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Director

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



EDMUND G. BROWN JR.
Governor

June 29, 2018

TO: ALL COUNTY WELFARE DIRECTORS Letter No: 18-11
ALL COUNTY ADMINISTRATIVE OFFICERS
ALL COUNTY MEDI-CAL PROGRAM SPECIALISTS/LIAISONS
ALL CONSORTIA PROJECT MANAGERS

SUBJECT: Notice Requirements for Denials of Retroactive Eligibility Due to
Excessive Modified Adjusted Gross Income

Purpose

The purpose of this All County Welfare Directors Letter (ACWDL) is to:

- Inform counties of their requirement to send a Notice of Action (NOA) when an individual is denied Modified Adjusted Gross Income (MAGI) Medi-Cal as a result of being over MAGI income limits in a retroactive month; and
- Provide counties with the required NOA language for this scenario.

Background

Senate Bill (SB) 1341 (Chapter 846, Statutes of 2014) modified Section 10823 of the Welfare and Institutions Code and requires:

- That for most cases, the Statewide Automated Welfare System (SAWS) be used to generate noticing language and NOA documents and to send NOA documents for all Medi-Cal programs, including, but not limited to, MAGI and Non-MAGI based programs;
- That when the MAGI Medi-Cal denial is due to a tax subsidy approval, the California Healthcare Eligibility, Enrollment, and Retention System shall be used to generate the MAGI over income denial NOA.

The Department of Health Care Services (DHCS) is providing NOA language and requirements to automate notices for individuals who are denied MAGI Medi-Cal due to being over income for a retroactive month, prior to the month of application. Automation reduces the need for manual NOAs to this population.

Counties Must Send the MAGI Over Income NOA for Retroactive Months

Counties are required to send a NOA to individuals who are denied MAGI Medi-Cal as a result of being over income during any of the three months prior to the application month.

Please Note: To avoid sending individuals multiple confusing NOAs, individuals who are not eligible for MAGI Medi-Cal, but who are approved for Non-MAGI Medi-Cal in a month prior to the application month, must be sent only the NOA that provides the final Non-MAGI Medi-Cal eligibility determination for that month. However, individuals that are ineligible for both MAGI and Non-MAGI Medi-Cal in a month prior to the application month must receive both the MAGI and Non-MAGI denial of retroactive eligibility NOAs.

The NOA language that must be used for individuals who are denied MAGI Medi-Cal as a result of being over income during any of the three months prior to the application month is provided below.

*“You asked us to check if you could get Medi-Cal to cover your bills for any of the three months before you applied. Your application for the month of **<month year>** has been denied. You may get or may have already received other notices about your eligibility for other time periods. This notice is only telling you that you do not qualify for Medi-Cal coverage for **<eligibility month year>**.”*

You do not qualify for Medi-Cal because:

*Your household income was above the allowed amount. We counted your household size and income for **<eligibility month year>** to make our decision. For Medi-Cal:*

- *Your household size was **<MAGI_SIZE>**.*
- *Your monthly household income was **\$<MAGI_INCOME>**.*

*The monthly Medi-Cal income limit based on your age and household size is **\$<MAGI_INCOME_LIMIT>**. Your income was above this limit, so you do not qualify for Medi-Cal for that month.*

We used the information you gave us and our records to make our decision. For questions or if you think we made a mistake, or you want to give us more information, contact the Medi-Cal office right away. The phone number is above.

*If you think we made a mistake, you can appeal. To learn how to appeal, read "Your Hearing Rights" on the back of the first page of this notice. You have **90** days to ask for a hearing. The 90 days started the day after the county sent you this notice."*

When an applicant is denied multiple months of retroactive eligibility for this reason, it is preferable that counties send one NOA that repeats the snippet above for each of the denied months to reduce the number of NOAs sent. The final two paragraphs only need to be stated once on the NOA and do not need to be repeated. Counties that do not have the capability to combine multiple retroactive months on one NOA may continue to send multiple NOAs as needed.

Implementation Timeline

DHCS will provide the threshold translations of the MAGI NOA language in a separate Medi-Cal Eligibility Division Information Letter. SAWS must make all necessary programming changes to automate the use of the MAGI NOA language included in this ACWDL within the next available SAWS release. Until such time as the NOAs are automated in SAWS, counties shall manually generate the NOAs for the scenario described in this ACWDL using Enclosure 1. When generating the manual NOA, counties shall use the following citations, as appropriate for the circumstances.

Category	Aid Code	Citation
Parent/Caretaker Relative	M3, M4	California Welfare & Institutions (CA W&I) CA W&I Code §§ 14005.30, 14005.64
Adults 19 – 64 Years Old	M1, M2	Code §§ 14005.60, 14005.64
Full Scope Pregnant Individual	M7, M8	CA W&I Code §§ 14005.22, 14005.225, 14005.64
Pregnancy Related Services	M9, M0	CA W&I Code § 14005.64; Cal. Code Regs., title 22 § 50262
Children - 6 – 18 years old, 0 – 133 percent FPL	P5, P6	CA W&I Code § 14005.64; Cal. Code Regs., title 22 § 50262.6
Optional Targeted Low Income Children (OTLICP) - 6 – 18 years old, above 133 percent – 266 percent	T1, T2, T6, T7	CA W&I Code §§ 14005.26, 14005.64
Children - 1 – 5 years old, 0 – 142 percent FPL	P7, P8	CA W&I Code § 14005.64; Cal. Code Regs., title 22, § 50262.5

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Category	Aid Code	Citation
OTLICP Children - 1 – 5 years old, above 142 – 266 percent FPL	T3, T4, T8, T9	CA W&I Code §§ 14005.26, 14005.64
Infant - under 1 year old, 0 – 208 percent FPL	P9, P0	CA W&I Code § 14005.64; Cal. Code Regs., title 22, § 50262
OTLICP Infant - under 1 year old, above 208 – 266 percent FPL	T5, T0	CA W&I Code §§ 14005.26, 14005.64

Multilanguage Notification Reminder

As a reminder, counties are required to include the Notice of Language Services (GEN 1365) with every NOA sent to all applicants/beneficiaries regardless of the primary language specified in the Medi-Cal Eligibility Data System.

If you have any questions or require additional information, please contact Alison Brown at (916) 319-9565 or by email at Alison.Brown@dhcs.ca.gov.

Original Signed By

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Enclosure

