



JENNIFER KENT  
Director

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



EDMUND G. BROWN JR.  
Governor

October 29, 2018

TO: ALL COUNTY WELFARE DIRECTORS Letter No: 18-24  
ALL COUNTY ADMINISTRATIVE OFFICERS  
ALL COUNTY MEDI-CAL PROGRAM SPECIALISTS/LIAISONS  
ALL COUNTY PUBLIC HEALTH DIRECTORS  
ALL COUNTY MENTAL HEALTH DIRECTORS  
ALL CONSORTIA/SAWS PROJECT MANAGERS

SUBJECT: Notices of Action Requirements for Beneficiaries Who Do Not Complete the Non-Modified Adjusted Gross Income Evaluation at Annual Renewal or Change in Circumstance  
(Reference: All County Welfare Directors Letters 14-18, 15-27, 16-14 and 17-35 and Medi-Cal Eligibility Division Information Letter I 16-04)

### Purpose

The purpose of this letter is to provide counties with updated guidance concerning Discontinuance Notices of Action (NOAs) for individuals losing eligibility for modified adjusted gross income (MAGI) Medi-Cal under the following set of circumstances:

- The beneficiary is determined over income, is aged 65 or older, or is otherwise ineligible\* for MAGI Medi-Cal; and
- The beneficiary has potential eligibility for Non-MAGI Medi-Cal; and
- The beneficiary does not complete the Non-MAGI evaluation when the ex parte review is unsuccessful in establishing ongoing eligibility.

Individuals losing MAGI Medi-Cal, who do not complete the Non-MAGI evaluation, must be informed on the Discontinuance NOA of **both** the specific reason they are ineligible to MAGI Medi-Cal **and** the specific reason that the county was unable to complete the Non-MAGI evaluation.

\*Please note that otherwise ineligible for MAGI Medi-Cal does not include individuals who are discontinued from MAGI Medi-Cal as a result of failure to respond or provide necessary information or verification.

## Background

The Department of Health Care Services (DHCS) has issued several All County Welfare Directors Letters (ACWDLs), consistent with [42 Code of Federal Regulations Section 435.911](#) and [Welfare and Institutions \(W&I\) Code, Section 14005.37](#), to provide guidance on processing Medi-Cal eligibility under all bases prior to discontinuance and sending Discontinuance NOAs. These include the following:

- [ACWDL 14-18](#) and [ACWDL 17-35](#)
  - Require that a MAGI beneficiary who is losing MAGI Medi-Cal and who has potential linkage to Non-MAGI Medi-Cal be evaluated using the Non-MAGI Medi-Cal rules prior to discontinuance from Medi-Cal.
  - Outline the process and procedures for evaluating Non-MAGI Medi-Cal for those beneficiaries losing MAGI Medi-Cal.
  - Require counties to conduct an ex parte review of available information, as prescribed in [W&I Code, Section 14005.37](#), before requesting information from the beneficiary.
  - Require that a beneficiary who does not complete the Non-MAGI evaluation, if one is required, be provided with a 90-Day Cure Period.
  - Require that the beneficiary remain in his/her existing MAGI Medi-Cal aid code during the non-MAGI evaluation process.
- Medi-Cal Eligibility Division Information Letter [\(MEDIL\) I 16-04](#)
  - Provides the required 90-Day Cure Period NOA language.  
NOTE: [ACWDL 16-24](#) provides translations of the MEDIL 16-04 NOA snippets into the Medi-Cal threshold languages
- [ACWDL 15-27](#)
  - Requires that the discontinuance NOA list the specific information or verification needed when the reason for discontinuance is a failure to provide information or verification.
- [ACWDL 16-14](#)
  - Provides required discontinuance NOA language for individuals who are losing MAGI Medi-Cal as a result of being over income for the MAGI Medi-Cal program.  
NOTE: [ACWDL 17-17](#) provides the translations of the ACWDL 16-14 NOA snippets into the Medi-Cal threshold languages.

## **NOA Language Requirements When Beneficiary Fails to Respond to the Non-MAGI Evaluation**

After counties have followed processes outlined in ACWDL 14-18 and 17-35 for beneficiaries who are losing MAGI Medi-Cal and who fail to provide the necessary information or verifications to complete the Non-MAGI evaluation, the following information must be included on the Discontinuance NOA:

- The reason the person is losing MAGI Medi-Cal; and
- The reason that a Non-MAGI evaluation could not be completed; and
- The required 90-Day Cure Period language.

Counties must continue to send the appropriate MAGI discontinuance NOA providing the specific reason the person is no longer eligible for MAGI Medi-Cal. Please note that counties must use the MAGI discontinuance NOA from ACWDL 16-14 when the reason for discontinuance from MAGI is being over income. When these individuals have potential linkage to the Non-MAGI program and were sent the Non-MAGI screening packet but did not return it, counties must also add the following new snippet:

*“We sent you a letter about other Medi-Cal programs, also called “Non-MAGI” Medi-Cal. We asked you to reply to the letter and tell us more about your income and property so we can see if you can get Non-MAGI Medi-Cal. You did not give us the information we need. If you want to give us the information, please call us, visit your local county office, or reply to the letter.”*

DHCS will release the threshold translations of this NOA snippet in a subsequent MEDIL.

## **Reminder of NOA Requirements When Beneficiary Responds to the Non-MAGI Evaluation but Does Not Provide All Required Information or Verification**

As a reminder, when a beneficiary returns the Non-MAGI screening packet but fails to provide information or verification necessary to complete the determination, counties must attempt to contact the beneficiary to request the necessary information as required by W&I Code, Section 14005.37(f)(4) and (g)(3). If, after the attempted contact, the beneficiary still does not submit the required information, ACWDL 15-27 requires that the MAGI discontinuance NOA list the specific items of information or verification needed to determine Non-MAGI eligibility.

Additionally, counties must add the 90-Day Cure Period language, issued in MEDIL I 16-04 (or its translations as provided in ACWDL 16-24), on the MAGI discontinuance NOA when the beneficiary either failed to return the Non-MAGI screening packet, or returned the Non-MAGI screening packet but failed to provide required information or verification.

October 29, 2018

### **Implementation Timeline**

The Statewide Automated Welfare System (SAWS) must make all necessary programming changes to ensure NOAs meet the requirements outlined in this ACWDL, within the next available SAWS release.

### **Multilingual Notification Reminder**

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

If you have any questions or require additional information, please contact Alison Brown at (916) 345-8078 or by email at [Alison.Brown@dhcs.ca.gov](mailto:Alison.Brown@dhcs.ca.gov).

Original Signed By

Sandra Williams, Chief  
Medi-Cal Eligibility Division