



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



GAVIN NEWSOM
GOVERNOR

August 1, 2019

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

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

SUBJECT: Erroneously Issued IRS Tax Form 1095-B “Corrections” for Tax Year 2015

Purpose

The purpose of this letter is to provide information regarding recently issued IRS Tax Form 1095-B (Form 1095-B) “corrections” for Tax Year 2015, incorrectly indicating that the beneficiary had lost some months of Minimum Essential Coverage (MEC) in 2015.

Background

After the implementation of the Affordable Care Act (ACA) in 2014, the Department of Health Care Services (DHCS) was required to send Form 1095-B to individuals who met the MEC requirements at least one month during the tax year. The Form 1095-B is an Internal Revenue Service (IRS) document that DHCS sends to Medi-Cal beneficiaries after the end of each Tax year. Once the yearly issuance of Form 1095-Bs is complete, DHCS begins issuing corrected Form 1095-Bs to individuals who experienced changes/corrections made to their eligibility record in the Medi-Cal Eligibility Data System (MEDS).

Form 1095-B “Corrections” Issued in Error for Tax Year 2015

In recent weeks, DHCS began receiving calls from beneficiaries stating they had recently received an incorrect Form 1095-B for Tax Year 2015. Research has revealed that a MEDS technical issue erroneously prompted the issuance of Form 1095-B “corrections”, which indicated to the beneficiary that they had lost some months of MEC for 2015. This information is incorrect and the erroneous Form 1095-B received by beneficiaries during January 2019 – June 2019 stating a loss of MEC in Tax Year 2015 should be disregarded. Counties receiving questions regarding these erroneous Form 1095-Bs should inform beneficiaries that current Medi-Cal eligibility has not been affected.

Resolution

DHCS is working to identify the recipients of these erroneous Form 1095-Bs, and implement next steps in communicating and remedying the current issue, in addition to preventing this issue from occurring in the future.

DHCS is in the process of reissuing these “corrections” to the identified beneficiaries, with an explanation that the one sent previously was in error and sending corrected minimum essential coverage information for 2015 to the IRS.

To assist with inquiries from beneficiaries regarding these erroneously issued 1095-Bs for Tax Year 2015 reflecting lost months of MEC in 2015, please utilize the call script below as a guide.

Call Script

Q: I received a letter recently, stating I lost Minimum Essential Coverage (MEC) in 2015. What does this mean? Is this correct?

A: DHCS experienced a technical system issue that resulted in erroneous IRS Tax Form 1095-Bs (Form 1095-B) for Tax Year 2015 that were generated and mailed out to beneficiaries. This form was not accurate and displayed missing months of MEC for Tax Year 2015. Please disregard the incorrect Form 1095-B because it was sent in error.

Your Form 1095-B coverage information from 2015 has been corrected. DHCS will provide you a new corrected Form 1095-B showing the actual months of coverage you had for tax year 2015. This form will serve as proof that you had MEC through Medi-Cal for some or all months during the 2015 tax year. Your corrected minimum essential coverage information for 2015 will also be sent to the Internal Revenue Service (IRS).

Please be assured that your current Medi-Cal eligibility has not been affected.

For questions regarding this notice:

- Visit the <http://dhcs.ca.gov/1095> website for general Form 1095-B details.
- Call the Form 1095-B Helpline at 1-844-253-0883. Or, for TTY, call 1-844-357-5709.

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If you have any questions, or if DHCS can provide additional information, please contact Daniel Nguyen, by phone at (916) 345-8224, or by email at Daniel.Nguyen@dhcs.ca.gov.

Original signed by

Sandra Williams, Chief
Medi-Cal Eligibility Division