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



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January 11, 2018

TO: ALL COUNTY WELFARE DIRECTORS Letter No.: 18-02
ALL COUNTY ADMINISTRATIVE OFFICERS
ALL COUNTY MEDI-CAL PROGRAM SPECIALISTS/LIAISONS
ALL COUNTY HEALTH EXECUTIVES
ALL COUNTY MENTAL HEALTH DIRECTORS
ALL COUNTY MEDS LIAISONS

SUBJECT: Senate Bill 1339 Intercounty Transfer Process
(Reference: All County Welfare Directors Letters 03-12, 04-14, 15-30;
16-10, 16-10E and Medi-Cal Eligibility Division Information Letter I 14-59,
I 15-39)

The purpose of this All County Welfare Directors Letter (ACWDL) is to inform counties of the provisions in [Senate Bill \(SB\) 1339](#) and the changes to Medi-Cal Intercounty Transfer (ICT) processes effective June 1, 2017.

Background

SB 1339 (Chapter 801, Statutes of 2016) adds Sections 10003 and 11102 to the Welfare and Institutions (W&I) Code and amends Sections 11052.6, 11053 and 11053.2 of the W&I Code, codifying the Medi-Cal ICT process.

The statutes mandate Medi-Cal ICT processes and standardize requirements for ICTs across the Medi-Cal, California Work Opportunity and Responsibility to Kids, and CalFresh programs. SB 1339 formalized the process and requirements for Medi-Cal beneficiaries who report address changes, county ICT processes and timeframes, and Medi-Cal managed care health plan (MCHP) enrollment and disenrollment processes.

New Changes to Beneficiary Responsibilities for Requesting a Permanent Change of Residence Address

Pursuant to W&I Code, Section 10003, it is the Medi-Cal beneficiary's responsibility to promptly notify *either* the county from which he or she moves (Sending County) or the county to which he or she moves (Receiving County) of the change in residence.

The Medi-Cal beneficiary has the option to report a change of residence in person, in writing, telephonically, or electronically online and individuals must be advised of these options at the time of application, redetermination, and/or certification. The Department of Health Care Services (DHCS) plans to include the change of address reporting options in applicant/beneficiary informing materials that are distributed at application and annual renewal. Until the updated informing materials are available to counties, county workers should review reporting requirements and change of address reporting options when having contact with applicants or beneficiaries at the application and redetermination/recertification.

Responsibility of Either County to Initiate the ICT

SB 1339 places responsibility on the county that the beneficiary notifies of the change in residence to initiate an ICT for all the benefits that the beneficiary is receiving. The notified county can be either the Sending County or the Receiving County. SB 1339 does not change current Medi-Cal program ICT timeframes, only the county responsible for initiating the ICT. SB 1339 requires that within seven business days of notice of a new residence, the notified county shall initiate an ICT.

Sending County

If the beneficiary notifies the Sending County of the move, the Sending County must initiate an ICT with the Receiving County, electronically or by written request, within seven business days. The Sending County may only discontinue Medi-Cal benefits during the ICT once the Sending County confirms a new benefit effective date with the Receiving County.

Receiving County

If the beneficiary notifies the Receiving County of their new residence, the Receiving County must initiate an ICT with the Sending County, electronically or by written request, within seven business days.

Consistent with current Medi-Cal program policy, SB 1339 prohibits counties from requiring the beneficiary changing county residences to reapply for Medi-Cal benefits in the Receiving County. Counties must ensure all Medi-Cal cases remain active throughout the ICT period without an interruption in benefits. See specific rules for beneficiaries enrolled in the MCHP below.

Additionally, since beneficiaries may report address changes to the MCHP, counties should refer to the guidance issued in ACWDL 15-30, as it pertains to when a beneficiary contacts the MCHP to report a permanent change of address and the beneficiary provides approval for the MCHP to provide the updated contact information, including address change to the county.

ICT Completion Timeframes

The ICT must be completed no later than the first day of the next available benefit month following the 30 days after the beneficiary's initial notification to either the Sending county or Receiving county of the change in residence county.

Example: The beneficiary contacts her current county worker (Sending County) on Wednesday, January 10, to report that she is moving to a new county. The Sending County must initiate the ICT within seven business days or, in this instance, no later than Friday, January 19. To comply with SB 1339, the ICT must be completed by the next available benefit month which falls after the 30th day from the beneficiary's initial notification that he/she has moved. In this scenario, the beneficiary's ICT must be processed and completed by the Receiving County, effective March 1.

DHCS has previously issued [ACWDLs 03-12](#), [04-14](#) and [16-10](#) to provide counties with ICT guidelines for general case management responsibilities when an ICT occurs before, during, or at annual redetermination and other situations. These policies have not changed with the implementation of SB 1339 or the Electronic ICT (e-ICT) process and counties are referred to these prior ACWDLs for guidance to assist with timely ICT completion.

E-ICT via Statewide Automated Welfare System (SAWS)

SB 1339 requires that, to the greatest extent possible, the ICT process shall be simple, client friendly, and minimize workload for county eligibility operations. SB 1339 also requires case file documents be electronically shared between the prior county of residence and the new county of residence, to the extent possible. This process ensures that beneficiaries do not need to provide documents that were already provided to the prior county.

Beneficiary ICT Process, MCHP Enrollment and the Managed Care Ombudsman

SB 1339 mandates Medi-Cal MCHP enrollment and disenrollment practices and processes for beneficiaries who report they are changing counties of residence.

- If the beneficiary moves to another county and is still enrolled in a MCHP in the county from which he or she moved, the beneficiary shall have continued access to emergency services and any other coverage the MCHP authorizes out-of-network until the time that the ICT process is complete and the beneficiary is disenrolled from the MCHP.

Medi-Cal Managed Care Ombudsman Requests

If the beneficiary moves to another county and is still enrolled in a MCHP in the county from which he or she moved and needs non-emergent care that same month in the new county, the Medi-Cal Managed Care Ombudsman shall, upon request by the beneficiary or either county, disenroll the beneficiary as an expedited disenrollment from his or her MCHP.

For Beneficiaries Enrolled in Managed Care - Online Form for County Use Only

As stated in [Medi-Cal Eligibility Division Information Letter \(MEDIL\) 14-59](#), the DHCS Medi-Cal Managed Care Office of the Ombudsman has developed an online fillable form that counties should use as a tool for urgent Medi-Cal Managed Care Ombudsman requests. This easy-to-use online, fillable form was developed for county staff to use in order to increase efficiency and response times, ensure a secure transmission of Personal Health Information, and provide minimally required information for processing. This tool is available only to county staff, and is located at the following DHCS website: <http://dhcs.ca.gov/MCOmbudsman>

Counties should utilize this on-line form for urgent expedited matters only.

County-initiated disenrollment using an online form, described below, shall be processed no later than three business days after the request is made.

Counties should use the online, fillable form when requesting expedited changes that cannot wait for the monthly Medi-Cal Eligibility Data System (MEDS) renewal to process, such as:

- Current or retroactive month MCHP Changes for access to care
- Current or retroactive month MCHP Enrollments for access to care
- Current or retroactive month MCHP Disenrollments for access to care
- Removal of 59 holds

Please note the following criteria for counties submitting the on-line form:

- MEDS must reflect all current information (i.e., residence address and county code).
- MEDS must show active coverage for the beneficiary.
- County staff must verify with the beneficiary that Medi-Cal services have not been used through the MCHP located in the Sending County for the current month. Examples of services: Filled a prescription, visited a doctor, received Emergency Room services, received an x-ray, etc. that would be covered under the beneficiary's current MCHP.
- There are exceptions for beneficiaries with an immediate need for Non-emergent services, which are reviewed on a case-by-case basis, regardless of services rendered with the MCHP. An example of immediate non-emergent need would be prenatal services needed in the current month.

Counties are reminded that completion of this on-line form does not guarantee that the request will be approved. If the Medi-Cal beneficiary does not meet the required expedite criteria described above, or the form is not sent from a valid county office email address, the request will not be processed by the Medi-Cal Managed Care Ombudsman. For more information about the online, fillable form tool, please see the Frequently Asked Questions in [MEDIL 14-59](#).

Telephone Requests by Beneficiaries

SB 1339 requires:

- Beneficiary-initiated disenrollment requests by phone to the Medi-Cal Managed Care Ombudsman at 1-888-452-8609 shall be effective no later than two business days after the request is made when the request is made before 5 p.m.
- Beneficiary-initiated disenrollment requests by telephone to the Medi-Cal Managed Care Ombudsman at 1-888-452-8609 made after 5 p.m. shall be processed the following business day and be effective no later than two business days after the request is processed.

All standard, non-urgent enrollment change requests need to be submitted by the beneficiary or authorized representative through Health Care Options (HCO) at 1-800-430-4263.

SB 1339 Medi-Cal Coverage Requirements during the ICT Process

A beneficiary who is disenrolled from the MCHP in the county from which he or she moved shall be entitled to the full scope of benefits for which he or she is entitled to in the new county through the fee-for-service delivery system until he or she is enrolled in a MCHP in the new county.

If the beneficiary moves to a county that provides Medi-Cal services through a county organized health system (COHS), the beneficiary shall be enrolled in that COHS plan on the first day of the following month once the new county of residence is reflected in MEDS. If a beneficiary moves to a county without a COHS, the usual health plan choice process shall apply.

When a beneficiary provides the new address, the Sending County initiates an ICT to the Receiving County. For beneficiaries enrolled in a MCHP, when the new county address is updated in MEDS as the residence address, even if the responsible county has not yet changed, a "59 hold" could be placed on the beneficiary's MCHP enrollment, which would place the beneficiary temporarily in fee-for-service.

DHCS reminds counties that when either the Sending or Receiving County becomes aware that a beneficiary is in immediate need of medical treatment, that county should request that the transfer be expedited. In urgent situations, either county can assist the beneficiary in expediting health plan disenrollment/enrollment. Once the new residence county code is reflected in MEDS, either county may submit the online, fillable form to expedite disenrollments/enrollments needed for current month. If the need is for future months, MEDS will update the beneficiary's record during the monthly MEDS renewal process. The beneficiary may also contact HCO to request a plan change once the address is updated in MEDS. Beneficiaries, who are not in a COHS county and are not in immediate need of medical treatment, may make a health plan choice online at the HCO website. Beneficiaries may also attend HCO presentations in the new county, contact HCO by phone at 1-800-430-4263, or submit the choice form mailed to them.

Individual Household Member Moves Out of County

Medi-Cal eligibility must continue uninterrupted for an individual household member who moves out of the county either for a temporary move or a permanent move as described below.

Temporary Move:

[MEDIL I 15-39](#) provides counties with guidance for updating the address of a beneficiary who reports a short-term change in county residence to their county human services agency. This guidance is for a family member temporarily moving out of the home due to attending school, college or obtaining health treatments outside the county of residence. Please note, reporting a temporary move does not initiate the ICT process.

Permanent Move:

DHCS would like to clarify that there are no partial ICTs for Medi-Cal cases if one member of the household permanently moves out of the county and is no longer claimed as a member of the tax household. The Sending County must treat this reported change in residence as a change in circumstances, remove the individual beneficiary from the current case record, and establish a new case that will be sent to the Receiving County. Since this is a change in circumstances, the Sending County must obtain any missing information from the individual through the process outlined in W&I Code 14005.37, including ex parte and requests for information only, where necessary. Additionally, the Sending County must also reevaluate Medi-Cal eligibility for the remaining members of the original case if the change in household impacts eligibility of other members.

If an individual beneficiary moves to a new county but they continue to be claimed as a member of the tax household in their former county, this is not considered an ICT for the individual and they will continue to be aided on the existing case. The county will update the address for the individual only. When the address is updated, the individual will be able to enroll in a health plan in the new county.

DHCS appreciates the cooperation of counties working together in coordination with MCHPs, the Office of Medi-Cal Ombudsman, and HCO to successfully transfer beneficiaries and their health coverage in accordance with these established ICT requirements and processes.

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If you have any questions, or if we can provide further information, please contact
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