



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



JERRY BROWN
Governor

December 21, 2012

TO: ALL COUNTY WELFARE DIRECTORS Letter No.: 12-39
ALL COUNTY WELFARE ADMINISTRATIVE OFFICERS
ALL COUNTY MEDI-CAL PROGRAM SPECIALISTS/LIAISONS
ALL COUNTY HEALTH EXECUTIVES
ALL COUNTY MENTAL HEALTH DIRECTORS
ALL COUNTY MEDS LIAISONS

SUBJECT: Incarceration Verification Program

The Department of Health Care Services (DHCS) is implementing an Incarceration Verification Program (IVP) using the Nationwide Prisoner Match (NPM) system to identify individuals who are ineligible for Medi-Cal benefits due to incarceration. The purpose of this letter is to provide County Welfare Departments (CWD) with instructions for coordinating with DHCS in regards to Medi-Cal discontinuances that will result from the IVP, pursuant to Welfare and Institutions Code, Section 14005.39.

Background

Federal law and guidance generally states that Federal Financial Participation (FFP) is not available in expenditures for services provided to inmates of public institutions [42, United States Code Section 1396d(a)(28)(A) and Title 42, Code of Federal Regulation, Section 435.1009] except for covered inpatient services received off the grounds of the correctional facility. Similarly, state law generally disallows eligibility for Medi-Cal services to inmates of public institutions (Welfare and Institutions Code, Section 14053 and 22 California Code of Regulations Section 50273). However, recent statutes allow the state to provide Medi-Cal coverage of inpatient services provided to eligible inmates if those services are received off the grounds of the correctional facility.

Nationwide Prisoner Match Background

The NPM matches Medi-Cal beneficiary information with the Social Security Administration's (SSA) Prisoner Update Program System database which contains data from jails, prisons, and incarceration facilities. The NPM is the key system for identifying individuals who are ineligible due to incarceration.

Matching Process

The IVP data process consists of six main steps:

- 1) DHCS extracts data from the Medi-Cal Eligibility Data System (MEDS) to match with the NPM to identify ineligible incarcerated Medi-Cal beneficiaries.
- 2) DHCS verifies the incarceration status of the matches by contacting the appropriate correctional facilities.
- 3) DHCS sends incarcerated Medi-Cal beneficiaries verification letters to confirm incarceration status.
- 4) DHCS will perform discontinuance actions for ineligible incarcerated Medi-Cal beneficiaries that confirm incarceration status or did not respond within 10 days.
- 5) DHCS sends CWDs discontinuance lists.
- 6) CWDs finalize discontinuances by appropriately updating their systems or case files to accurately reflect the ineligibility of discontinued inmates and redetermining eligibility for the remaining members of the household.

Verification Process

DHCS will send incarceration verification letters to those Medi-Cal beneficiaries which the IVP identifies as still receiving Medi-Cal, and whom the facilities confirm are incarcerated. The purpose of the letter is to request that the Medi-Cal beneficiaries contact DHCS to confirm that they are not residing in an incarceration facility. DHCS will send the letter to the address appearing on MEDS.

The incarceration verification letters will provide Medi-Cal beneficiaries with a simplified method for confirming that they are not residing in an incarceration facility. The letters will contain confidential reply cards to complete and return to DHCS. The reply card will provide additional confirmation, in the event correctional records are inaccurate or out of date, or due to early prison release programs. The letters will inform the beneficiaries that the status of their incarceration may also be verified by contacting an eligibility worker at CWD. DHCS will record the responses of the beneficiaries and identify those beneficiaries that did not respond to DHCS or CWD. Refer to Attachment 1 for a sample incarceration verification letter and reply card.

If the individuals do not reply to DHCS or to CWD within 10 days, DHCS will consider the individuals nonresponsive, ineligible beneficiaries. DHCS will discontinue nonresponsive individuals. An "ex parte" review is not required if the individual is incarcerated. Notices of action will then be sent to the residence addresses appearing in MEDS. The notices will provide the individual with the reasons for discontinuance and provide the individuals with instructions on how to request reinstatement of eligibility

upon their release from incarceration. Refer to Attachment 2 for a sample discontinuance notice (response) and Attachment 3 for a sample discontinuance notice (no response). CWDs do not need to issue notices for the DHCS discontinuance actions.

Incarcerated Juveniles

The IVP focuses on adult inmates. Therefore, DHCS is not including juveniles (individuals under 21) that are identified by the NPM in the IVP.

Inmate Eligibility Coordination

DHCS IVP staff will coordinate with state Medi-Cal Inmate Eligibility Program (MCIEP) staff to ensure that eligible inmates receiving MCIEP benefits are not discontinued if they are identified by the data match. The DHCS Inmate Eligibility Unit will review the monthly IVP discontinuance list to ensure that the IVP will not discontinue eligible inmates.

CWD Coordination

Although the incarceration verification letter will instruct Medi-Cal beneficiaries to return the reply card directly to DHCS, some Medi-Cal beneficiaries may contact CWDs. CWDs may accept the signed reply card from the Medi-Cal beneficiary, but must notify DHCS within two business days of receiving the beneficiary responses. CWDs must notify DHCS via email at ivp@dhcs.ca.gov. Upon receiving the beneficiary responses, CWDs may also choose to redirect the reply card to DHCS instead. Also, if CWD discovers that a discontinued individual is participating in a pre-release application process, CWD should follow the procedures outlined in ACWDL 09-16.

Discontinuance Reports

DHCS will inform CWDs of the Medi-Cal discontinuances performed at the state level. Information will be provided to CWDs in spreadsheet format discontinuance reports, which include the effective date of the discontinuance action performed at the state level. CWDs must then update the eligibility status of the discontinued beneficiaries in their systems and/or case files to prevent erroneous reconciliation actions.

The discontinuance reports consist of a nine column spreadsheet as follows:

Column	Values
A	Client Index Number (CIN)
B	County-ID
C	County Number
D	Name
E	Address
F	City-State-Zip
G	Discontinuance Reason
H	Worker Code
I	District Code

Treatment of Other Household Members

In the event that the beneficiaries have been verified as incarcerated, CWDs must review other members of the beneficiaries' case to determine if their eligibility for Medi-Cal has changed. When Medi-Cal beneficiaries are discontinued by DHCS as a result of the IVP, and the discontinued beneficiaries established eligibility for other household members, CWDs must review the case files and redetermine eligibility for the spouses and/or dependents as appropriate.

Treatment of Joint Cases

Some beneficiaries identified by IVP may have a "joint-case", meaning they are receiving both CalWORKS and Medi-Cal benefits. IVP will only handle the discontinuance of Medi-Cal benefits. CWDs should follow existing procedures on how to handle joint cases.

State Administrative Hearing Requests

If beneficiaries disagree with IVP discontinuance actions, the beneficiaries may request a State Administrative Hearing. As long as the criteria for the reinstatement of eligibility are met, it is unlikely that hearings will be necessary. In the event that a CWD needs to collect facts from DHCS to prepare for hearings related to IVP discontinuance actions, CWDs should contact DHCS at ivp@dhcs.ca.gov.

Reinstatement of Eligibility

Upon release from the correctional facilities, the discontinued beneficiaries may seek reinstatement. When the beneficiaries present themselves to CWD seeking reinstatement or benefit restoration, follow these guidelines:

- If the beneficiaries provide documentation to CWDs within 30 days of the effective date of discontinuance, which substantiates that: (1) they are not residing in an incarceration facility, and (2) they are a resident of California, CWDs must reinstate eligibility for the discontinued beneficiaries.
- If the beneficiaries provide documentation to CWDs after 30 days from the effective date of discontinuance, which substantiates that (1) they are not residing in an incarceration facility, and (2) they are a resident of California, CWDs must request that the discontinued beneficiaries submit a new Statement of Facts and additional application materials as necessary.

CWD Contact Information Requested

DHCS requests that CWDs appoint a representative that is responsible for coordinating with DHCS regarding IVP to Mr. Kevin Phan via email by February 28, 2013. DHCS intends to notify CWD representatives via email when DHCS is performing discontinuance actions. Alternate transmission methods are available for CWDs that prefer to receive lists through other means than via email.

If you have any questions regarding the instructions of this ACWDL, or if we can provide further information, please contact Mr. Kevin Phan at (916) 327-0404 or by email at Kevin.Phan@dhcs.ca.gov.

If you have any questions or information for the IVP, please email ivp@dhcs.ca.gov or by fax at (916) 440-5265.

Sincerely,

Original Signed By

Azadeh Fares, Chief (Acting)
Medi-Cal Eligibility Division

Enclosures



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



JERRY BROWN
Governor

ATTACHMENT 1
Page 1

Date

Mr. John Doe
Street Address
City, ST Zip

Dear Mr. Doe:

This letter asks you to contact the Department of Health Care Services (DHCS) to confirm that you are not incarcerated in a prison, jail or correctional facility. Individuals who are incarcerated are not eligible for Medi-Cal benefits.

You are currently receiving Medi-Cal benefits as determined by your local County Welfare Department. Our records indicate that you are currently in a prison, jail or correctional facility which makes you ineligible for Medi-Cal benefits. If you are not in a prison, jail or correctional facility, please check the “no” box, sign the card, and return it to DHCS. If the person mentioned above is currently residing in a prison, jail or correctional facility, please check the “yes” box, sign the card, and return it to DHCS. You do not need a stamp to return this card.

DHCS will discontinue your Medi-Cal benefits if you do not return this card to DHCS within 10 days or if the reply card is returned confirming that the person mentioned above is currently in a prison, jail or correctional facility.

If you have any questions regarding this letter, please email ivp@dhcs.ca.gov or by fax at (916) 440-5265. You can also contact your Medi-Cal eligibility worker at your local county welfare department to ask questions or to submit a signed reply card.

<<DETACH REPLY CARD>>

<<REPLY CARD TEXT>>

- Yes, I am currently residing in a prison, jail or correctional facility.
- No, I am not currently residing in a prison, jail or correctional facility.

I declare under penalty of perjury under the laws of the State of California that the response I have given on this reply card is correct and true to the best of my knowledge and belief. I declare that I have read and understand the letter, the instructions, the declarations, and all the information printed on the reply card.

Signature

Date

NOTICE OF ACTION
DISCONTINUANCE OF BENEFITS
RESIDING IN A PUBLIC INSTITUTION

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Notice Date: _____

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DISCONTINUANCE OF BENEFITS NOTICE FOR:

[Insert Name\(s\) Here](#)

We have asked you to confirm that you are not residing in a prison, jail or correctional facility. Based on your response, your eligibility to receive Medi-Cal will be discontinued effective the last day of _____.

The reason for this discontinuance is:

Your Medi-Cal benefits were discontinued because you told us you are currently living in a prison, jail or correctional facility. You may not receive Medi-Cal benefits if you are incarcerated.

Please Note: Other family members with different eligibility status will receive a separate notice. Please call your county welfare department if you need additional information about this notice.

DO NOT THROW AWAY YOUR BENEFITS IDENTIFICATION CARD (BIC)

If you already have a plastic Benefits Identification Card (BIC), do not throw it away. You can use it again if you become eligible for Medi-Cal.

We based this discontinuance action on information we have received from a correctional facility. You should call or write your county welfare department right away if you have any questions about this action or if the information in the notice is not correct. You can appeal this discontinuance. Follow the directions on the back of this page. You can reapply at any time.

RULES: This action is required by California Code 22 CCR § 50273(a) and 50175; Title 42, United States Code (USC), Section 1396d and Title 42, Code of Federal Regulation (CFR), Section 435.1009(a)(l); as well as Welfare and Institutions Code (WIC) 14005.37, 14005.39, and 14053. If you think this action is incorrect, you can request a hearing. The back of this page explains how to request a hearing.

