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Director

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Department of Health Care Services



EDMUND G. BROWN JR.
Governor

January 9, 2014

TO: ALL COUNTY WELFARE DIRECTORS Letter No.: 14-01
ALL COUNTY MEDI-CAL PROGRAM SPECIALISTS/LIAISONS
ALL COUNTY HEALTH EXECUTIVES
ALL COUNTY MENTAL HEALTH DIRECTORS
ALL COUNTY MEDS LIAISONS

SUBJECT: LOW INCOME HEALTH PROGRAM (LIHP) TRANSITION TO MEDI-CAL

The purpose of this All County Welfare Directors Letter (ACWDL) is to provide instructions to counties on the transition of LIHP enrollees to the Medi-Cal program pursuant to Assembly Bill (AB) x1 1 (Chapter 3, Statutes of 2013-14, First Extraordinary Session). ABx1 1 provides for the transition of eligible LIHP enrollees who are at or below 133 percent of the federal poverty level (FPL) to the Medi-Cal program, without an application, as prescribed by the Special Terms and Conditions of California's Bridge to Reform, Medicaid 1115 Waiver. The Centers for Medicare and Medicaid Services granted approval to the Department of Health Care Services (DHCS) to administratively move this population from LIHP to Medi-Cal, effective January 1, 2014.

DHCS used LIHP eligibility data in the Medi-Cal Eligibility Data System (MEDS) to assign Medi-Cal transition aid codes and extend Medi-Cal eligibility to LIHP Medicaid Coverage Expansion (MCE) enrollees until their next scheduled annual redetermination or when there is a reported change of circumstance that could affect their Medi-Cal eligibility.

Medicaid Coverage Expansion (MCE) Population

The LIHP MCE population, whose income is up to and including 133 percent of the FPL, is identified in MEDS under five specific LIHP aid codes; F5, F6, F7, F8, and 84.

- DHCS assigned the MCE population a new Medi-Cal transition aid code (see page 3 for a list of these aid codes) and enrolled them automatically into Medi-Cal effective January 1, 2014.

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- Counties can view the assignment of a new transition aid code in MEDS effective January 1, 2014.
- These cases should not have had Medi-Cal eligibility under a transition aid code prior to January 1, 2014.
- DHCS terminated these enrollees' LIHP eligibility in MEDS effective December 31, 2013 with terminated reason "FF".
- New Medi-Cal eligibility information for each enrollee will continue in MEDS until the county or another entity reports a change in Medi-Cal eligibility to MEDS.

Health Care Coverage Initiative (HCCI) Population

The HCCI population is identified in MEDS under two LIHP aid codes, F9 and F0. LIHP HCCI enrollees, whose income is above 133 percent and up to 200 percent of the FPL, were not part of the administrative move to Medi-Cal. DHCS referred this population to Covered California for targeted outreach to apply for coverage options, which could include potential eligibility for Medi-Cal, after being evaluated under the Affordable Care Act (ACA) Modified Adjusted Gross Income (MAGI) rules.

- DHCS terminated the LIHP HCCI aid codes in MEDS effective December 31, 2013, and enrollees were not assigned a transition aid code.
- LIHPs sent HCCI enrollees a general notice in early to mid-November to inform them the LIHP program was ending December 31, 2013, and they had to apply for coverage options through Covered California.
- The county Medi-Cal program was not responsible for this population and, therefore, not required to notify them with a Notice of Action (NOA).
- HCCI enrollees who did not enroll in new coverage as of January 1, 2014, may continue to apply for coverage through Covered California through March 31, 2014, and if their circumstances change, may be entitled to apply for coverage through Covered California after March 31, 2014. Individuals can apply for Medi-Cal at any time after the March 31, 2014 Covered California open enrollment period.

MEDS Data

DHCS assigns the transition aid codes to the LIHP transition population in MEDS. County LIHP and Medi-Cal programs cannot establish eligibility for LIHP enrollees using the transition aid codes. After January 1, 2014, if the LIHPs report retroactive LIHP eligibility for December 2013 or earlier, DHCS will continue to use LIHP reported

eligibility data in MEDS and automatically assign a Medi-Cal transition aid code to that individual. This transition aid code will establish Medi-Cal eligibility going forward if the individual's MEDS record is LIHP transition eligible.

DHCS will continue, through March 2014, to identify and transition enrollees who obtained LIHP eligibility after the administrative move in December 2013.

After the assignment of the Medi-Cal transition aid codes in the administrative move, DHCS will provide reports to the counties listing all LIHP enrollees who did and did not transition to Medi-Cal, and the reasons, in each county to facilitate case management of these cases. This report will be distributed to the counties in late January. DHCS has implemented a LIHP Remedy Ticket process to assist counties with LIHP transition related MEDS issues.

LIHP to Medi-Cal Transition Aid Codes

The LIHP to Medi-Cal transition aid codes identify individuals as former LIHP enrollees who transitioned under the administrative move. The transition aid codes reside in the ACCEL segment in MEDS, similar to where the aid codes reside for individuals who have accelerated enrollment eligibility in Medi-Cal and populates one of the Special Segment screens in MEDS. The aid codes in the ACCEL segment will not be included in the normal reconciliation process. The Statewide Automated Welfare Systems (SAWS) will also exclude the LIHP and Medi-Cal transition aid codes during reconciliation.

A separate ACWDL on the LIHP to Medi-Cal transition aid codes is being developed and will be issued with guidance on how these aid codes will work in 2014, MEDS alerts, MEDS reports, MEDS/SAWS system interface and the Remedy Ticket process.

The LIHP to Medi-Cal transition aid codes are:

LIHP MCE to Transitional Medi-Cal Aid Code Conversion		
<i>Category</i>	<i>Current LIHP MCE aid code(s)</i>	<i>Transition Medi-Cal aid code</i>
County LIHP	F7, F8, 84	L1
State Inmate LIHP	F5	N9
County Inmate LIHP	F6	N0

- The LIHP MCE population identified in MEDS under aid codes F7, F8 and 84 was assigned to Medi-Cal transition aid code L1.
- The LIHP MCE State inmate population identified in MEDS under aid code F5 was assigned to Medi-Cal transition aid code N9.

- The LIHP MCE county inmate population identified in MEDS under aid code F6 was assigned to Medi-Cal transition aid code N0.
- LIHP HCCI enrollees were not assigned to a transition aid code.
- Medi-Cal coverage for transitioned enrollees will continue under the transition aid codes until their next scheduled annual redetermination or when a change of circumstance is reported that would require the Medi-Cal program to complete an eligibility review under all Medi-Cal programs.
- A new approval or denial on a Medi-Cal application will terminate eligibility for L1, N9 or N0.
- A new eligibility determination resulting in the enrollee assigned to a different aid code will also terminate the enrollee's eligibility under the transition aid code.
- County Medi-Cal eligibility staff have the ability to complete direct online MEDS transactions or use SAWS to correct data discrepancies in a MEDS record with a transitional aid code, such as updating demographic information, issuing Benefit Identification Cards (BICs) and terminating cases.
- Counties can submit Remedy Tickets, similar to the current process, if they need assistance with MEDS transactions related to this population.
- A new LIHP Remedy queue has been developed for LIHP transition related requests. These Remedy Tickets should be identified using the keywords "LIHP Transition" so they can be routed to the appropriate queue. Specific instructions on the use of Remedy Tickets are available on the DHCS MEDS Problem Reporting and Scripts webpage.

LIHP Inmate Cases

Eligible State and county inmates enrolled in LIHP were included in the administrative move and transitioned in the same manner with a transition aid code, as noted above. Inmates transitioned to the Medi-Cal program were not enrolled into Medi-Cal managed care health plans. After the transition, case management responsibilities for the inmate cases will continue as they are today. Case management and redeterminations for county inmates will be performed by the local Medi-Cal program. Case management and redeterminations for State inmates will be performed by DHCS.

SAWS Data

The transfer of case management responsibilities from the LIHP to Medi-Cal program in 2014 requires LIHP enrollee data to be in SAWS in 2014 for counties to perform redeterminations and to process terminations and updates due to changes in circumstance. SAWS will report the outcome of the determination to MEDS for ongoing Medi-Cal eligibility based on the outcome of the enrollee's redetermination. If a county needs to terminate a record in MEDS prior to the enrollee's next scheduled annual redetermination, a case record must be created first in SAWS (if not already in SAWS) before a NOA can be generated to inform the beneficiary of the termination.

Medi-Cal Redeterminations

LIHP Redetermination Delay in 2013:

DHCS received approval from the Centers for Medicare and Medicaid Services to allow the local LIHPs the option to defer regularly scheduled redeterminations between October 2013 and December 2013, for one, two or all three of these months (see Medi-Cal Eligibility Division Information Letter (MEDIL) I-13-10). This option allowed the LIHP MCE enrollees, who would have otherwise had a LIHP redetermination due in the last quarter of 2013, to retain their eligibility for 12 months from their scheduled LIHP redetermination date. This deferral means these individuals will have their next redetermination completed in the corresponding month in 2014.

Example: A LIHP had deferred the redetermination for a LIHP enrollee who had a redetermination due in November 2013. The delay extended the enrollee's eligibility for 12 months. This enrollee's next redetermination is due in November 2014.

Medi-Cal Redeterminations in 2014:

Effective January 1, 2014, the local Medi-Cal program is responsible for case management and other ongoing eligibility related activities for the transitioned enrollees. The county Medi-Cal programs will complete the eligibility review under the applicable Medi-Cal rules for each enrollee using the redetermination dates established by the LIHPs. The transition LIHP MCE population will follow the same annual redetermination procedures for the current Medi-Cal population (in accordance with existing law as amended by ABx1 1 - WIC 14005.61 (ABx1 1) and MEDIL I-13-12).

To assist the counties on scheduling the redeterminations for this population, DHCS will provide redetermination reports to counties approximately 90 days in advance of the redetermination due month and monitor the redetermination progress of this population by review of individual eligibility records in MEDS throughout 2014.

In 2014, counties will be required to:

- Review MEDS redetermination reports and alerts.
- Enter all necessary LIHP MCE enrollee case data into SAWS (if not already in SAWS).
- Review data in MEDS and SAWS, as standard practice for MEDS file clearing, to ensure there is no duplicate eligibility or multiple Client Index Numbers.
- Contact each individual to obtain tax filing status and current household information to prepare the case for a MAGI determination.
- If continued eligibility is established, report the new Medi-Cal aid code to MEDS through SAWS after the redetermination, which will terminate the Medi-Cal transition aid code.
- Notify the enrollee of the redetermination outcome.

All enrollees must comply with redetermination requirements and cooperate with the counties by providing needed information. Once an eligibility determination is completed, the individual's new eligibility will be reported to MEDS and the LIHP to Medi-Cal transition aid code will be shut down by the new eligibility determination approval or denial. If an individual fails to comply with the redetermination requirements, the county must send a NOA explaining the reasons for the adverse action, the same process as for all Medi-Cal beneficiaries. During the redetermination process, because the LIHPs already have verified non-financial requirements such as identity, California residency and citizenship/immigration status, the county should not request information that is not subject to change unless the individual reports these changes.

Change in Circumstance

In 2014, Medi-Cal coverage for this population will continue in MEDS under the transition aid codes until the next scheduled annual redetermination or a change of circumstance that would require the Medi-Cal program to complete an eligibility review under all Medi-Cal programs. The same review process and procedures utilized for the existing Medi-Cal beneficiaries apply to this population.

Examples of changes that require an eligibility review if they affect eligibility include:

- Increase in income
- Changes in household composition
- Report of disability

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- Turning 65 years of age
- Moving out of state
- Change in county of residence with increase in income or change in household composition

If a redetermination due to a change in circumstance results in the beneficiary being assigned to a new Medi-Cal aid code, the county shall begin a new 12-month eligibility period with an appropriate new Medi-Cal aid code after the redetermination is completed.

BIC

Medi-Cal BICs are mailed to LIHP MCE enrollees that transition to Medi-Cal. Those enrollees that transitioned as part of the administrative move began receiving their BIC beginning in mid-December 2013. The late enrollees will automatically be sent a BIC in the mail after their enrollment in Medi-Cal. The LIHP enrollees identified in MEDS as having had a BIC issued to them within the previous 12 months (as of December 1, 2012) did not receive a new BIC. Enrollees who have a BIC that is more than 12 months old would receive a new one. Their old BICs, which are more than 12 months old, will have a “good through” date of January 29, 2014. If providers need to access a client’s eligibility information before the enrollee receives their new BIC, the provider needs to swipe the current BIC or enter the full 14 digit current BIC ID, as shown on the BIC. Enrollees who lose or misplace their new BIC can request a replacement by contacting their county social services office.

Opting Out of Coverage

After the transition, there could be individuals who wish to decline Medi-Cal coverage. Those individuals wishing to decline may request disenrollment by contacting their county social services office. County eligibility staff will process the requests and send the individuals a NOA informing them that they are being discontinued from Medi-Cal at their request. If the county eligibility staff has information that the individual does not have health coverage, they should explain the possible ramifications of not having access to health coverage. See the Frequently Asked Questions (FAQs) in Attachment A for more information.

Medi-Cal Welcome Packet

DHCS mailed transition enrollees a “Welcome to Medi-Cal” packet to inform them of their eligibility in the Medi-Cal program. The Medi-Cal Welcome Packets were mailed in early December to enrollees whose information was in MEDS as of late October 2013 in the first MEDS data file pull. Those LIHP enrollees whose LIHP eligibility is reported to MEDS after the October data pull would be included in subsequent mailings scheduled for late

enrollees. The “Welcome to Medi-Cal” packet contains the following information and is only available in English and Spanish languages.

- A Medi-Cal Welcome letter
- Medi-Cal - What It Means To You booklet (abbreviated)
- Multilingual notice – Request for assistance
- A list of county telephone numbers for Medi-Cal inquires

The Welcome Packet material is available on the LIHP Transition consumer website for counties and community partners to download and distribute.

<http://www.dhcs.ca.gov/provgovpart/Pages/LIHPTransitionResource.aspx>

Notices

LIHP enrollees have received or will receive the following notices and FAQ documents prior to the transition:

- General LIHP to Medi-Cal transition notices (MCE and HCCI) – co-branded by local LIHP, DHCS and Covered California (HCCI notice only) and mailed to enrollees by the LIHPs in or around early to mid-October and November respectively, using language provided by DHCS.
- 60-day Plan Assignment notice/Health Care Options (HCO) packet – mailed by DHCS in November 2013.
- 30-day Plan Assignment/Reminder notice – mailed by DHCS in December 2013.
- Welcome to Medi-Cal packet – mailed by DHCS on December 5, 2013.

Counties can download the generic versions of these notices for reference or distribution to any LIHP eligible enrollee who requests one from the links below:

Notices:

<http://www.dhcs.ca.gov/provgovpart/Pages/LIHPTransitionResource.aspx>

HCO materials:

http://www.healthcareoptions.dhcs.ca.gov/HCOCS/Enrollment/Informing_Materials.aspx

MCE Enrollees not included in the Administrative Move

DHCS identified several groups within the LIHP MCE population that were not included as part of the administrative move to Medi-Cal. These groups are described below, along with the reason why they did not transition to Medi-Cal.

Individuals turning 65 years of age by January 31, 2014

Enrollees turning 65 by January 2014 were not transitioned to Medi-Cal as part of the administrative move because they are not eligible under the new adult group. Enrollees are considered 65 the first day of the month of their 65th birthday (California Code of Regulations, Title 22 § 50221).

Eligibility criteria for the new adult group (1902(a)(10)(A)(i)(VIII) of the Social Security Act) states the individual must be 19-64 years of age and not eligible for Medicare. Therefore, DHCS did not move this population into aid code L1. The LIHP Division issued instructions to the local LIHPs to identify enrollees turning 65 on or before January 31, 2014, and refer these enrollees, prior to their 65th birthday, to the Social Security Administration to apply for benefits such as Medicare or their social services agency for an eligibility determination for Medi-Cal under the Aged program. LIHPs received MEDS alert for enrollees in MEDS who are 64 years and 9 months of age to remind them to apply for Medicare.

Pending Terminations

LIHP enrollees with a pending December 2013 termination date in MEDS were not transitioned because there is no continued eligibility for the individual in January 2014.

Dual Eligibility in LIHP and Medi-Cal

LIHP enrollees who showed simultaneous LIHP and full scope no share-of-cost Medi-Cal eligibility were not transitioned because these individuals already have Medi-Cal. DHCS has been working with the local LIHPs to identify these individuals in MEDS and correct these discrepancies prior to the transition. Individuals who were enrolled in the LIHP MCE program and a state-funded Medi-Cal program, for example, the Tuberculosis program - did transition to Medi-Cal on January 1, 2014.

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DHCS will continue to transition late enrollees and be available to assist counties and individuals to resolve issues to assure a smooth transition to Medi-Cal for this population.

If you have any questions regarding this ACWDL, please contact Frank Kwong at (916) 552-9487 or by email at Frank.Kwong@dhcs.ca.gov.

If you have questions regarding LIHP transition, continue to email your questions to the LIHP transition email box at LIHPTransitionproject@dhcs.ca.gov.

Original Signed By

Tara Naisbitt, Chief
Medi-Cal Eligibility Division

Attachment

Attachment A: Script for Opting Out of Medi-Cal (LIHP MCE)

1. What should I do if I don't want to be enrolled in Medi-Cal? Are there other programs available?

A: Call your county social services office at [county social services office phone number] and they can help disenroll you from Medi-Cal. They can also check to see if you qualify for other programs. If you disenroll from Medi-Cal and do not obtain coverage from another source, you will not have health coverage as of the day you are disenrolled.

2. Can I get health insurance from Covered California if I don't want Medi-Cal?

A: Yes, you can buy your own health insurance through Covered California but you will not get any help paying for health insurance through Covered California if you are eligible for Medi-Cal.

3. If I don't want Medi-Cal now, can I apply for it later?

A: Yes, you can apply for Medi-Cal at any time.

4. Can I stay in [county program name] instead of moving to Medi-Cal?

A: No, that program ended December 31, 2013