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

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Medi-Cal Eligibility Division Information Letter No.: 22-20

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

SUBJECT: UPDATES REGARDING THE APPROVAL OF TEMPORARY WAIVER REQUESTS AS A RESULT OF THE COVID-19 PUBLIC HEALTH EMERGENCY

The purpose of this Medi-Cal Eligibility Division Information Letter is to instruct counties on the CMS approved Section1902(e)(14)(A) temporary waiver request strategies requested by the Department of Health Care Services (DHCS) to assist in the unwinding of the COVID-19 Public Health Emergency (PHE).

Background: On March 3, 2022, the Centers for Medicare & Medicaid Services (CMS) released the State Health Official (SHO) letter #22-001. This letter described strategies to assist in addressing the challenges states may face as part of the transition to normal operations once the COVID-19 PHE provisions have ended. In order to undertake these challenges, maximize continuity of coverage, and to address the increased caseload at the county level, DHCS requested and received approval from CMS for the following Section1902(e)(14)(A) strategies:

- Ex Parte Renewal for Individuals with No Income and No Data Returned,
- Facilitating Renewal for Individuals with no Asset Verification System (AVS) Data Returned within a Reasonable Timeframe, and
- Partnering with Managed Care Plans to Update Beneficiary Contact Information

On May 4, 2022, CMS approved DHCS' Section 1902(e)(14)(A) waiver requests. This MEDIL outlines the select flexibility strategies that were approved. DHCS will release further guidance on each flexibility, as well as any other flexibilities pending approval, if and when CMS approves them. The temporary flexibilities were effective May 1, 2022 and will continue throughout the 12-month COVID-19 PHE unwinding period. The temporary flexibilities applies to all Medi-Cal and Children's Health Insurance Program populations.

Policy

1. Ex Parte Renewal for Individuals with No Income and No Data Returned

When an individual reports no income (also referenced as "zero income") county eligibility workers (CEWs) are instructed to follow the same guidance as other types of income by requesting additional information when the self-attested zero income was not reasonably compatible with the federal data services hub, per ACWDL 21-04. Upon approval of the ex parte renewal for individuals with no income and no data returned waiver, CEWs can temporarily complete the income determination for ex parte renewals without requesting additional income information or documentation when:

- The most recent income determination (either at initial application or most recent renewal) was no earlier than 12 months prior to the beginning of the PHE; and
- After the CEW has checked all financial data sources in accordance with the MAGI Based Eligibility Verification Plan and no information is received or found.

CEWs must continue to take appropriate steps to complete an ex parte determination of the non-financial components of eligibility consistent with current policies and procedures, outlined in the MAGI Based Eligibility Verification Plan, implementing 42 C.F.R. §§ 435.916 and 435.956.

2. Facilitating Renewal for Individuals with no Asset Verification Program Data Returned within a Reasonable Timeframe

Welfare and Institutions Code (WIC) section 14005.37 requires that CEWs conduct an ex parte review, at annual renewal or from a reported change in circumstance, utilizing all available information that could affect eligibility for Medi-Cal. With this, the Asset Verification Program (AVP) data reports fall under the purview of available information and are necessary for use in ex parte reviews.

CMS has granted authority for CEWs to assume that there has been no change in resources that are verified through the AVP when no information is returned through the AVP or when the AVP call is not returned within a reasonable timeframe. In these scenarios, CEWs are able to complete an ex parte renewal process without any further verification of assets. CMS approved the reasonable timeframe to be defined as:

- 20 calendar days for new applications, reported change in circumstance, and responsible relative reports, and
- 30 calendar days for annual renewal reports.

For example, every Friday, DHCS compiles AVP data reports that is then sent to the appropriate county for review. The 20 day reasonable timeframe must begin the Monday after counties receive the AVP report, while the 30 day reasonable timeframe, for annual renewal reports, must begin on the 5th of each month. If either the Monday or the 5th of the month falls on a weekend or a holiday, CEWs must begin the reasonable timeframe count on the following business day.

When information from the AVP is received indicating potential ineligibility after a beneficiary has received notice that their coverage has been renewed, CEWs must treat such information as a change in circumstance, which may affect eligibility and CEWs must redetermine the beneficiary's eligibility in accordance with 42 C.F.R. § 435.916(d). CEWs must ensure that all Medi-Cal beneficiaries are notified that their eligibility was redetermined using information received through AVP, and if any of the information contained in the notice is inaccurate, the county will redetermine their eligibility in accordance with 42 C.F.R. § 435.916(d) if the beneficiary informs the agency of any such inaccuracies that may impact eligibility.

3. Partnering with Managed Care Plans (MCPs) to Update Beneficiary Contact Information

Per WIC § 14005.36, in order to maintain the most up-to-date Medi-Cal beneficiary contact information, MCPs are encouraged to obtain Medi-Cal beneficiary's updated contact information and report the information to counties. MCPs are also required to obtain consent, or the beneficiary's approval, to share the updated contact information with the county. If consent was not given, counties were instructed to follow-up with the beneficiary to verify the updated contact information.

To further strengthen all efforts to maximize continuity of coverage for Medi-Cal beneficiaries, CMS approved to temporarily permit the acceptance of updated beneficiary contact information from MCPs without additional confirmation from the beneficiary. Under this authority, CEWs would treat updated contact information confirmed by and received from MCPs as reliable. CEWs are temporarily allowed to update the beneficiary record with the new contact information without having to first send a notice to the beneficiary address on file. In implementing this option, MCPs will continue to:

- Provide updated contact information that was received directly from or verified with the beneficiary, an adult who is in the beneficiary's household or family, or the beneficiary's authorized representative recognized by the health plan,

- Not accept contact information provided to them by a third party or other source if not independently verified with the beneficiary, an adult who is in the beneficiary's household or family, or the beneficiary's authorized representative recognized by the MCP, and
- Assure that the beneficiary contact information provided is more recent than the information on file with the county.

DHCS will provide further guidance on each of these waiver approvals in upcoming ACWDLs.

If you have any questions or require additional information, please contact Janis Kimball at (916) 345-8060 or by email at Janis.Kimball@dhcs.ca.gov.

Original Signed By

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