



MICHELLE BAASS
DIRECTOR

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



GAVIN NEWSOM
GOVERNOR

DATE: February 1, 2022

TO: ALL COUNTY WELFARE DIRECTORS Letter No.: 22-01
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: Updated MC 239 Discontinuance Notice of Action – Over Income and Not
Otherwise Medi-Cal Eligible
(Reference All County Directors Letter [16-14](#))

The purpose of this All County Welfare Directors Letter (ACWDL) is to provide counties and the Statewide Automated Welfare System (SAWS) with updated Notice of Action (NOA) language for individuals discontinued from Modified Adjusted Gross Income (MAGI) Medi-Cal due to being over the MAGI income limits and being transitioned to Covered California. Department of Health Care Services (DHCS) released previous guidance on this NOA in ACWEL 16-14.

As a reminder, counties shall use this NOA when the beneficiary is discontinued from Medi-Cal because of the following:

- Over income for the appropriate Modified Adjusted Gross Income (MAGI) program, and
- Not eligible for any of the Consumer Protection Programs (CPPs), such as Continuous Eligibility for Children or Transitional Med-Cal (see [ACWDL 21-27](#) for current CPP screening rules), and
- Has no potential eligibility for Non-MAGI Medi-Cal programs after ex parte review, declines a Non-MAGI assessment, or is determined ineligible for Non-MAGI.

Background

DHCS must update the NOA language released in ACWDL 16-14 due to the new provisions of [Senate Bill \(SB\) 260](#) (Chapter 845, Statutes of 2019). SB 260 requires Covered California to enroll individuals transitioning from Medi-Cal, the Medi-Cal Access Program (MCAP) and the County Children's Health Initiative Program (CCHIP) into the lowest cost silver plan or another plan before their coverage terminates. SB 260 requirements will be implemented in CalHEERS Release 22.6, on June 20, 2022.

The updated Medi-Cal Discontinuance NOA snippet language supports and complements the letter sent by Covered California to the discontinued Medi-Cal beneficiaries. DHCS updated the NOA language to remove outdated instructions and information about acting quickly to pick a plan and pay the premium. The updated NOA language tells the discontinued beneficiary if they qualify for Covered California they will receive a letter that will tell them if they need to choose a health plan, or if one was chosen for them, about their options, actions to take, important due dates, and how to find their application online.

Because this updated NOA language will replace the previous Medi-Cal discontinuance NOA snippet, the language intentionally does not identify automatic plan selection or other elements of the SB 260 enrollment process due to the varying circumstances of over-income discontinued Medi-Cal beneficiaries. For example, SB 260 provides Covered California automatic plan selection to individuals eligible for Advance Premium Tax Credits (APTC) but not to individuals who are eligible only for unsubsidized coverage.

In accordance with SB 260, only those individuals discontinued from Medi-Cal, MCAP and CCHIP who qualify for APTC will receive the letter from Covered California with detailed information that includes:

- The plan selected for the individual;
- Their right to select another health plan and relevant deadlines for that selection;
- How to receive assistance from Covered California;
- Their right now to enroll in the plan;
- Coverage start date and the premium (if any) is due; and
- How to request an appeal.

DHCS will provide counties with a sample Covered California letter for awareness, once finalized.

NOA Implementation Timeline

For your reference, please see the updated English NOA snippet attachment with this ACWDL. DHCS will simultaneously transmit all threshold languages to the SAWS for programming. SAWS must make programming changes to use the updated, translated, NOA snippets in the next available SAWS release. Until SAWS releases the updated NOA snippets, SAWS and counties shall continue to use the over income NOA snippets released in ACWDL 16-14.

Additional Upcoming Guidance

During 2022, DHCS will issue the following SB 260 guidance to counties:

- A Medi-Cal Eligibility Division Information Letter with the SAWS release date of the updated NOA snippets.
- An ACWDL that will obsolete information in ACWDL 16-14, provide the timeline for systems changes for SB 260 implementation, and updated policies for transitioning Medi-Cal beneficiaries.

If you have any questions or require additional information, please contact Liliana Diaz at (916) 345-8083 or by email at liliana.diaz@dhcs.ca.gov.

Original Signed By

Sandra Williams,
Chief Medi-Cal Eligibility Division

Enclosure

We have looked at all of the information we have about your case. Based on this information, your eligibility for Medi-Cal will end on the last day of <Month YYYY>.

The reason your Medi-Cal is stopping is:

You no longer qualify for Medi-Cal. This is because your household income is above the allowed amount. We counted your household size and income to make our decision. For Medi-Cal, your household size is <MAGI_SIZE> and your monthly household income is \$<MAGI_INCOME>. The monthly Medi-Cal income limit based on your age and household size is \$<MAGI_INCOME_LIMIT>. Your income is above this limit, so you do not qualify for Medi-Cal.

We used the information you gave us and our records to make our decision. If you have questions or think we made a mistake, or if you have more information to give us, contact the Medi-Cal office at the number listed above immediately. You also have the right to appeal. See below for more information on your appeal rights.

If you are pregnant or disabled and have not reported this information, you may be able to stay on Medi-Cal. If you would like to see if you can stay on Medi-Cal, please tell us by calling the Medi-Cal office at the number listed above to report your pregnancy or disability.

Act now!

Medi-Cal works with Covered California to help you stay covered. You do not need to re-apply. We sent your information to Covered California to find out if you qualify for financial help. Through Covered California, most individuals and families can get help paying for health insurance.

If you qualify, Covered California will soon send you a letter. The letter will tell you if you need to choose a health plan or if one was chosen for you. The letter will also tell you about your options, what actions to take, important due dates, and how to find your application online.

Choose your new health plan before your Medi-Cal ends so you can use your health care right away.

Please Note: Other family members with different Medi-Cal eligibility may receive a separate notice.

DO NOT THROW AWAY YOUR BENEFITS IDENTIFICATION CARD (BIC)

If you already have a plastic Benefits Identification Card (BIC), do not throw it away. You can use it until your Medi-Cal ends. Also, you can use it again if you become eligible for Medi-Cal at a future date.

YOU HAVE A RIGHT TO APPEAL IF YOU DO NOT AGREE

If you do not agree with this action or you think we made a mistake, you can appeal. If you want to keep your Medi-Cal while you appeal, you must appeal before your Medi-Cal ends. Otherwise, you have only 90 days to ask for a hearing. The 90 days started the day the county sent you this notice. See the reverse side of this notice to learn how to appeal. <Regulation> is the regulation or law we relied on for this decision.