



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



**EDMUND G. BROWN JR.**  
*Governor*

July 19, 2013

TO: ALL COUNTY WELFARE DIRECTORS Letter No.: 13 -17  
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: FILE RETENTION REQUIREMENTS – REMINDER

**PURPOSE AND BACKGROUND**

The purpose of this All County Welfare Directors Letter (ACWDL) is to provide counties with requirements associated with the retention of documents in paper files and/or imaged files of Medi-Cal cases. As required of non-federal entities that expend federal awards under more than one federal program, a Single Audit was performed by Klynveld, Peat, Marwick, and Goerdeler (KPMG) in 2012 in accordance with Section 7502 of Title 31 of the United States Code. One facet of the Single Audit included an independent audit of 100 selected county eligibility case files to identify any eligibility-related errors made by the counties.

The KPMG audit found that counties did not consistently retain required documentation, such as the original Medi-Cal application or verification documentation, in the case record. As a result of the findings and recommendations contained in KPMG's Independent Auditor's Report, we are reaffirming ACWDL No.: 00-31, Elimination of Face-to-Face Interview at Application because this ACWDL provides guidance on case record documentation and adequacy. ACWDL No.: 00-31 may be accessed at this link:  
<http://www.dhcs.ca.gov/services/medi-cal/eligibility/Documents/c00-31.pdf>

ACWDL No.: 00-31 advises counties that each case record must contain adequate information with supportive documentation to verify an individual's eligibility. Necessary documentation includes the original application, income and resource verifications. In addition, Welfare and Institutions Code 10850 requires the confidential maintenance of applications and Welfare and Institutions Code 10851(a) states, "The case record must be maintained for a period of three years. The three-year retention period begins on the date

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on which public social services were last provided.” Please ensure immediate compliance with these file retention requirements.

If you have questions about this letter, please contact Linda Torn, Chief, Los Angeles Unit, Program Review Branch, Medi-Cal Eligibility Division, at 213-897-0980 or [linda.torn@dhcs.ca.gov](mailto:linda.torn@dhcs.ca.gov).

**Original signed by**

Tara Naisbitt, Chief  
Medi-Cal Eligibility Division