



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



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DIRECTOR

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DATE: March 3, 2022

Behavioral Health Information Notice No: 21-004

TO: California Alliance of Child and Family Services  
California Association for Alcohol/Drug Educators  
California Association of Alcohol & Drug Program Executives, Inc.  
California Association of DUI Treatment Programs  
California Association of Social Rehabilitation Agencies  
California Consortium of Addiction Programs and Professionals  
California Council of Community Behavioral Health Agencies  
California Hospital Association  
California Opioid Maintenance Providers  
California State Association of Counties  
Coalition of Alcohol and Drug Associations  
County Behavioral Health Directors  
County Behavioral Health Directors Association of California  
County Drug & Alcohol Administrators

SUBJECT: State Funded Only - Full Scope Aid Codes for Immigrants

PURPOSE: Clarifies DHCS policy regarding state and county funding for Medi-Cal beneficiaries with unsatisfactory immigration status who are enrolled in full scope aid codes and describes changes in Short Doyle Medi-Cal (SDMC) for Specialty Mental Health Services (SMHS) and Drug Medi-Cal (DMC) services that implement this policy.

REFERENCE: Government Code Section 30025(f)(16)(B)

**BACKGROUND:**

California provides full scope Medi-Cal services to certain Medi-Cal beneficiaries who have unsatisfactory immigration status. For these covered populations, federal funds (FF) are only available for emergency and pregnancy-related services. Nonemergency and non-pregnancy related services are to be reimbursed with State funds. Affected populations include qualified non-citizens subject to the five-year bar, individuals who are Permanently Residing Under Color of Law (PRUCOL), and individuals under 26 or over 50 years of age who otherwise meet all Medi-Cal eligibility criteria (such as income and state residency) but do not have satisfactory immigration status.

In 2019, DHCS determined that it was reimbursing mental health plans, DMC State Plan Counties, and DMC Organized Delivery System Counties (hereafter referred to as

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Counties) FF for nonemergency and non-pregnancy related specialty mental health (SMH) and DMC services provided to beneficiaries with unsatisfactory immigration status. DHCS deployed updates to the SD/MC claiming system on April 7, 2020, to ensure that DHCS was not reimbursing Counties FF for nonemergency and non-pregnancy related services provided to beneficiaries with unsatisfactory immigration status enrolled in full scope aid codes.

**POLICY:**

If the state or federal government imposes new requirements upon the counties after 2011 realignment went into effect, and those new requirements result in increased costs to the counties to implement realigned programs and services, the state must reimburse the counties all or half of the non-federal share of those increased costs. Some Medi-Cal beneficiaries with unsatisfactory immigration status were eligible for full scope Medi-Cal benefits prior to 2011 realignment and some were not. Counties are responsible for the cost of nonemergency and non-pregnancy related services provided to those beneficiaries with unsatisfactory immigration status who would have been eligible for full scope Medi-Cal benefits prior to 2011 realignment. DHCS is responsible to reimburse Counties for the cost of nonemergency and non-pregnancy related services provided to beneficiaries with unsatisfactory immigration status who are currently eligible for full scope Medi-Cal benefits but would not have been eligible prior to 2011 realignment, namely beneficiaries who are eligible due to the Affordable Care Act (ACA) Medicaid Expansion. See the Master Aid Code Chart located in the [MEDCCC Library](#) for specific aid codes.

Counties are responsible to pay for the cost of nonemergency and non-pregnancy related services provided to two groups of Medi-Cal beneficiaries with unsatisfactory immigration status. The first group are qualified non-citizens who have been in the United States for less than five years (Qualified Non-Citizens) and the second group are individuals PRUCOL. Both groups exclude individuals who meet eligibility requirements implemented in 2014 through the Medi-Cal optional expansion program.

DHCS is responsible to reimburse counties for the cost of nonemergency and non-pregnancy related SMH and DMC services provided to four groups of beneficiaries. The first group includes all beneficiaries enrolled in a Medi-Cal Optional Expansion aid code, the second group includes beneficiaries under 19 years of age enrolled through the Medi-Cal for All Children program (SB 75, Chapter 18, Statutes of 2015), the third group includes beneficiaries from 20 up to, but not including, 26 years of age enrolled through the Young Adult Expansion program (SB 104, Chapter 67, Statutes of 2019) and the fourth group includes beneficiaries 50 years of age or more through the Older Adult Expansion program (AB 133, Chapter 143, Statutes of 2021).

DHCS deployed updates to the Short-Doyle Medi-Cal claiming system on April 20, 2020, to implement this payment policy. Claims submitted for beneficiaries who are Qualified Non-Citizens or PRUCOL and were not enrolled through the Medi-Cal Optional Expansion program are denied. The 835 (Health Care Claim Payment and Remittance Advice) currently contains Claim Adjustment Reason Code (CARC) and Remittance Advice Reason Code (RARC) Codes CO/96/N30. Because that combination of CARC and RARC codes is not unique, DHCS will be deploying a second update to return the following set of CARC and RARC Codes on the 835: CO/96/MA43. Even though DHCS denied the claim, the county remains responsible to pay the provider for the services rendered. The State reimburses, with State General Funds, claims submitted and approved for beneficiaries with unsatisfactory immigration status enrolled through the Medi-Cal Optional Expansion program, the Medi-Cal for All Children program (SB 75), the Young Adult Expansion Program (SB 104), or the Older Adult Expansion Program (AB 133).

The DHCS will provide counties with an annual report of approved SMHS claims for State only beneficiaries not eligible for federal reimbursement for cost reporting purposes. DHCS will also update DMC approved units report to identify those services that were provided to State only beneficiaries and are not eligible for federal reimbursement.

## **QUESTIONS**

Questions regarding claiming in SDMC or the information in this BHIN may be directed to [MEDCCC@dhcs.ca.gov](mailto:MEDCCC@dhcs.ca.gov).

Sincerely,

Original signed by

Brian Fitzgerald, Chief  
Local Governmental Financing Division