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DIRECTOR

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



GAVIN NEWSOM
GOVERNOR

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Medi-Cal Eligibility Division Information Letter No.: I 19-12

TO: ALL COUNTY WELFARE DIRECTORS
ALL COUNTY MEDI-CAL PROGRAM SPECIALISTS/LIAISONS
ALL COUNTY MEDS LIAISONS
ALL CONSORTIA/SAWS PROJECT MANAGERS

SUBJECT: UPDATE ON ASSET VERIFICATION REPORTS

The purpose of this Medi-Cal Eligibility Division Information Letter (MEDIL) is to inform counties of important future changes to the asset verification reports and how they will be delivered. This letter is to serve as a follow-up to All County Welfare Director's Letter (ACWDL) No. 17-37 but does not rescind or replace ACWDL 17-37, and counties are still instructed to use it as guidance when working asset verifications.

Asset Verification Background

Federal law requires that California's Medicaid program, Medi-Cal, have an electronic asset verification system in place to detect unreported assets for aged, blind, and disabled (ABD) applicants, beneficiaries and their responsible relatives at the time of application, annual redetermination, change in circumstance, or at any time eligibility is determined on the case. This excludes those receiving Supplemental Security Income and State Supplementary Payments (SSI/SSP).

Interim Monthly Reporting Solution

On February 3, 2017, the Department of Health Care Services (DHCS) released MEDIL No. 17-05. This letter introduced the federal regulations pertaining to asset verification and DHCS' plan to implement a test pilot. Following the launch of the test pilot, DHCS then released ACWDL No. 17-37 on December 12, 2017, instructing counties on the first phase of implementation and the interim reporting procedures for asset verification. Counties are each receiving their county-specific monthly reports via secure email from DHCS and are working them manually. This is a labor intensive process for both agencies, and therefore, counties and DHCS would benefit greatly from additional asset verification automation.

Electronic Enhancements

In ACWDL No. 17-37, it was estimated that asset verification would be fully automated, in order to comply with 42 U.S.C. Section 1396w, by the end of the second quarter of Fiscal Year (FY) 2019-20. To be successful in reaching this goal timely, DHCS is enhancing the delivery of asset verification reports during the fourth quarter of FY 2018-19.

The following are the upcoming electronic enhancements that will change the way counties receive the monthly asset verification reports.

- A new flat file titled IEV417 will replace the existing asset verification reports, and will no longer be delivered via secure email.
- Delivery of the IEV417 file will be electronically uploaded each month to a Secure File Transfer protocol (SFTP).

Upon implementation of the new IEV417, counties will no longer receive the interim monthly report via secure email from DHCS; instead, the Statewide Automated Welfare System (SAWS) will be responsible for picking up the IEV417 file each month from the SFTP and delivering it to each county. DHCS has already notified the SAWS of these upcoming changes, but it is the responsibility of the counties to contact their respective SAWS consortia and establish a way to receive and integrate the monthly IEV417 file.

If you have any questions, or if we can provide further information, please contact Brandy Lewis, by phone at (916) 345-7893 or by email at Brandy.Lewis@dhcs.ca.gov.

Original Signed By

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