



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



DATE: September 16, 2021

Medi-Cal Eligibility Division Information Letter No.: 21-19

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

SUBJECT: Expiration of Pandemic Unemployment Benefits from the American Rescue Plan Act and Coronavirus Aid, Relief, and Economic Security Act

The purpose of this Medi-Cal Eligibility Division Information Letter (MEDIL) is to provide counties with reminders for case processing and information regarding the expiration of pandemic unemployment benefits from the provisions of the American Rescue Plan Act (ARPA) of 2021 and the Coronavirus Aid, Relief, and Economic Security (CARES) Act.

The expiration eliminates the following federal unemployment benefits:

- Pandemic Unemployment Assistance (PUA): The last payable week of PUA, which provides up to 79 weeks of benefits, is the week ending on September 4, 2021. The last day to apply for PUA is October 6, 2021, for weeks of unemployment before September 4, 2021.
- Pandemic Unemployment Emergency Compensation (PEUC): The last payable week of PEUC, which provides up to 53 weeks of benefits if all available Unemployment Insurance benefits have been used, is the week ending on September 4, 2021.
- Federal-State Extended Duration (FED-ED) extension: The last week of unemployment for which full federal funding of the FED-ED extension of unemployment, which provides up to 13 weeks of benefits, is the week ending on September 11, 2021. As a result, all FED-ED benefits (including the minimum 13 weeks) will expire.
- Federal Pandemic Unemployment Compensation (FPUC): The last week of unemployment for which the \$300 weekly supplement to state and federal unemployment benefits may be paid is the week ending on September 4, 2021.

- Mixed Earner Unemployment Compensation (MEUC): The last week of unemployment for which the \$100 supplement may be paid to MEUC claimants is the week ending on September 4, 2021. The MEUC has been available to claimants who receive regular unemployment or extension benefits and earned self-employment income in the year before their claim.

In order to assist individuals in gaining access to health care due to unemployment benefits expiring, counties must continue to prioritize eligibility determinations for new applications, redeterminations for reported change in circumstances that would provide access to care, and eligibility determinations for transitioning cases in Carry Forward Status (CFS) to prevent gaps in coverage.

Please note that individuals who are newly applying for CalFresh and Medi-Cal may already have an existing Covered California case. Counties must file clear in order to determine if a case already exists. Counties should report the income change directly in California Healthcare, Eligibility, Enrollment and Retention System (CalHEERS). If the county determines that there is an existing case, but is unable to receive a Determination of Eligibility Response (DER) from CalHEERS, then the county must submit a CalHEERS ticket to receive the DER.

The Department of Health Care Services (DHCS) is currently working to update CalHEERS to provide messaging to consumers about the expiration of pandemic unemployment benefits. Messaging will also instruct consumers to review and update contact information. DHCS has also worked with the Employment Development Department (EDD) to include information about Medi-Cal on outreach materials.

Expanded Financial Help for Covered California

The passage of the American Rescue Plan Act of 2021 (Public Law 117-2) expanded financial help for Covered California. As a result, Covered California launched a special enrollment period on April 12, 2021, to allow Californians to benefit from lower health insurance premiums and additional eligibility to enroll and for financial help available through the American Rescue Plan. The American Rescue Plan lowers health care premium costs for people who get coverage through Covered California by providing new and expanded subsidies to make health insurance more affordable. The new law ensures that everyone eligible will pay no more than 8.5 percent of their household income on their health care premiums for a benchmark Silver plan purchased through Covered California. Existing consumers in Covered California do not need to take any action since Covered California will automatically apply the increased advanced

premium tax credit to their accounts (unless they have requested that Covered California not provide all of the advanced premium tax credit they are eligible for).

Covered California initiated a batch run for all Covered California consumers in April 2021 to grant enhanced benefits. One of the populations that was excluded from the batch were households with at least one member in CFS, since these consumers are potentially eligible to Medi-Cal. These households will not receive any change in financial assistance between when they were placed in CFS and when a determination was made; this could prevent the household from getting timely access to the enhanced benefits. In addition, the additional Premium Tax Credit provided by the American Rescue Plan is greater than that provided by the California Premium Subsidy (also known as the “state subsidy”) – resulting in most Covered California enrollees no longer receiving the state subsidy. However, consumers placed in CFS continue to receive the state subsidy, rather than the greater federal Premium Tax Credit. Counties have been instructed to prioritize clearing CFS cases before the end of 2021, after which no state subsidy will be provided.

As a reminder, the DHCS previously instructed counties to prioritize processing eligibility determinations for transitioning cases in CFS during the COVID-19 public health emergency in Medi-Cal Eligibility Division Information Letters (MEDIL) I [20-08](#), I [20-15](#), and I [21-04](#). Counties may see an increase in CFS cases due to more individuals potentially becoming Medi-Cal eligible due to the end of unemployment benefits provided under ARPA. Counties are reminded to continue to prioritize these 2021 transitioning cases in CFS in order to avoid potential tax liabilities for consumers.

Processing Determinations for Consumers in CFS

Due to the September 2021 expiration of the of the unemployment benefits provided by ARPA, DHCS expects that more Covered California consumers will be reporting changes in income and placed in CFS in these three different transitioning scenarios:

1. A change in circumstances prior to 2022 Covered California active renewal period;
2. During the 2022 Covered California active renewal period; or
3. Consumers reporting income changes after actively completing the 2022 Covered California annual renewal.

Counties will receive and work cases as follows:

- For cases reporting decreased income as a change in circumstance made prior to Covered California renewal period, counties can immediately work the case with a current 2021 effective date.

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- During the 2022 Covered California annual renewal, a consumer will be given the option to choose which year to display, between the current year (2021) or the renewal year (2022).
 - For consumers who select the current year (Report a change page) and report decreased income, counties can immediately work the case with a current 2021 effective date.
 - For cases completing the 2022 Covered California annual renewal and do not report the decrease in income for 2021 in a separate report a change, there will be an effective CFS date of January 2022. Counties will process the case when available in the Statewide Automated Welfare System (SAWS) but will not apply changes until January 2022.
 - Please note that if determined Medi-Cal eligible in January 2022, the consumer may request Medi-Cal retroactive coverage for up to three months prior to January 2022.
- For cases completing a 2022 Covered California annual renewal reporting a change in income beginning January 2022, there will be an effective CFS date of January 2022. Counties will process the case when available in SAWS and apply this change effective January 2022.
 - Please note that if determined Medi-Cal eligible in January 2022, the consumer may request Medi-Cal coverage for up to three retroactive months prior to January 2022.

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

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