



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



November 9, 2022

Medi-Cal Eligibility Division Information Letter No.: I 22-45

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

SUBJECT: UPDATES REGARDING THE PROCESSING OF RETURNED MAIL WITH
IN-STATE FORWARDING ADDRESS

The purpose of this Medi-Cal Eligibility Division Letter (MEDIL) is for the Department of Health Care Services (DHCS) to provide counties with guidance with updates on processing beneficiary address changes from undeliverable mail with an in-state forwarding address.

Background

To assist states with the unwinding of the COVID-19 Public Health Emergency (PHE), the Centers for Medicare and Medicaid Services (CMS) released various strategies to streamline the resumption of routine operations. CMS recognized that due to the PHE and the continuous coverage enrollment requirement, counties may have had minimal or no contact with many beneficiaries for several years. Eligible individuals whose contact information is out of date in county records risk losing coverage after the continuous enrollment condition expires.

In order to promote retention of coverage or to facilitate seamless coverage transitions, it is critical that beneficiaries receive renewal forms and other program information on a timely basis. To that end, outlined below are additional flexibilities to ensure these issues are minimized once the PHE provisions end.

Note: At time of publication, DHCS has not been given a 60-day notice regarding the end date of the PHE. DHCS will notify counties through a follow-up letter once notification has been received.

Policy

USPS and the NCOA Updated Beneficiary Contact Information Process

[ACWDL 22-09](#) outlined county requirements and steps that county eligibility workers (CEWs) must take when mail sent to a beneficiary is returned as undeliverable. Noted in Step 3 in the *County Requirements For Processing Undeliverable Mail* section, CEWs

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were required to send the MC 355 to the beneficiary's last known address, with a 30-day deadline to return the requested information to the county. In order to increase administrative efficiencies, DHCS requested that CMS provide authority under section 1902(e)(14)(A) of the Act to temporarily permit counties to accept updated in-state beneficiary contact information from the United States Postal Services (USPS) National Change of Address (NCOA) database and USPS in-state forwarding address when mail is returned without additional confirmation from the individual.

Effective October 18, 2022, counties can treat updated in-state beneficiary contact information received from NCOA or USPS returned in-state mail as reliable and valid. With this authority, CEWs are allowed to update the beneficiary's case record with the new contact information without first sending the MC 355 to the beneficiary address on file for Medi-Cal cases without a Calfresh or CalWORKs companion case. This temporary authority granted by CMS **does not** apply to out-of-state addresses received by NCOA or USPS returned mail. CEWs must continue to follow guidance found in [ACWDL 22-09](#) under the *USPS Has Not Provided a Forwarding Address or Has Provided an Out-of-State Forwarding Address* section when NCOA and USPS provides an out-of-state forwarding address. This flexibility will remain effective until 14 months after the end of the month in which the PHE for COVID-19 ends and applies to all Medi-Cal and Children's Health Insurance Program populations. DHCS will inform counties of when this temporary allowance has concluded in future guidance.

Additionally, at a future date, the NCOA database will be used to validate beneficiary's addresses by matching the addresses against the NCOA records prior to DHCS and Managed Care Plan (MCP) mailings being sent, reducing the amount of undeliverable mail and preventing re-mailings. In order for California to utilize the NCOA tool, CMS requires DHCS to update the [MAGI Based Eligibility Verification Plan](#) to include NCOA as part of a non-financial verification process.

Managed Care Plan Process for Returned Mail with In-State Forwarding Address

DHCS, counties, and MCPs worked collaboratively to establish a process for MCPs to obtain updated beneficiary contact and demographic information. Additional guidance for MCPs, noted in All Plan Letter (APL) [22-004](#), included procedures for processing returned mail with in-state forwarding addresses and how MCPs would proceed after obtaining this information.

Per [CMS guidance](#), MCPs that receive returned USPS mail with an in-state forwarding address must notify the county of the beneficiary's updated address information. MCPs must notify the county either by calling the county's call center directly or through a periodic list sent to counties by the MCP. MCPs must also inform counties that the

updated address was obtained from returned mail, either verbally if calling the county to update the address, or by notation in the required "Additional Information" field of the periodic list. Counties that receive updated beneficiary contact information from that MCP based on returned mail should follow the processes outlined in [ACWDL 22-09](#).

Additional Information for the Program of All-Inclusive Care for the Elderly

The Program of All-Inclusive Care for the Elderly (PACE) model of care provides a comprehensive medical/social service delivery system using an interdisciplinary team approach in a PACE Center that provides and coordinates all needed preventive, primary, acute and long-term care services. Services are provided to older adults who would otherwise reside in nursing facilities. The PACE model affords eligible individuals to remain independent and in their homes for as long as possible. Individuals must meet certain requirements to qualify for PACE, including residing in a PACE service area. PACE programs currently operate in only 22 counties throughout California. Additional information on the PACE program can be found on the [DHCS website](#).

When a Medi-Cal beneficiary has submitted an application for PACE and the self-attested contact information does not align with current contact information stored in county records, PACE MCPs must coordinate with the county to verify the address and/or county before enrolling the individual. CEWs and PACE MCPs are permitted to share data for eligibility determination purposes. PACE plans must meet the same requirements and permissions regarding the sharing of data between counties and Medi-Cal MCPs found in both [APL 22-004](#) and [ACWDL 22-19](#).

Updated Contact Information Received By PACE MCPs

As noted in [ACWDL 22-19](#), under Section 1902(e)(14)(A) of the Social Security Act, CMS had granted time-limited authority for counties to temporarily permit the acceptance of in-state updated Medi-Cal beneficiary contact information received from MCPs without additional confirmation or consent. Recently, DHCS requested that CMS extend the same authority by temporarily permitting the acceptance of updated Medi-Cal beneficiary contact information from PACE organizations without additional confirmation from the beneficiary.

Effective October 18, 2022, until 14 months after the end of the month in which the PHE for COVID-19 ends, CMS has approved the temporary waiver authority. Under this authority, during the period of time specified above, CEWs are allowed to accept updated in-state PACE beneficiary contact information from PACE organizations without additional confirmation from the individual, and treat the updated PACE beneficiary contact information as valid. Counties should apply this flexibility to any contact information that was reported by the PACE MCP from the CMS approval date of

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October 18, 2022. In instances when the county has already contacted the beneficiary to confirm the address and has not received a response, counties may update the case file with the newly reported address information from the PACE MCP regardless of whether the beneficiary has provided a confirmation. CEWs must continue to follow current business process when updating beneficiary contact information, and DHCS will inform counties of when this temporary allowance has concluded in future guidance. Please reference [ACWDL 22-19](#) and [ACWDL 15-30](#) for more information regarding the Medi-Cal beneficiary updated contact information process.

If you have any questions, or if we can provide further information, please contact Janis Kimball, by phone at (916) 345-8060, or by email at Janis.Kimball@dhcs.ca.gov.

Original Signed By

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