



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



GAVIN NEWSOM
GOVERNOR

DATE: July 14, 2020

TO: ALL COUNTY WELFARE DIRECTORS Letter No: I20-21
ALL COUNTY ADMINISTRATIVE OFFICERS
ALL COUNTY MEDI-CAL PROGRAM SPECIALISTS/LIAISONS
ALL COUNTY HEALTH EXECUTIVES
ALL COUNTY MENTAL HEALTH DIRECTORS
ALL CONSORTIA PROJECT MANAGERS

SUBJECT: Modified Adjusted Gross Income Medi-Cal Household Compositions
FREQUENTLY ASKED QUESTIONS
(Ref: ACWDL 20-10)

The purpose of this Medi-Cal Eligibility Division Information Letter (MEDIL) is to provide clarification to counties on Modified Adjusted Gross Income (MAGI) Medi-Cal household compositions outlined in All County Welfare Directors Letter [\(ACWDL\) 20-10](#) and respond to frequently asked questions about MAGI Medi-Cal household composition.

If you have any questions, or if we can provide further information, please contact Eric Sweeney, by phone at 916-345-8056 or by email at Eric.Sweeney@dhcs.ca.gov.

Original Signed By

Sandra Williams, Chief
Medi-Cal Eligibility Division

Enclosure

Frequently Asked Questions (FAQs) For ACWDL 20-10
Posted: 07/13/2020

1. ***Q:*** *When are married individuals included in each other's MAGI Medi-Cal household compositions?*

A: Per [ACWDL 20-10](#), page 27, married individuals are always included in each other's MAGI Medi-Cal household composition regardless of tax filing status. However, the exception to this rule is when the married individuals are not living in the same home **and** are both filing taxes separately.

2. ***Q:*** *Are victims of intimate partner violence allowed to be exempt from including their spouse on the case when they self-attest to planning to file as "Married Filing Jointly" for the current year but will be filing separately in future years?*

A: In situations where the victim of intimate partner violence plans to file taxes as "Married Filing Jointly" in the current year but self-attest that they will not file "Married Filing Jointly" in the next year, county eligibility workers may exempt the individual from providing their spouses information based on the 'reasonably predictable changes' rule referenced in [ACWDL 20-10](#) for the current year.

For more information on MAGI household composition for victims of intimate partner violence, see [ACWDL 20-10](#), page 21.

3. ***Q:*** *When an individual reports a change in circumstance such as income, are counties expected to confirm tax filing status? What if the change is reported electronically or by mail?*

A: Counties are only expected to inquire about tax filing information when a change in circumstance is reported and the county has direct contact with the applicant or beneficiary. Counties do not need to request updated tax filing information if a change in circumstance is received electronically or by mail, unless tax filing information for anyone on the case is missing. The Notice of Action (NOA) sent to the individual after a reported change in circumstance (as detailed in [ACWDL 19-03](#)) will include the tax filing information used in the eligibility determination which instructs the beneficiary to alert the county if the information is incorrect.

4. **Q:** *When an individual starts an application in the California Healthcare Eligibility, Enrollment, and Retention System (CalHEERS) but stops based on the pop up message in the application to contact the county if they are unable to add their spouse, how shall counties complete the application?*

A: The county eligibility worker will need to determine the reason the individual does not want to include their spouse on the application and follow the guidance outlined in [ACWDL 20-10](#). The county eligibility worker should start a new application in SAWS when an application was already started in CalHEERS, but not submitted. Cases that are never submitted in CalHEERS will be closed automatically by CalHEERS.

5. **Q:** *What actions do counties take when two different individuals self-attest to claiming the same person as a tax dependent?*

A: There may be occasions when two separate individuals both claim the same person as a tax dependent. In these situations, counties should follow the guidance outlined in the “Future Changes or When Tax Filing Status is Uncertain” section of [ACWDL 20-10](#). This section instructs county eligibility workers to follow 42 CFR 435.603(f)(5) and apply non-filer rules when determining the MAGI household composition. This rule shall be applied at application, redetermination, and change in circumstance.

If there is confusion about who the tax dependent lives with, the counties shall follow the guidance outlined in the “Joint Custody and Determining the Custodial Parent” on page 23 of [ACWDL 20-10](#) to determine the tax dependents primary residence.

6. **Q:** *How do counties apply the ‘Reasonably Predictable Changes’ option?*

A: There are special circumstances where MAGI Medi-Cal household compositions may be determined using the ‘reasonably predictable future changes’ option. These situations include victims of intimate partner violence, homeless youth, and when there is an indication that the tax filing status of an individual will change in the following year due to a special circumstance as described in [ACWDL 20-10](#), pages 20 and 26.

When presented with this information, counties shall redetermine eligibility using the following year’s tax filing status and living situation to determine the MAGI household composition of everyone in the case. Applying ‘reasonably predictable future changes’ rule to a case may have an impact on an individual’s Advance

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Premium Tax Credit (APTC) subsidy amount (if eligible) and the county eligibility worker should inform the individual when discussing the special circumstances of their case.