

DATE: January 30, 2025

Medi-Cal Eligibility Division Information

Letter No.: I 25-04

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

SUBJECT: Medi-Cal Eligibility Determination for the Aid to Families with Dependent Children – Foster Care (AFDC-FC)

(References: All County Welfare Directors Letters [14-41](#), [15-32](#), [16-20](#), and Medi-Cal Eligibility Division Information [21-33](#) and [23-28](#).)

The purpose of this Medi-Cal Eligibility Division Information Letter (MEDIL) is to provide guidance on how to proceed with ongoing Medi-Cal determinations when there is a discontinuance of the AFDC-FC during a family reunification, runaway from court ordered placement, individuals age-out, and individuals who are still active for AFDC-FC.

Background:

During the Public Health Emergency (PHE) in March 2020, counties were instructed not to take negative action on any Medi-Cal cases. Although the PHE has ended and counties are instructed to resume processing all Medi-Cal redeterminations, there are still some misunderstandings on how to proceed with ongoing Medi-Cal redetermination for discontinued AFDC-FC cases.

Policy Clarification

According to Senate Bill 87 (SB 87), an ex parte review process is required for all Medi-Cal redeterminations prior to discontinuance from the Medi-Cal program. A discontinuance of the foster care payment does not trigger a discontinuance of Medi-Cal benefits. The foster care youth must not be discontinued from Medi-Cal because of the AFDC-FC discontinuance until the County Eligibility Worker (CEW) fully evaluates for more advantageous Medi-Cal programs. Please refer to the table below for AFDC-FC aid codes.

Aid Code	Description
42	AFDC-FC; Title IV-E
49	Title IV-E Extended AFDC- FC Non-Minor Dependent (NMD)
40	AFDC –FC; Non-Federal
43	AFDC – FC NMD; Non-Federal; State Extended FC

AFDC-FC Discontinuance Prior to Age 18

During a family reunification process, their AFDC-FC payments may stop. CalSAWS will place the child discontinued from AFDC-FC into aid code 38. Aid code 38 is being utilized as a temporary process to prevent a break in Medi-Cal coverage while the county reevaluates for a more advantageous Medi-Cal program. The CEW will receive a MEDS alert *Edward 38* to reevaluate the child on aid code 38 for ongoing Medi-Cal eligibility.

If the discontinued AFDC-FC child moves to live with their biological parents, legal guardians, or relatives, they must be added to the family's existing Medi-Cal case. The county shall follow the ex parte review process by utilizing all available information from the case record to determine ongoing Medi-Cal eligibility. If the ex parte review is successful, the child will be transitioned into an appropriate Medi-Cal aid code. If ex parte review is unsuccessful or there is no existing Medi-Cal case, the county may send the Request For Tax Household Information (RFTHI) form to the parent to gather information about the family. The county must allow 60 days for the return of the RFTHI, which includes two reminders of MC 355. Each MC 355 reminder must allow 30 days for the return of the requesting verification.

In the event that the discontinued AFDC-FC child is found ineligible for any other Medi-Cal program, the county is required to provide Continuous Eligibility for Children (CEC) to protect the child for the remainder of their guaranteed eligibility period. Children under the age of 19 who are eligible for no-cost Medi-Cal are eligible for CEC up to 12 months. Medi-Cal cannot be terminated until the next annual redetermination or the child turns 19, whichever is first.

Once the CEC coverage period has ended, the county must utilize the ex parte review process to reevaluate the individual for any other Medi-Cal or other Insurance Affordability Programs (IAPs). If the individual is found ineligible for all other Medi-Cal and IAPs, the county may discontinue the individual from Medi-Cal at this time. The county must ensure a timely Notice of Action (NOA) is sent to inform the individual about the upcoming changes.

Youth runaway from their Foster Care Placement

In addition to family reunification, the AFDC-FC payment may stop when foster youths leave their court-ordered placement and their whereabouts are unknown. CalSAWS will assign an aid code 38 to the youth's Medi-Cal while the county follows the ex parte and redetermination process to attempt to locate and contact the youth regarding the youth's whereabouts.

During the ex parte review of the redetermination, if the county determines that the youth is still under the jurisdiction of the court and that the whereabouts are unknown, the county shall assign aid code 45, Medi-Cal only aid code, to the youth's Medi-Cal until the youth is located or the court closes the youth's placement at age 18 or older. The county is reminded to follow regular Medi-Cal Inter-County Transfer (ICT) rules if the youth is found living in another county. The Medi-Cal program must be ICT to the county in which the youth is currently residing.

Any youth who exists foster care placement at age 18 or older is eligible to FFY Medi-Cal (aid code 4M) even though the youth's whereabouts are unknown at the time of the case closure. Please refer to the process listed on ACWDL [16-20](#) for more information about when youths run away from their placement and how to address them.

Aging out of Foster Care – Ages 18 to 21

For any foster youth who is aging out of their foster care program between the ages of 18 and 21, they should be reevaluated for Former Foster Youth (FFY) Medi-Cal program. If the aged-out youth is determined eligible for the FFY program, the individual will be transitioned into aid code 4M and may remain enrolled in the program up until their 26th birthday. The county must follow the ex parte review method to process FFY Medi-Cal annual redetermination. Per the new functionality in CalSAWS, CalSAWS will generate the RFTHI and MC 355 forms to any youth whose Medi-Cal renewals fail the auto ex parte review method. This process allows 60 days for the return of the RFTHI, which includes two reminders of MC355. Each MC355 reminder allows 30 days for the return of the requesting verification.

In addition, the auto ex parte review process applies to any FFY who is aging out of FFY Medi-Cal program or turning age 26. The process starts 120 days prior to 26th birthday. If the auto ex parte process fails, CalSAWS will generate the RFTHI and MC355 allowing 60 days for return. If the ex parte review is successful, the aged out FFY will be transitioned into an appropriate Medi-Cal aid code that is based on income and household limits. If the aged out FFY is determined ineligible for any other Medi-Cal programs and IAPs, the county may discontinue the aged-out FFY from Medi-Cal. A timely NOA must be sent to inform the individual about the upcoming changes.

Active AFDC-FC

For any active AFDC-FC children, their Medi-Cal redetermination should follow the foster care annual redetermination rules. As long as they continue to be eligible for foster care placement, their Medi-Cal shall remain active as categorical under the foster care program.

Medi-Cal Eligibility Division Information Letter No.: I 25-04

Page 4

January 30, 2025

If you have any questions, or if we can provide further information, please contact the Foster Care Program at DHCSFosterCareProgram@dhcs.ca.gov or Former Foster Youth Program at FFY@dhcs.ca.gov.

Sincerely,

Sarah Crow, Chief
Medi-Cal Eligibility Division