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

TOBY DOUGLAS
Director

EDMUND G. BROWN JR.
Governor

February 26, 2014

Medi-Cal Eligibility Division Information Letter No.: I 14-16

TO: ALL COUNTY WELFARE DIRECTORS
ALL COUNTY WELFARE ADMINISTRATIVE OFFICERS
ALL COUNTY MEDI-CAL PROGRAM SPECIALISTS/LIAISONS

SUBJECT: Income Verification for California Healthcare Eligibility, Enrollment, and Retention System (CalHEERS) Pended Applications and the Processing of Retroactive Medi-Cal Eligibility

The purpose of this letter is to provide counties with guidance on income verification of pended applications in CalHEERS and the processing of retroactive Medi-Cal eligibility for Medi-Cal beneficiaries.

CalHEERS Pended Applications Requiring Income Verification

As a reminder, when CalHEERS pends an application because income is not reasonably compatible, counties shall conduct an ex parte review to determine if income has previously been verified by the county prior to requesting income verification documents from consumers. If the county has previously verified income, and it accurately reflects the amount of income reported on the application, use the ex parte verified dollar amount in the county system as the verified dollar amount of income. Counties may use the reasonably compatible standard to determine if previously verified income accurately reflects application income. Income information is considered reasonably compatible if both the ex parte verified income and application reported income are at or below the applicable Modified Adjusted Gross Income (MAGI) Medi-Cal limits. If the county does not have existing verification on record, or the ex parte verified income does not accurately reflect application income, then the county must request paper verification.

Processing Retroactive Medi-Cal Eligibility for Medi-Cal Beneficiaries

If the beneficiary is found MAGI Medi-Cal eligible and requests retroactive benefits in any of the three months preceding the month of application, the county shall use MAGI eligibility rules to determine retroactive eligibility. Pursuant to Title 22, California Code of

Regulations (CCR), Section 50148, an application for retroactive coverage must be submitted within one year of the date the medical services, for which retroactive coverage is requested, are received. A maximum of three months of retroactive eligibility is allowed pursuant to Title 22 CCR, Section 50197. Retroactive eligibility based on MAGI rules can only be processed back to January 1, 2014, when the MAGI provisions under the Affordable Care Act (ACA) became effective.

In the event an individual submits the Single Streamlined Application in March 2014 and requests retroactive eligibility for December 2013, January 2014, and February 2014, counties shall determine retroactive eligibility in accordance with MAGI rules for January 2014 and February 2014. For December 2013 month of eligibility, counties shall determine retroactive eligibility based on Pre-ACA rules. For any Pre-ACA beneficiaries who request retroactive coverage prior to January 1, 2014, counties shall also apply Pre-ACA rules to determine retroactive eligibility.

Counties shall refer to All County Welfare Directors Letter No. 14-06 for more information regarding retroactive coverage for the Express Lane Enrollment Program.

If you have any questions regarding this letter, please contact Yingjia Huang at (916) 552-9467 or by email at yingjia.huang@dhcs.ca.gov.

Original Signed By:

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