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March 5, 2015

Medi-Cal Eligibility Division Information Letter No.: I 15-05

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

SUBJECT: Overview of Statewide Batch Processes

The purpose of this Medi-Cal Eligibility Division Information Letter (MEDIL) is to provide counties with an informative overview of previous and current statewide batch processes. Attachment A also provides additional detailed descriptions of the batch processes that discusses the following areas: 1) reference to existing policy guidance; 2) purpose and goals of each batch process; 3) criteria for batch processing; 4) frequency of batch execution; 5) actions taken by The Department of Health Care Services (DHCS), impacted partners and counties; 6) batch processing timeline; 7) aid code usage; 8) healthcare delivery system; 9) exclusion criteria; 10) file name for the Medi-Cal Eligibility Data System (MEDS); and 11) method of file distribution to counties.

## Background

With the commencement of the Affordable Care Act's (ACA) first Open Enrollment in October 2013, California has received an unprecedented response of applications for insurance affordability programs. The volume of Medi-Cal enrollments coupled with automation and system interface issues contributed to a Medi-Cal application backlog. DHCS has been working collaboratively with California Healthcare Eligibility, Enrollment, and Retention System (CalHEERS), County Welfare Directors Association (CWDA), Covered California, the Statewide Automated Welfare Systems (SAWS), and counties on developing automated approaches via batch processes to expedite individuals into health coverage. The summary of batch processes, contributing to the success of the reduction of the Medi-Cal application backlog and current processes, are detailed below for county reference.

### **Initial Batch Processes for Medi-Cal Application Backlog**

From June through October 2014, DHCS developed two batch processes for two specific populations in the Medi-Cal application backlog. The goal of these two batch processes was to expedite coverage of individuals in the application backlog.

#### **1) Individuals pending in CalHEERS and not in MEDS**

##### **Description:**

Individuals in this group did not have an aid code in CalHEERS as they have not met one or more of the four verifications needed for aid code assignment: 1) income; 2) state residency; 3) not incarcerated; and 4) not deceased.

##### **Batch Process Timeline:**

- June 2014 through October 2014

##### **Actions Taken by DHCS/Counties:**

- Candidates for this batch process were identified in collaboration with counties. Counties provided a list of exclusions for DHCS, for individuals who should not be run through the batch process.
- Weekly batch processes were performed in CalHEERS to administratively verify residency, recheck verifications at the federal hub, and incarceration verifications for cases, which allowed for final eligibility determinations through the HX 20 transaction to MEDS for these pending individuals.
- Lists of individuals that were provided expedited coverage via this process were provided to counties by DHCS for county case management purposes.

##### **Outcome:**

- Individuals that were pushed through this batch process were moved from pending status to eligible status in CalHEERS and subsequent transactions were sent to MEDS for processing. SAWS/Counties also received the appropriate Determination of Eligibility Response (DERs) via the electronic Health Information Transfer (eHIT) interface between CalHEERS and SAWS for appropriate county processing as a result of this batch process. Counties were advised to open a CalHEERS ticket for a case they have not received a DER on. After the receipt of the ticket, CalHEERS would rerelease the DER to the county.
- Current Status: Batch processing for this group is completed.

## 2) Eligible in CalHEERS and not in MEDS

### Description:

- Individuals in this group had an aid code in CalHEERS but were either not known to MEDS or did not have active eligibility in MEDS. A myriad of issues may have been contributing factors to this scenario, which included and were not limited to the following: 1) individual errors in the HX 20 transaction from CalHEERS to MEDS; 2) individuals without a Client Index Number (CIN); 3) individuals on a case with an individual without a CIN; and 4) individuals with transactions rejected by MEDS.

### Batch Process Timeline:

- June 2014 through October 2014

### Actions Taken by DHCS and Counties:

- Batch processes were performed for this group to transmit eligible and conditionally eligible individuals from CalHEERS to MEDS via the HX 20 transaction process.
- Candidates for this batch process were identified in collaboration with counties. Counties provided a list of exclusions for DHCS for individuals who did not qualify for the batch. CalHEERS prepared the HX 20 transactions for the candidate list and sends to MEDS for processing.

### Outcome:

- Individuals that were pushed through this batch process were sent to MEDS for processing with final Modified Adjusted Gross Income (MAGI) Medi-Cal aid code.
- Lists of individuals that were provided expedited coverage via this process were provided to counties by DHCS for county case management purposes.
- Current Status: Batch processing for this group is completed.

## **Preliminary Determination of Eligibility for Remaining Medi-Cal Application Backlog**

As prescribed in MEDIL 14-55, this batch effort commenced in November 2014 and is part of DHCS' ongoing mitigation strategy to address the pending caseload from the first Open Enrollment. The goal of this effort is similar to the previous initial batch efforts and is purposed to effectuate immediate coverage for applicants in the remaining pending cases. The major difference from this effort to the previous batch efforts discussed above is individuals whom counties have identified as likely eligibles would be placed into the aid code 8E (Accelerated Enrollment) until counties are able to work the cases to final case adjudication. Previous batch efforts discussed above have placed the individuals into final MAGI Medi-Cal aid codes, if appropriate, into the respective eligibility systems and MEDS.

**Description:**

- Individuals in this batch effort are part of the remaining Medi-Cal application backlog that most likely has outstanding income verifications that preclude final adjudication of eligibility. Per MEDIL 14-55, these individuals are considered the “likely eligibles” and are the targeted population for this preliminary determination of eligibility batch effort.

**Outcome:**

- Individuals identified by counties as likely eligibles are sent to MEDS with aid code 8E and are provided temporary benefits until counties are able to work the case to final adjudication.
- Counties are instructed to continue working the batched cases that are put into 8E through this effort through normal case processing procedures and guidelines.
- Lists of individuals that were provided expedited coverage via this process were provided to counties by DHCS for county case management purposes.
- Current Status: Batch processing for this group is completed.

**Short-Term Negative Actions Approach**

Due to the absence of the negative action functionality in CalHEERS, the short-term negative action approach as prescribed in MEDIL(s) 14-56 and 14-56E would serve as the interim solution for counties to effectuate whole MAGI Medi-Cal case level denials and discontinuances.

**Description:**

- Through this short-term approach that utilizes independent backend data fixes in
- all eligibility systems and MEDS, counties are instructed as the first step to this process, to identify appropriate cases (MAGI Medi-Cal cases only) that require a negative action per the categories identified in MEDIL(s) 14-56 and 14-56E.
- The goal is to appropriately close-out (deny or discontinue) the applications and cases across CalHEERS, MEDS, and SAWS and to provide the appropriate Notice of Action (NOA) from SAWS using existing NOA language to the applicant or beneficiary.

**Outcome:**

- CalHEERS, MEDS, and SAWS to process independent backend data fixes to cases identified by counties to appropriate close it out in respective systems.
- Current Status: Full execution of all the short-term negative action categories identified in MEDIL(s) 14-56 and 14-56E began in CalWIN and C-IV counties on February 2015. Further instruction on full execution will be provided by the SAWS to counties via County Informational Transmittals (CITs).

### **Transitioned Cases from Covered California to Medi-Cal at 2014 Covered CA Annual Redetermination and Change of Circumstances**

DHCS has coordinated an interim transition process with Covered California for individuals that are found potentially eligible for the Medi-Cal program as a result of the Covered California annual redetermination process that began in early October 2014. These batches will continue to occur monthly after the end of the Covered California renewal period for individuals transitioning from Covered California programs to Medi-Cal when there is a reported change of circumstance such as income, until the implementation of an automated process to support program transitions. Detailed information on this transition process and the batch effort are discussed in All County Welfare Directors Letter (ACWDL) 15-01 and 15-05.

#### **Description:**

- To ensure a seamless transition between the two programs, this population was identified and granted Accelerated Enrollment using existing Express Lane aid codes of 7W (individuals under 19 years old) and 7S (individuals 19 years old and older) until the county works the case to final adjudication.

#### **Outcome:**

- Individuals placed on 7W and 7S are put into the managed care delivery system. Additional information on the managed care process for this transitioned population is discussed in ACWDL 15-01. As a reminder, counties will need to continue working these cases to establish ongoing eligibility into final aid codes per normal processing guidelines.
- ACWDL(s) 15-01 and 15-05 provide additional instructions for counties to process the lists of individuals who exception out of the batch process.

### **Accelerated Enrollment (AE) for Cases Excess 45 Days**

To prevent a future backlog of applications during the second Open Enrollment that began on November 15, 2014, DHCS has implemented a batch process to provide AE to applicants where their Medi-Cal eligibility has not been determined within the 45-day timeframe as required by federal and state regulations. Pursuant to MEDIL 14-61, even though AE is granted for these applications, these applications must be treated as any other pending applications for the purposes of due process and noticing of the applicant when the final adjudication is made by the county.

**Description:**

- This AE batch process targets applicants, regardless of application channel, where Medi-Cal eligibility has not been determined within the 45-day timeframe and is inclusive of cases with applications made on or after November 15, 2014 and up through at least February 15, 2015.
- Counties would receive lists of the individuals put onto AE and those that were exception out in the process. Counties are advised to open a CalHEERS ticket for a case they have not received a DER on. After the receipt of the ticket, CalHEERS would rerelease the DER to the county.

**Outcome:**

- Individuals granted 8E are provided temporary benefits and would be placed into Medi-Cal Fee for Service.
- Counties are instructed to continue working these cases via normal case processing guidelines until final adjudication. The final adjudication of the case will discontinue aid code 8E.
- DHCS will be mailing notices to these individuals that were granted 8E.

If you have any questions regarding this letter, please contact Ms. Yingjia Huang at (916) 552-9467 or email at [yingjia.huang@dhcs.ca.gov](mailto:yingjia.huang@dhcs.ca.gov). We are appreciative of the counties' cooperation and assistance in this effort.

Original signed by:

Alice Mak, Acting Chief  
Medi-Cal Eligibility Division

**Attachment(s):**

- Attachment A: Summary of Statewide Batch Processes

## Attachment A: Summary of Ongoing Statewide Batch Processes

	Preliminary Determination of Eligibility for Medi-Cal Backlog	Accelerated Enrollment Excess 45 Days	Transitioned Cases from Covered CA to Medi-Cal at Covered CA Annual Renewal	Short-Term Negative Actions Approach
Policy Guidance	<p style="text-align: center;">MEDIL 14-55 (Released November 14, 2014)</p>	<p style="text-align: center;">MEDIL 14-61 (Released December 31, 2014)</p>	<p style="text-align: center;">ACWDL 15-01 (Released January 8, 2015) ACWDL 15-05 (Released January 21, 2015)</p>	<p style="text-align: center;">MEDIL 14-56 (Released November 21, 2014) MEDIL 14-56E (Released December 15, 2014)</p>
Purpose & Goals of Batch	<ul style="list-style-type: none"> <li>Review pending backlog case reports and identify cases that are likely eligible.</li> <li>ITSD to grant eligibility in MEDS once counties sends the list of likely eligible case lists to ITSD.</li> </ul>	<ul style="list-style-type: none"> <li>Provide AE to applicants where their Medi-Cal eligibility has not been determined within the 45-day timeframe, as required by federal and state regulations.</li> <li>Targets Medi-Cal applications made during open enrollment and is inclusive of cases with applications made on or after November 15, 2014, and up through at least February 15, 2015, regardless of the applicant's access channel.</li> </ul>	<ul style="list-style-type: none"> <li>Transitioned cases to Medi-Cal as a result of the Covered CA's annual redeterminations.</li> <li>Identify the population by demographic information, Client Index Number (CIN) and SSN for individuals who are transitioning from Covered CA to Medi-Cal.</li> <li>The first batch of individuals was processed through Accelerated Enrollment (AE), pending a final Medi-Cal determination on December 29, 2014 through December 31, 2014 with an effective date of January 1, 2015. This interim process will continue on a monthly basis for individuals transitioning from Covered CA to Medi-Cal after the end of the Covered CA renewal period until the implementation of automation to support this process.</li> </ul>	<ul style="list-style-type: none"> <li>Interim solution to effectuate denials and discontinuances for pending and active MAGI Medi-Cal cases. Applies only to cases where all people on the case need negative action. (Situations where only some people on a case need negative action must wait for the long term negative action solution.)</li> <li>The goal is to appropriately close-out (deny or discontinue) the applications and cases across all three systems and provide the appropriate Notice of Action (NOA) from SAWS using existing NOA language available within each county consortia system.</li> </ul>
Criteria for Batch Processing	<ul style="list-style-type: none"> <li>Cases that are likely eligible are batched through this effort. These cases include backlog cases that only require income verifications.</li> </ul>	<ul style="list-style-type: none"> <li>Pending, Eligible, or Conditionally Eligible for Medi-Cal in CalHEERS but not active in the Medi-Cal Eligibility Data System (MEDS);</li> <li>Not a case excluded by counties due to the need to take negative action;</li> <li>Not denied and/or discontinued in MEDS from the Statewide Automated Welfare System;</li> <li>The initial application was received on or after November 15, 2014, and would potentially be pending for more than 45-days at the time of the next batch process;</li> <li>Individual is not on more than one case in CalHEERS;</li> <li>The individual is not missing a Client Index Number.</li> </ul>	<ul style="list-style-type: none"> <li>Individuals who have not had their APTC coverage renewed as a result of a determination by Covered California and subsequently determined potentially eligible for Medi-Cal due to a change in income or circumstances. DHCS will transition these individuals and place them in accelerated enrollment in MEDS effective January 1, 2015 and monthly thereafter.</li> </ul>	<ul style="list-style-type: none"> <li>Cases needing negative action for the Categories (denial/discontinuance reasons) identified in MEDIL 14-56.</li> </ul>

## Attachment A: Summary of Ongoing Statewide Batch Processes

	Preliminary Determination of Eligibility for Medi-Cal Backlog	Accelerated Enrollment Excess 45 Days	Transitioned Cases from Covered CA to Medi-Cal at Covered CA Annual Renewal	Short-Term Negative Actions Approach
<b>Frequency of Batch Execution</b>	<ul style="list-style-type: none"> <li>One-time only</li> </ul>	<ul style="list-style-type: none"> <li>Weekly batch up through at least 2/15/2015</li> </ul>	<ul style="list-style-type: none"> <li>Monthly</li> </ul>	<ul style="list-style-type: none"> <li>As needed on a weekly basis until the long-term negative actions solution in CalHEERS is deployed.</li> </ul>
<b>Actions Taken by DHCS &amp; Counties</b>	<ul style="list-style-type: none"> <li>Counties to review the pending backlog case files and identify the “likely eligibles”. The pending backlog case files were sent out by DHCS to counties via normal distribution methods on November 5, 2014. County review to be completed by December 1, 2014 and returned to DHCS for processing and batching of the identified candidates to grant preliminary determination of eligibility (8E).</li> <li>Counties to provide exclusions, as they deem appropriate, to exclude individuals from this batch process. A list of exclusion criteria is referenced in MEDIL 14-55.</li> </ul>	<ul style="list-style-type: none"> <li>DHCS and CalHEERS will identify candidates that are pending in CalHEERS for close to 45-days (note: DHCS and CalHEERS identify candidates for this batch run that are close to the 45-days). Counties can refer to MEDIL 14-61 on specific criteria that DHCS, in collaboration with CalHEERS, are using for this AE batch.</li> <li>DHCS will continue to exclude individuals on the exclusion lists provided by counties in the previous batch efforts.</li> <li>DHCS will notify counties of successful batch cases using existing processes on list delivery and case exceptions (counties to review the MEDS alerts for the exceptions).</li> </ul>	<ul style="list-style-type: none"> <li>DHCS, Covered CA, CalHEERS, and SAWS coordinated to identify this population who are transitioning from Covered CA to Medi-Cal. These individuals were granted 7W or 7S (dependent upon the individual’s age) by DHCS, which provides them with effective temporary coverage in a Managed Care Plan commencing on January 1, 2015. This interim process will continue on a monthly basis for individuals transitioning from Covered CA to Medi-Cal after the end of the Covered CA renewal period until a final process is in place.</li> <li>Counties are instructed to continue working these cases to final adjudication.</li> </ul>	<ul style="list-style-type: none"> <li>SAWS to issue County Information Transmittal (CITs) to counties to instruct on the start of case identification. Each SAWS would provide specific procedures and timelines on case identification and delivery method.</li> </ul>
<b>Batch Processing Timeline</b>	<ul style="list-style-type: none"> <li>Started in November 2014 and completed in December 2014</li> </ul>	<ul style="list-style-type: none"> <li>November 15, 2014 through at least February 15, 2015</li> <li>Began 12/29/2014 and ongoing;</li> <li>Occur weekly beginning the week of December 29, 2014. As a result, some cases may be provided AE prior to the 45th day, as all cases must be provided AE prior to day 46.</li> </ul>	<ul style="list-style-type: none"> <li>First monthly run started on December 29, 2014 and completed December 31, 2014. Effective coverage commences on January 1, 2015 for this group. This interim process will continue on a monthly basis for individuals transitioning from Covered CA to Medi-Cal until the implementation of automation to support this process.</li> </ul>	<ul style="list-style-type: none"> <li>Please refer to SAWS-specific CIT(s) on the technical process to identify cases for negative action.</li> </ul>
<b>Aid Codes</b>	<ul style="list-style-type: none"> <li>8E (Accelerated Enrollment)</li> </ul>	<ul style="list-style-type: none"> <li>8E (Accelerated Enrollment)</li> <li>Note: Aid code 8E will automatically discontinue once the final determination is made, per current functionality. As 8E will only be provided prospectively no later than 46 days after application, counties must ensure that when an application is approved for Medi-Cal, all appropriate months of eligibility are provided back to the application date, including retroactive</li> </ul>	<ul style="list-style-type: none"> <li>Express Lane aid codes 7W (individuals under 19 years old) and 7S (individuals 19 years old and over) Assignment of the aid codes was based on age of the Covered CA enrollee at the time of the batch run.</li> </ul>	<ul style="list-style-type: none"> <li>Not applicable</li> </ul>



## Attachment A: Summary of Ongoing Statewide Batch Processes

	Preliminary Determination of Eligibility for Medi-Cal Backlog	Accelerated Enrollment Excess 45 Days	Transitioned Cases from Covered CA to Medi-Cal at Covered CA Annual Renewal	Short-Term Negative Actions Approach
		months, if appropriate.		
<b>Delivery System</b>	<ul style="list-style-type: none"> <li>Medi-Cal Fee for Service (FFS)</li> </ul>	<ul style="list-style-type: none"> <li>Medi-Cal Fee for Service (FFS)</li> </ul>	<ul style="list-style-type: none"> <li>Medi-Cal Managed Care. DHCS transferred beneficiaries to a health plan using one of two methods:                             <ul style="list-style-type: none"> <li>Beneficiaries with a health plan in Covered CA that is also a Medi-Cal health plan in the county. DHCS assigned the members to the same health plan.</li> <li>Beneficiaries with a health plan in Covered CA that does not match to a Medi-Cal health plan. DHCS assigned the members to a new health plan.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Not applicable</li> </ul>
<b>Exclusions</b>	<p>Exclusions include:</p> <ul style="list-style-type: none"> <li>Individual will be denied or discontinued when negative action functionality is available.</li> <li>Individual is active under another Client Index Number (CIN) and/or case.</li> <li>County has denied or discontinued the individual in SAWS but the individual remains "Pending" or "Active" in CalHEERS. These individuals are considered part of the backlog "Active in CalHEERS but Not Active in MEDS" and counties are waiting for negative action.</li> <li>Individual is "Pending" or "Active" in CalHEERS with a different case, social security number and/or CIN, and is active in SAWS with a pseudo number.</li> <li>Individual is an inactive member of the case (not applying, not in the home, not requesting aid, etc.) but is "Pending" in CalHEERS.</li> <li>Individual request to withdraw their application or discontinue their case.</li> <li>Case will be granted ongoing eligibility by December 1<sup>st</sup></li> <li>Other reason defined by the county</li> </ul>	<ul style="list-style-type: none"> <li>DHCS will ensure that any individual listed on exclusion lists previously provided by counties will not be included in this batch process.</li> <li>Counties will have the opportunity to provide new exclusion lists to DHCS on a weekly basis, as time allows, using the same process used for previous lists.</li> </ul>	<p>Any individual transactions that were rejected in MEDS during the batch run. DHCS identified individuals that require manual processing and securely transmits this data to the SAWS for county distribution. Each county social services office has been instructed to complete a manual file clearance process on these individuals on a priority basis.</p>	<ul style="list-style-type: none"> <li>The short-term negative action solution is specific to case-level denials and discontinuances.</li> <li>MAGI Medi-Cal cases only.</li> <li>Whole cases only. Partial cases must wait for the long term negative action solution.</li> <li>Exclude mixed households (Covered California and MAGI Medi-Cal mixed households).</li> </ul>

## Attachment A: Summary of Ongoing Statewide Batch Processes

	Preliminary Determination of Eligibility for Medi-Cal Backlog	Accelerated Enrollment Excess 45 Days	Transitioned Cases from Covered CA to Medi-Cal at Covered CA Annual Renewal	Short-Term Negative Actions Approach
<b>MEDS File Name</b>	<ul style="list-style-type: none"> <li>• ACA Rush Backlog</li> </ul>	<ul style="list-style-type: none"> <li>• ACA Rush OE 2014</li> </ul>	<ul style="list-style-type: none"> <li>• ACA Renewal Rush</li> </ul>	<ul style="list-style-type: none"> <li>• Not applicable</li> </ul>
<b>File Distribution to Counties</b>	<ul style="list-style-type: none"> <li>• The distribution of these files is the same process the counties have been utilizing for the Statewide Batch where the files are sent from CalHEERS to SAWS via a secure website.</li> <li>• DHCS and SAWS to send a communication to all counties when the files are available. Each county has a representative who can access the file.</li> </ul>	<ul style="list-style-type: none"> <li>• The distribution of these files is the same process the counties have been utilizing for the Statewide Batch where the files are sent from CalHEERS to SAWS via a secure website.</li> <li>• DHCS and SAWS to send a communication to all counties when the files are available. Each county has a representative who can access the file.</li> </ul>	<ul style="list-style-type: none"> <li>• DHCS-MEDS team to provide the case lists to SAWS for county distribution.</li> </ul>	<ul style="list-style-type: none"> <li>• SAWS will send out CIT(s) to counties with SAWS-specific instructions on how to identify the cases to be negative actioned in each SAWS system. SAWS will subsequently send the completed county list to CalHEERS for processing.</li> <li>• SAWS would leverage current SAWS-MEDS interface for MEDS transactions for denials/discontinuances with the exception of Category #1.</li> </ul>