the second extended eligibility period of TMC, an individual must meet the following requirements:

1. Continuously aided for the entire six-month initial extended eligibility period of TMC or be a child who would have been aided but was aided under CEC or DE instead for part or all of the initial TMC period. This includes any months the individual was placed in aid code 38 or in Soft Pause in lieu of a TMC aid code.

2. Have earned income at or below 202 percent of the FPL. The process for determining countable earned income will use MAGI rules. No separate deduction for childcare expenses needs to be included as the income limit takes this into account.

3. Have at least one dependent child in the household. A dependent child is under the age of 18, or if age 18, enrolled in school and expected to graduate by their 19th birthday. If the only child is unborn, the pregnancy must be in the third trimester. A dependent child may include a child who is receiving SSI/SSP or Adoption Assistance.

4. The family must be continuously employed with a gross monthly-earned income at or below 202 percent of the FPL, unless good cause exists as described in ACWDL 96-19.

   If the family reports decrease in income or no longer employed, the county shall conduct an ex parte review, as defined by ACWDL 14-32 , to determine if they qualify for a more advantageous program. If they are found eligible, the county shall enroll them in the more advantageous program.

5. Complete the quarterly report

   Families enrolled in TMC must report their income through quarterly reports. The first quarterly report is submitted during the 4th month of the initial extended eligibility period by the 21st day of the month.

Process for Second Extended Eligibility Period of TMC

The CEW shall conduct a MAGI Medi-Cal determination by the end of the initial period of TMC, with the information provided on the first quarterly report. If the individual is determined ineligible for MAGI Medi-Cal, the CEW shall evaluate for the second extended eligibility period of TMC. Individuals must submit quarterly reports timely in order to retain TMC eligibility.

If the individual is not eligible for the second extended eligibility period of TMC, the CEW must evaluate for all other Medi-Cal programs before being discontinued from benefits and evaluated for APTC/CSR.

Quarterly Reporting

Families enrolled in TMC must report their income through three quarterly reports. The first quarterly report describing the family's income during the first three months of enrollment in TMC is submitted during the initial extended eligibility period. Submission of the first quarterly report is a requirement for eligibility in the second extended eligibility period. There is no income test for the initial extended eligibility period, and eligibility for the initial extended eligibility period cannot be terminated for failure to submit the report.

The second and third quarterly reports are submitted during the second extended eligibility period. These reports must be submitted timely for a family to retain TMC eligibility. If the reports are not submitted timely, they are allowed a 90-day cure period. Refer to the *Determining TMC or FMC Eligibility During the 90-day Cure Period* section of this letter. Each quarterly report is due by the 21st day of the month following the end of the reporting period, consistent with the table below.

Quarterly Report	Reporting Period	Due Date
1st Quarterly Report	Months 1-3 of the initial extended eligibility period	21st day of month 4
2nd Quarterly Report	Months 4-6 of the initial extended eligibility period	21st day of month 7
3rd Quarterly Report	Months 7-9 of the second extended eligibility period	21st day of month 10

Note: Updated Quarterly Report and Notice of Actions will be released in a separate letter with instructions.

Change in Circumstances

If the family reports any changes that would immediately discontinue TMC eligibility, such as the only eligible child aging out or the family exceeding the 202 percent FPL income limit in the second extended eligibility period of TMC, the county shall immediately evaluate for the Consumer Protection Programs (CPPs). If there is no eligibility under a CPP, the CEW must evaluate for all other Medi-Cal programs before being discontinued from benefits and evaluated for APTC/CSR. If Medi-Cal eligibility continues, the county shall reset the redetermination date based on the effective date of the change.

Redetermination at the End of the Transitional Medi-Cal Period

Counties shall follow the annual redetermination process outlined in ACWDL 14-18 at the end of the second TMC period. If the county is able to complete the redetermination, and it is determined that Medi-Cal eligibility under another program continues, the county shall reset the redetermination date based on the effective date of the change. If the beneficiary is determined not eligible for MAGI Medi-Cal, the CEW must evaluate for all other Medi-Cal programs before being discontinued from benefits and evaluated for APTC/CSR.

Policy for FMC

FMC provides continued Medi-Cal eligibility for individuals who are discontinued from CalWORKs, MAGI Parent/Caretaker Relative group, or MAGI Pregnancy Coverage group*, or their dependent child enrolled in coverage in a Mandatory Children's group, for up to four months due to an increase in spousal support. An increase in child support is no longer a link to FMC.

To qualify for FMC, an individual shall meet all of the following requirements:

1. An Adult aided on CalWORKs or enrolled in the MAGI Parent/Caretaker Relative group or the MAGI Pregnancy Coverage group* in three of the six months immediately preceding the month of ineligibility. Months of retroactive Medi-Cal eligibility count toward the three months.

2. Be discontinued due to increase in spousal support. When multiple changes are reported, the CEW shall determine if the increase in spousal support is part of the reason for the discontinuance. If it is determined that the increase is a part of the reason for the discontinuance, then the family is eligible for FMC.

   Example: A family consists of mom and children (10 year old and 21 year old child). Spousal support increases by $50 a month. During the same month, mom reports that 21 year old child moved out. The family is now over income for CalWORKs. The CEW determines if the $50 increase in spousal support and the household change was the reason for the ineligibility. If the ineligibility was due to a combination of both household change and the increase in spousal support, the family would be eligible for FMC.

3. Have a dependent child in the household

   There must be at least one dependent child in the household. A dependent child is under the age of 18, or if age 18, enrolled in school, and expected to graduate by their 19th birthday. If the only child is unborn, the pregnancy must be in the third trimester. A dependent child may include a child who is receiving SSI/SSP or Adoption Assistance.

Refer to Enclosure 1 titled, *Transitional Medi-Cal and Four-Month Continuing Requirements*, for a list of requirements for TMC and FMC, and Enclosure 3 titled, *Table of Transitional Medi-Cal and Four-Month Continuing Aid Codes*, for a list of TMC and FMC aid codes.

Redetermination at the End of the FMC Period

Counties shall conduct the redetermination by the end of the FMC period. Counties shall follow guidance for change in circumstances, including ex parte review, to complete this redetermination in accordance with ACWDL 14-18.

If the county completes the change in circumstance redetermination and it is determined that Medi-Cal eligibility under another program continues, the county shall reset the redetermination date based on the effective date of the change.

If the family reports any changes that would immediately discontinue FMC eligibility, such as the only eligible child aging out, the county shall immediately evaluate for CPPs. If there is no eligibility under a CPP, then an eligibility assessment for all other Medi-Cal programs must be conducted before they are discontinued from benefits and evaluated for APTC/CSR. If Medi-Cal eligibility continues, the county will reset the redetermination date based on the effective date of the change.

Determining TMC or FMC Eligibility During the 90-day Cure Period

In accordance with the 90-Day cure period requirements found in W&I Code, Section 14005.37, subdivision (i), and Medi-Cal Eligibility Division Information Letter I 14-60, the beneficiary has 90 days after the discontinuance to provide the missing paperwork needed to make an eligibility determination. If the county receives all of the missing information needed to make an eligibility determination, the county shall treat the information as being received timely.

Other Medi-Cal Programs and Their Relationship to TMC/FMC

Deemed Eligibility (DE) for Infants

Deemed infants may provide linkage to otherwise eligible parent(s)/caretaker relative(s) in the MAGI Parent/Caretaker Relative group and for TMC/FMC eligibility, but the formally deemed infant is not eligible for TMC or FMC during the period of DE. However, the deemed infant who turns one year old and undergoes a redetermination, and whose family is on TMC or FMC, is eligible with the family for the remainder of the TMC or FMC extended eligibility period if the infant is not eligible under the applicable Mandatory Children's group.

Former Foster Youth

When a family and/or children are discontinued from or denied from CalWORKS, the MAGI Parent/Caretaker Relative group or MAGI Pregnancy Coverage group*, or a Mandatory Children's group, the county must conduct an ex parte review to determine if any adult household members are eligible for the Former Foster Youth (FFY) program. Information indicating FFY status may be available, for example, on a special screen or noted elsewhere in electronic files. The county shall assess the individual for the FFY program even if the basis for the CalWORKS discontinuance is a loss of contact and whereabouts are unknown.

A household member 18 years or older but under 26 years who is eligible for the FFY program shall be assigned the 4M aid code rather than be assessed for MAGI Medi-Cal, TMC, or FMC. Other members of the household who are not FFY should be assessed for MAGI Medi-Cal, TMC/FMC or Medi-Cal on another basis. As a reminder, a loss of contact shall not affect the eligibility of the FFY for Medi-Cal. Information about the FFY program can be found on ACWDLs 14-41 and 14-41E.

Assessing Medi-Cal after CalWORKs Discontinuance and Denials Process

CalWORKs Discontinuance

With the implementation of ACA, when a family and/or child(ren) are discontinued from CalWORKs, they may be transitioned into aid code 38 while the county reviews for ongoing eligibility. There are certain instances where a family and/or child(ren) shall not be transitioned into aid code 38. Refer to Enclosure 5 titled, *CalWORKs Discontinuance Reasons Ex Parte/Aid Code Decision Table and* ACWDL 01-36 for when the aid code 38 should and should not be applied, and Enclosure 4 titled, *Acceptable County Reported Edwards v. Kizer Term Reasons*, for acceptable term reasons for aid code 38.

Medi-Cal eligibility after a CalWORKs discontinuance shall be determined based on the following order:

1. MAGI Medi-Cal

   The county shall conduct an ex parte review of all available information pursuant to W&I Code, Section 14005.37, subdivision (e)(1), for a MAGI Medi-Cal determination. If there is not enough information, the county shall send a MC 355 to request only the missing information necessary to determine eligibility. The counties shall follow previous guidance in ACWDL 14-18, including documented attempts to contact the beneficiary for necessary missing information. If the tax household information is the only missing information and the family does not provide it within the 30-day timeframe, but there is enough information for the county to assess for Medi-Cal using non-filer household rules, an eligibility determination shall be conducted.

   The counties shall first evaluate for MAGI Medi-Cal eligibility as follows:

   - Adults shall be evaluated for the MAGI Parent/Caretaker Relative group or the MAGI Pregnancy Coverage group*. If adults are not eligible then the county shall evaluate for TMC or FMC.
   - Children shall be evaluated for one of the Mandatory Children's groups. If the children are not eligible for a Mandatory Children's group, the county shall evaluate for CEC before TMC or FMC.

Refer to Enclosure 2 titled, *Table of Pregnancy Group, Parent/Caretaker Relative Group and Mandatory's Children's Group Aid Codes*, for a list of aid codes.

2. TMC/FMC Evaluation

   If the adults do not qualify for the MAGI Parent/Caretaker Relative group or MAGI Pregnancy Coverage group*, the CEW shall evaluate the case for TMC/FMC eligibility first before other Medi-Cal programs. If the individual qualifies for TMC, any months the individual was placed in aid code 38 count towards the TMC period.

   If the child(ren) do not qualify for a Mandatory Children's group the CEW shall evaluate for CEC in accordance with ACWDL 14-05. When the CEC period ends or the children are not eligible for CEC, if appropriate, the child(ren) must be placed in TMC/FMC with any eligible parent(s)/caretaker relative(s) until the TMC/FMC eligibility expires.

Infants under age one, who are eligible for DE will retain Medi-Cal eligibility until age one year and are not eligible for TMC or FMC during the period of DE. The deemed infant who turns one year old and undergoes a redetermination, and whose family is on TMC, is eligible with the family for the remainder of the TMC extended eligibility period if the infant is not eligible under the applicable Mandatory Children's group.

3. Other Medi-Cal programs evaluation

If pregnant and not eligible for the MAGI Parent/Caretaker Relative group or MAGI Pregnancy Coverage group*, and not eligible for TMC or FMC, then the CEW shall evaluate for all other Medi-Cal programs. If the determination results in no eligibility for either TMC or any other no-SOC Medi-Cal program, the individual shall be evaluated for CEPW, regardless of trimester. The CEPW aid code will be identical to the original no-SOC aid code unless the beneficiary's income increases over 138 percent FPL, in which case the beneficiary will be eligible for Medi-Cal coverage in Pregnancy Related Medi-Cal. The beneficiary shall not be concurrently enrolled into SOC Medi-Cal as a SOC amount can be a barrier to a pregnant individual using their no-SOC Medi-Cal.

If the CEW determines that the adults are not eligible for the MAGI Parent/Caretaker Relative group or MAGI Pregnancy Coverage group* or the children are not eligible for a Mandatory Children's group, CEC, TMC, or FMC, then a Medi-Cal eligibility assessment must be conducted in accordance with ACWDL 14-18 and 17-03. The CEW must evaluate for all other Medi-Cal programs including the MAGI new adult group and the other targeted low income program for children before being discontinued from benefits and evaluated for APTC/CSR.

Example: A couple and their son are receiving CalWORKs benefits. During the CalWORKs annual redetermination, the family reports that their son turned 18 years old and is no longer in high school and the family's income increased. The case members are placed in aid code 38. The county evaluates all household members for MAGI Medi-Cal Mandatory eligibility groups and determines that the family is not eligible. The county then evaluates for TMC and determines that the family is not eligible due to not having a dependent child in the home. The county then evaluates for all other Medi-Cal programs including the MAGI new adult group and the other targeted low income program for children and determines that the family is not eligible on any other basis. The county discontinues aid code 38 with 10-day notice, sends the appropriate notices, and evaluates for APTC/CSR.

CalWORKs Denials

When a CalWORKs application is denied, all household members must receive a separate Medi-Cal only determination. The CEW shall begin the evaluation with the ex parte review of all available information and use the date of the CalWORKs application as the Medi-Cal application date.

If a household applies for CalWORKs and one household member is ineligible while other household members are eligible for the program, the CalWORKs eligible individuals shall remain in CalWORKs, without a separate Medi-Cal determination, while the denied household member receives a separate Medi-Cal only determination.

If the CalWORKs denial is due to not completing the CalWORKs application or failure to provide information/verification, the CEW shall determine if the missing information or verification is relevant to an accurate Medi-Cal only determination.

If the determination cannot be completed through the ex parte review, then the county shall request only the missing information needed for a Medi-Cal determination.

If the CalWORKs denial is due to not having satisfactory immigration status, the CEW shall use Medi-Cal immigration status rules, including reasonable opportunity periods (ACWDL 09-27). As a reminder, FFY are eligible for full scope Medi-Cal up to age 26, regardless of immigration status (ACWDL 14-41E). As a further reminder, children up to age 26 can be eligible for Medi-Cal regardless of immigration status (ACWDL 19-23).

If eligibility for Medi-Cal only benefits is established after the ex parte review is completed, the annual redetermination date will be twelve months from the date of the CalWORKs application.

If you have any questions, or if we can provide further information, please contact Bonnie Tran by phone at (916) 345-8063 or by email at Bonnie.Tran@dhcs.ca.gov.

Original Signed by

Yingjia Huang, Acting Chief
Medi-Cal Eligibility Division

Enclosure 1:	Transitional Medi-Cal and Four-Month Continuing Requirements
Enclosure 2:	Table of Pregnancy Group, Parent/Caretaker Group and Mandatory Children's Group Aid Codes
Enclosure 3:	Table of Transitional Medi-Cal and Four-Month Continuing Aid Codes
Enclosure 4:	Acceptable County Reported Edwards v. Kizer Term Reasons
Enclosure 5:	CalWORKs Discontinuance Reasons Ex Parte/Aid Code Decision Table

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Transitional Medi-Cal and Four-Month Continuing Requirements

Program Requirements	**Transitional Medi-Cal (TMC)**		**Four Month Continuing (FMC)**
	1st Period	**2nd Period**	
Aided on CalWORKs, MAGI Pregnancy group, Parent/Caretaker Relative group, or as a dependent child in a Mandatory Children's group in three of the previous six months	X		X
At least one dependent child in household	X	X	X
Increase in earned income or hours of employment is the sole reason for CalWORKs, MAGI Pregnancy group, Parent/Caretaker Relative group, or Mandatory Children's group discontinuance	X		
Increase in spousal support contributed to CalWORKs, MAGI Pregnancy group, Parent/Caretaker Relative group, or Mandatory Children's group discontinuance			X
Increase in child support contributed to CalWORKs, MAGI Pregnancy group, Parent/Caretaker Relative group, or Mandatory Children's group discontinuance			No longer applicable (child support is not counted as income under MAGI)
Enrolled for all six months of first TMC period unless aided by CEC and would have been eligible for TMC for the entire first TMC period		X	
Earned Income at or below 202% FPL for second TMC period		X	
Must remain employed unless there is good cause		X	
Quarterly income reports required for first three months during first period and during second period for eligibility for the second TMC period		X	No longer required
Average monthly income from preceding three months minus childcare expenses must be under 185% FPL	No longer required		No longer required

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Table of Pregnancy Group, Parent/Caretaker Group and Mandatory Children's Group Aid Codes Eligible for TMC and FMC

Program	Aid Code	Description
MAGI Parent/Caretaker Relative Full Scope	M3	Title XIX. Parents/Caretaker Relatives including individuals in the third trimester of pregnancy. Provides full-scope, no-cost Medi-Cal coverage to citizens/lawfully present Parent/Caretaker Relatives with income at or below 109 percent of the Federal Poverty Level (FPL) or 114% for Parents and Caretaker Relatives enrolled in Medicare.
MAGI Parent/Caretaker Relative Pregnancy-Related and Postpartum, Emergency and Long-Term Care services	M4	Title XIX/XXI. Parents/Caretaker Relatives including individuals in the third trimester of pregnancy. Provides pregnancy-related services, including services for conditions that may complicate the pregnancy, postpartum services, emergency services, dental, mental health, SUD and LTC services to undocumented Parent/Caretaker Relatives with income at or below 109 percent FPL or 114% for Parents and Caretaker Relatives enrolled in Medicare. *Note: LTC services refers to both those services included in the per diem base rate of the LTC provider, and those medically necessary services required as part of the patient's day-to-day plan of care in the LTC facility (for example, pharmacy, support surfaces and therapies).*
MAGI Expansion Child (6-19 years) Full Scope	M5	Title XXI. Children ages 6 to 19. Provides full-scope, no-cost Medi-Cal coverage to citizens/lawfully present children with family income of 108 up to and including 133 percent of the FPL.

Program	Aid Code	Description
MAGI Pregnant Women	M7	Title XIX. Pregnant women. Provides full-scope, no-cost Medi-Cal coverage to citizens/lawfully present pregnant women with income up to and including 138 percent of the FPL.
MAGI Pregnant Women Pregnancy-Related and Postpartum, Emergency and Long-Term Care services	M8	Title XIX/XXI. Pregnant women. Provides pregnancy-related services, including services for conditions that may complicate the pregnancy, postpartum services, emergency services, dental, mental health, SUD and LTC services to undocumented pregnant women with income up to and including 138 percent of the FPL. *Note: LTC services refers to both those services included in the per diem base rate of the LTC provider, and those medically necessary services required as part of the patient's day-to-day plan of care in the LTC facility (for example, pharmacy, support surfaces and therapies).*
MAGI ACA Child (6-19 years) Full Scope	P5	Title XIX. Children ages 6 to 19. Provides full-scope, no-cost Medi-Cal coverage with income at or below 133 percent of the FPL.
MAGI ACA Child (1-6 years) Full Scope	P7	Title XIX. Children ages 1 to 6. Provides full-scope, no-cost Medi-Cal coverage with income at or below 142 percent of the FPL.
MAGI ACA Child (1-6 years) Emergency and Long-Term Care services	P8	Title XIX. Children ages 1 to 6. Provides emergency and LTC services to undocumented children with income at or below 142 percent of the FPL.
MAGI ACA Infant (0-1 year) Full Scope	P9	Title XIX. Infants up to 1 year of age. Provides full-scope, no-cost Medi-Cal coverage with income at or below 208 percent of the FPL.
MAGI ACA Infant (0-1 year) Emergency and Long-Term Care services	P0	Title XIX. Infants up to 1 year of age. Provides emergency and LTC services to undocumented children with income at or below 208 percent of the FPL.

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Table of Transitional Medi-Cal and Four-Month Continuing Aid Codes

Program	Full Benefits	Pregnancy-Related (including dental and mental health), Emergency, and Long-Term Care Benefits
TMC - Initial Period	39	3T
TMC - Second Period	59	5T
Four-Month Continuing	54	5W

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

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DIRECTOR

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Acceptable County Termination Reasons for Edwards v. Kizer

Term Reason	Title
01	Discontinuance Due to Death
03	Discontinuance at Recipient Request (Medi-Cal Only, CalWORKs/Medi-Cal)
04	Did Not Cooperate (Medi-Cal Only)
20	Term Medi-Cal (Claim of Disability)
35	CalWORKs Term, MEDS eligibility (e.g. Foster Care) reported under Another MEDS-ID by county agency
38	Determined ineligible for Medi-Cal Only
44	Resident of Public Institution
48	Loss of legal residence
57	CalWORKs recipient has been transferred into the SSI/SSP program

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Department of Health Care Services

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CalWORKs Discontinuance Reasons Ex Parte/Aid Code Decision Table

Reason for CalWORKs Discontinuance*	**Ex Parte Required**	**Required Aid Code 38 Placement**
Loss of California residency	No	No
Written request to discontinue CalWORKs and Medi-Cal	No	No
Death of beneficiary	No	No
Transition into another Public Assistance program that provides Medi-Cal benefits	No	No
Semi-annual income report not provided	Yes**	Yes***
Non-cooperation with Welfare to Work requirements	Yes**	Yes***
Expiration of CalWORKs time limits	Yes**	Yes***
CalWORKs annual Redetermination not completed	Yes	Yes
Loss of contact/whereabouts unknown	Yes	Yes
Only eligible child leaves home or exceeds age limits	Yes	Yes
Change in household composition that has resulted in non-cooperation with the evidence gathering requirements for the AU	Yes	Yes
Change in household circumstances that affect CalWORKs eligibility	Yes	Yes
Resources exceed limits	Yes	Yes
Income exceeds standards	Yes	Yes
Child support requirements not met	Yes	Yes
Only eligible child exceeds age requirements and beneficiary claims disability	Yes	No

*Counties are encouraged to contact DHCS for further guidance on other discontinued CalWORKs reasons when uncertain as to what action is necessary.

** Previously, in ACWDL 01-36 these discontinuance reasons did not require an ex parte determination. This was because the 1931(b) program and CalWORKs were aligned. Because this is no longer true, counties must perform the ex parte for CalWORKs cases discontinued for these reasons.

*** Previously in ACWDL 01-36 beneficiaries discontinued for these reasons were placed in aid code 3N. 3N is being phased out and beneficiaries will no longer be placed in aid code 3N.