

DATE: February 13, 2025

TO: ALL COUNTY WELFARE DIRECTORS Letter No.:25-04
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: INCARCERATION VERIFICATION PROGRAM (IVP) PROCEDURE
UPDATE
Reference: All County Welfare Directors Letters: [ACWDL 24-04](#) and
[ACWDL 12-39](#)

The purpose of this All County Welfare Directors Letter (ACWDL) is to notify County Welfare Departments (CWDs) of program and procedure changes for the Incarceration Verification Program (IVP). DHCS will no longer suspend Medi-Cal benefits for incarcerated individuals at the state level. Instead, DHCS will provide the highest confidence, verified incarceration data to the counties to perform and finalize suspensions. ACWDL 12-39 will be obsolete with the publication of this policy letter, and any new IVP-related letters will be provided in future ACWDLs or Medi-Cal Eligibility Informational Letters (MEDILs).

Background

Federal and state laws prohibit Federal Financial Participation (FFP) for medical services provided to individuals incarcerated in public, institutions except for covered inpatient services received at a medical institution off the grounds of the correctional facility for 24 hours or more, as part of the Medi-Cal Inmate Eligibility Program (MCIEP). (42 U.S.C. §1396d(a)(32)(A), 42 C.F.R. §§ 435.1009 & 435.1010.) (Welfare & Institutions Code § 14053.7.)

Assembly Bill (AB) 720 (Skinner, Chapter 646, Statutes of 2013), required Medi-Cal benefits of members who are inmates of a public institution be suspended effective the date they became incarcerated. Furthermore, the suspension must end on the date the member is no longer an inmate of a public institution or one year from the date in which they became an inmate of a public institution, whichever is sooner.

The Public Health Omnibus Bill (SB 184) (Chapter 47, Statutes of 2022) amended WIC § 14011.10(e) and now requires counties to suspend Medi-Cal benefits for all incarcerated individuals in a public institution for the duration of their incarceration, effective the date they become an incarcerated individual. Medi-Cal benefit suspension

for adults and juveniles/eligible youth must end on the date the individual is no longer incarcerated in a public institution. This amendment allows counties to activate suspended Medi-Cal benefits upon release from the public institution without requiring a new application, as long as they remain otherwise eligible throughout their incarceration. See [ACWDL 24-04](#) for additional guidance on the current Medi-Cal suspension policy, including the requirement to suspend Medi-Cal benefits after 28 days to allow flexibility for members who are incarcerated for a short-term stay.

Current IVP Procedures

DHCS implemented the IVP process in 2012 in an effort to identify, recover, and prevent improper payments to individuals whose Medi-Cal benefits require suspension due to incarceration. Under the 2012 process, DHCS and CWD's respective roles and responsibilities are as follows:

DHCS:

- DHCS identifies Medi-Cal members who are reported as incarcerated in at least one of the following data sources:
 - California Department of Corrections and Rehabilitation (CDCR).
 - Social Security Administration National Prisoner Match (NPM).
- DHCS verifies the current Medi-Cal status of Medi-Cal members reported as incarcerated within data sources via Medi-Cal Eligibility Data System (MEDS).
- DHCS verifies the incarceration status of the matches through correctional facility websites and through a third-party historical incarceration data network.
- DHCS sends incarcerated Medi-Cal members a Notice of Action (NOA) to confirm incarceration status.
- DHCS performs suspension actions for incarcerated Medi-Cal members that did not respond within 10 days.
- DHCS sends CWDs suspension lists via secure email.

CWD:

- CWDs finalize suspensions by appropriately updating California Statewide Automated Welfare System (CaSAWS) or case files to accurately reflect the incarceration of suspended Medi-Cal members.

Updated IVP Procedures Effective March 1, 2025

DHCS roles and responsibilities

- DHCS identifies Medi-Cal members who are reported as incarcerated in at least one of the following data sources:

- California Department of Corrections and Rehabilitation (CDCR).
- Social Security Administration National Prisoner Match (NPM).
- DHCS verifies the current Medi-Cal status of Medi-Cal members reported as incarcerated within data sources via Medi-Cal Eligibility Data System (MEDS).
- DHCS verifies the incarceration status of the matches through correctional facility websites and a third-party historical incarceration data network.
- DHCS sends CWDs verified incarceration reports with facility information via Secure File Transfer Protocol (SFTP).

CWDs roles and responsibilities

- CWDs report the incarceration (initiating suspension) in CalSAWS/MEDS for incarcerated Medi-Cal members, if applicable, in accordance with ACWDL 24-04.
- CWDs send incarcerated Medi-Cal members a Notice of Action (NOA) to inform them of their benefits being suspended due to their incarceration status.

Data Sources

The CDCR matches Medi-Cal member information directly with CDCR's current inmate database. IVP removes Medi-Cal eligible members from the report, in accordance with the Centers for Medicare and Medicaid Services (CMS) guidance regarding state prison inmates who are participating and residing in a Post-Conviction Community Reentry Program facility. Participants who have reached Phase 3 "Transitional Phase" in CDCR Female Community Reentry Program (FCRP) for female inmates, or Male Community Reentry Program (MCRP) facilities for male inmates, will no longer be considered an inmate of a public institution, and will instead be considered "released" for Medi-Cal eligibility, enrollment, and benefits purposes. Please see ACWDL 24-04 for additional guidance on CDCR Post-Conviction Community Reentry Programs.

The NPM matches Medi-Cal Only (MCO) member information with the Social Security Administration's (SSA) Prisoner Update Program System (PUPS) database which contains data from California county jails, out of state jails and prisons, CDCR facilities, and Federal Bureau of Prisons. The IVP NPM is distinctly different from the NPM file CWDs receive from the California Department of Social Services (CDSS), which contains multiple program populations rather than MCO. There should be no impact to the existing NPM processing guidance outlined in [All County Letter \(ACL\) 19-33](#) for CDSS programs.

DHCS Verification and Distribution Process

DHCS will complete high-confidence verification of all Medi-Cal members detected as incarcerated. Upon timely completion of incarceration verification, DHCS will provide CWDs with a county report of Medi-Cal members who may require immediate

suspension. The report will be formatted in an Excel Spreadsheet and distributed to CWDs via SFTP around the 15th of each month. If there are delays with the file distribution, counties will be notified.

The Excel Spreadsheet will include the following column values:

Column	Values
A	County Code
B	Social Security Number
C	Last Name
D	First Name
E	Middle Initial
F	Mailing Address
G	City
H	State
I	ZIP Code
J	Date of Birth
K	Sex
L	Aid Code
M	Serial Number
N	District Number
O	Eligibility Worker Code
P	Incarceration Date
Q	Scheduled Release Date
R	Correctional Facility Reporter Name
S*	Correctional Facility Name
T*	Correctional Facility Address
U*	Correctional Facility City
V*	Correctional Facility State
W*	Correctional Facility ZIP Code
X*	Correctional Facility Contact Name
Y*	Correctional Facility Phone

*Note: Columns S-Y may not be available for CDCR inmates.

CWD Expectations

Upon receipt of the incarceration report, CWDs must take appropriate action in CalSAWS/MEDS to report the incarceration and suspend benefits for each confirmed incarcerated Medi-Cal member subject to suspension, in accordance with ACWDL 24-04.

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If you have any questions, or if we can provide further information, please contact Kindra Kimple, by phone at (916) 845-8067 or by email at IVP@dhcs.ca.gov.

Sincerely,

Sarah Crow, Chief
Medi-Cal Eligibility Division