



MICHELLE BAASS  
DIRECTOR

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



GAVIN NEWSOM  
GOVERNOR

Date: June 1, 2022

TO: ALL COUNTY WELFARE DIRECTORS Letter No.: 22-14  
ALL COUNTY WELFARE ADMINISTRATIVE OFFICERS  
ALL COUNTY MEDI-CAL PROGRAM SPECIALISTS/LIAISONS  
ALL COUNTY HEALTH EXECUTIVES  
ALL COUNTY MENTAL HEALTH DIRECTORS  
ALL COUNTY MEDS LIAISONS

SUBJECT: PREMIUM REDUCTION FOR THE 250 PERCENT WORKING  
DISABLED PROGRAM, OPTIONAL TARGETED LOW-INCOME  
CHILDREN'S PROGRAM, MEDI-CAL ACCESS PROGRAM, MEDI-CAL  
ACCESS INFANT PROGRAM, AND COUNTY CHILDREN'S HEALTH  
INITIATIVE PROGRAM

### **Background**

On January 10, 2022, the Governor's Proposed Budget for fiscal year 2022-2023 was released. The proposed budget includes an initiative that will reduce monthly premiums to zero dollars for all beneficiaries in the 250 Percent Working Disabled Program (250 Percent WDP), Optional Targeted Low-Income Children's Program (OTLICP), Medi-Cal Access Program (MCAP), Medi-Cal Access Infant Program (MCAIP), and County Children's Health Initiative Program (CCHIP) programs effective July 1, 2022, which is pending approval by the Legislature.

In preparation for this proposal, DHCS is publishing this All County Welfare Directors Letter (ACWDL) to provide instruction to the counties regarding the proposed reduction of the premium amounts for the 250 Percent WDP, OTLICP, MCAP, MCAIP, and CCHIP.

### **Policy**

Pending approval by the Legislature, the Department of Health Care Services (DHCS) will implement this proposal on July 1, 2022. DHCS is required to seek federal approval for this change via a State Plan Amendment. The proposed change will effectively reduce all monthly premium amounts for the 250 Percent WDP, OTLICP, MCAP, MCAIP, and CCHIP to zero dollars for all enrolled participants. When determining

program eligibility, the Statewide Automated Welfare System (SAWS) no longer will be required to calculate the monthly premium payment amount. A value of zero dollars will be entered for the premium amount of each participant. For the 250 Percent WDP, OTLICP, MCAP, MCAIP, and CCHIP programs, premium payment status no longer will be a condition of eligibility as long as DHCS elects not to impose program premiums.

Pending approval by the Legislature, DHCS is working with SAWS to determine the changes that will need to be made to systems and Notices of Action (NOAs) to reflect the zero premium. DHCS will provide further guidance regarding any required changes to county processes and procedures at a future date.

Pending approval by the Legislature, DHCS is working with its Medi-Cal for Families Administrative Vendor (AV), MAXIMUS, and the Third Party Liability and Recovery Division (TPLRD) to calculate and issue refunds of overpaid premiums for the 250 Percent WDP, OTLICP, MCAP, MCAIP, and CCHIP, respectively, to enrollees who show a positive credit balance on their account as of the July 1, 2022 effective date of this proposed policy. Upon approval of the reduction of these programs' premiums to zero dollars, DHCS will stop distributing the Non-Payment Premium (NPP) file to SAWS, and there no longer will be additional county activities necessary relative to premium collection.

In addition, DHCS is working with our California Healthcare Eligibility, Enrollment, and Retention System (CalHEERS) partners, TPLRD, SAWS, and AV in identifying and updating all premium noticing and eligibility snippets to reflect the premium reduction to zero dollars for each of these programs.

**NOTE:** Pending approval by the Legislature, **the removal of premium language in CalHEERS is prospective. OTLICP eligibility determinations that are ran after the implementation date of July 1, 2022, regardless of the benefit month, will no longer display premium information.**

DHCS will follow up with an ACWDL once the budget is approved and enacted. DHCS will also provide outreach to current beneficiaries informing them of the change and the process for obtaining any appropriate refunds for overpayment of premiums. For the 250 Percent WDP, beneficiaries will be directed to contact the Medi-Cal Member Helpline at **1-800-541-5555**. The contact numbers below are for CCHIP, MCAP, MCAIP and OTLICP.

**CCHIP**

1-833-912-2447

**MCAIP**

1-800-433-2611

**MCAIP or OTLICP**

1-800-880-5305

If you have any questions or if we can provide further information:

- For the 250 Percent Working Disabled Program please contact Meuy Saeteune at (916) 345-8064 or by e-mail at [Meuy.Saeteune@dhcs.ca.gov](mailto:Meuy.Saeteune@dhcs.ca.gov).
- For OTLICP, MCAIP, MCAIP, and CCHIP, please contact Vanessa Gomez at (916) 345-8046 or by e-mail at [Vanessa.Gomez@dhcs.ca.gov](mailto:Vanessa.Gomez@dhcs.ca.gov).

**Original Signed By**

Yingjia Huang  
Assistant Deputy Director  
Health Care Benefits and Eligibility

Enclosures

<b>Programs with a zero dollar (\$0) premium effective July 1, 2022</b>	
<b>Program name</b>	<b>Aid code</b>
Optional Targeted Low-Income Children's Program	T1, T3
Medi-Cal Access Program	0E
Medi-Cal Access Infant Program	E7
County Children's Health Initiative Program	2C
250% Working Disabled Program	6G