



TOBY DOUGLAS
DIRECTOR

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



EDMUND G. BROWN JR.
GOVERNOR

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TO: ALL COUNTY WELFARE DIRECTORS Letter No.: 14-18
ALL COUNTY WELFARE ADMINISTRATIVE OFFICERS
ALL COUNTY MEDI-CAL PROGRAM SPECIALISTS/LIAISONS
ALL COUNTY HEALTH EXECUTIVES
ALL COUNTY MENTAL HEALTH DIRECTORS
ALL COUNTY MEDS LIAISONS

SUBJECT: Policies and Procedures for Annual Renewal and Change in Circumstance Redeterminations and Discontinuance from Medi-Cal

The Department of Health Care Services (DHCS) is providing guidance as a result of Assembly Bill (AB) x1 1, Chapter 3, Statutes of 2013, as well as recent guidance provided by the federal Centers for Medicare & Medicaid Services (CMS) on the Affordable Care Act of 2010 (ACA). This letter is to provide the Statewide Automated Welfare Systems (SAWS) and counties with policy guidance.

This guidance is focused on policies and procedures for discontinuing a Medi-Cal beneficiary at annual or change in circumstance redeterminations. This guidance will address discontinuances for both MAGI and Non-MAGI Medi-Cal beneficiaries.

Background

As stated in Welfare and Institutions Code (WIC) Section 14005.37, Medi-Cal beneficiaries must be evaluated for all Medi-Cal programs before they are discontinued from benefits and forwarded to Covered California to be evaluated for Advanced Premium Tax Credits (APTC) or Cost Sharing Reductions (CSR). This means that when a beneficiary is no longer eligible for MAGI Medi-Cal, he/she must be evaluated for Non-MAGI Medi-Cal if potentially eligible on a Non-MAGI basis before being discontinued from benefits. Similarly, when a beneficiary is no longer eligible for Non-MAGI Medi-Cal, he/she must be evaluated for MAGI Medi-Cal before being discontinued from benefits. The beneficiary must remain on the appropriate Medi-Cal program which they were on prior to the renewal or change in circumstances until all applicable bases for eligibility are evaluated. Counties are instructed to conduct an ex parte review of available information, as prescribed in WIC 14005.37 so that a beneficiary is requested to provide information **only** after an ex parte review is

conducted, and **only** if the ex parte evaluation is unsuccessful in establishing ongoing eligibility.

The exception to this rule is when a Medi-Cal beneficiary fails to cooperate. Since MAGI and Non-MAGI Medi-Cal programs have different eligibility rules, beneficiaries may be required to submit different types of documentation depending on what they are being evaluated for. If, after all ex parte reviews have been completed and more information is needed and requested of the beneficiary, the beneficiary fails to provide the requested information or documentation within the timeframes, after being given a reasonable opportunity period to provide the information or documents, the beneficiary shall be discontinued from benefits for lack of cooperation after the proper NOA has been provided. Beneficiaries who turn in documents late after discontinuance will still be evaluated under the 90 day period to cure.

The purposes of this letter is to provide guidance to counties when beneficiaries are being discontinued from Medi-Cal after the ex parte review has been unsuccessful, and after they have provided all the requested documentation needed to make an eligibility determination, because they are determined based on the information provided to be ineligible for either MAGI or Non-MAGI Medi-Cal.

Medi-Cal Beneficiary Discontinued From MAGI Medi-Cal

As a result of an annual redetermination or change in circumstance redetermination, a MAGI Medi-Cal beneficiary may be determined no longer eligible for MAGI Medi-Cal. Prior to evaluating the beneficiary for APTC/CSR benefits, the beneficiary must be evaluated for Non-MAGI Medi-Cal programs if potentially linked on a Non-MAGI basis. Upon adjudicating the redetermination and finding the beneficiary no longer MAGI eligible, the county shall take the steps below to assist in determining if the beneficiary has eligibility for Medi-Cal on the basis of Non-MAGI Medi-Cal.

Potential Linkage to Non-MAGI Medi-Cal

If the beneficiary has a potential linkage to a Non-MAGI Medi-Cal program, the beneficiary shall be evaluated using the Non-MAGI Medi-Cal rules. Counties shall conduct an ex parte review of all available information in an attempt to establish Non-MAGI Medi-Cal eligibility. If the county cannot establish Non-MAGI eligibility by completing the ex parte review, the county shall promptly send the beneficiary the Non-MAGI Screening Packet. In doing so, the county may only ask for information or documents not already available or identified for the county through the ex parte review.

Please Note: Based on information submitted on required redetermination forms established by the department, non-disabled, non-blind, non-parent/caretaker, non-pregnant individuals between the ages of 22-64 who are not in long term care and who do not have any other form of linkage to non-MAGI Medi-Cal, shall be immediately evaluated for APTC/CSR benefits upon being determined ineligible for MAGI Medi-Cal.

All other persons should be considered potentially eligible for Non-MAGI Medi-Cal.

Non-MAGI Screening Packet

The Non-MAGI Screening Packet consists of the following forms:

1. **The Non-MAGI Informing Letter:** The Non-MAGI Informing letter has multiple objectives:
 - a. Informs the beneficiary that he/she does not or no longer qualifies for MAGI Medi-Cal
 - b. Informs the beneficiary that he/she may still qualify for Non-MAGI Medi-Cal
 - c. Provides an overview of Non-MAGI Medi-Cal and APTC/CSR
 - d. Informs the beneficiary that he or she will be enrolled in no Share of Cost (SOC) Non-MAGI Medi-Cal if found eligible when the requested information is returned to the county.
2. **MC 604 IPS:** The MC 604 IPS acquires the necessary Non-MAGI asset, income, and deduction information to evaluate an individual for Non-MAGI eligibility when such information has not been obtained through the ex parte review process summarized above.
3. **The Non-MAGI Medi-Cal Brochure:** Entitled "Other Medi-Cal Programs," the brochure provides the beneficiary with detailed information about the Non-MAGI program, including how Non-MAGI eligibility is determined and what information the beneficiary will need to provide in order to qualify.
4. **The APTC/CSR Brochure:** The brochure provides the beneficiary with information about APTC and CSR.

The beneficiary shall be given 30 days from the date the letter is mailed to complete and return the Non-MAGI Screening Packet.

Evaluation for Non-MAGI Medi-Cal

If the county has enough information via the ex parte review, or the beneficiary returns the MC 604 IPS or otherwise provides the necessary information, to conduct a Non-MAGI eligibility determination, the county shall attempt to determine Non-MAGI Medi-Cal eligibility.

If the individual is found eligible for a Non-MAGI Medi-Cal program, the county shall immediately move the individual to the corresponding aid code and notice the beneficiary appropriately. The county shall also update the case in the California Healthcare Eligibility, Enrollment and Retention System (CalHEERS) so that CalHEERS knows the beneficiary is now enrolled in Non-MAGI Medi-Cal.

Please Note: If the individual is found eligible for Medi-Cal with a SOC, the county shall call the CalHEERS Business Rules Engine (BRE) to determine eligibility for APTC/CSR.

Individuals have the option of having SOC Medi-Cal, SOC Medi-Cal and APTC/CSR, or APTC/CSR. If the individual is found eligible for APTC/CSR, the individual can choose to enroll in the program or not.

If the individual is found not eligible for a Non-MAGI Medi-Cal program, the county shall immediately rerun the beneficiary through the CalHEERS BRE to determine APTC/CSR eligibility. If the beneficiary is found eligible for APTC/CSR benefits, the county shall assist the individual in completing the enrollment process into APTC/CSR including assisting with health plan selection if so requested. Once the beneficiary's eligibility determination for APTC/CSRs is complete, the county shall send the beneficiary a timely discontinuance notice and discontinue the beneficiary's Medi-Cal benefits.

Please Note: During the Non-MAGI evaluation process, the beneficiary shall remain in his/her existing MAGI Medi-Cal aid code to the extent possible. If, because of lack of system functionality with the applicable SAWS, the beneficiary cannot be left in his/her existing aid code, the beneficiary shall be moved into aid code 38 if the beneficiary is receiving full-scope benefits or aid code 58 if the beneficiary is receiving restricted scope benefits.

Evaluation for APTC/CSR

If the beneficiary elects to disenroll from the Medi-Cal program and to be evaluated instead for APTC/CSR benefits, the county shall promptly rerun the beneficiary through the CalHEERS BRE to determine APTC/CSR eligibility. If the beneficiary is found eligible for APTC/CSR benefits, the county shall assist the individual in completing the enrollment process into APTC/CSR including assisting with health plan selection if so requested. Once the beneficiary's eligibility determination for APTC/CSRs is complete, the county shall send the beneficiary a timely discontinuance notice and discontinue the beneficiary's Medi-Cal benefits

Beneficiary Fails to Respond

If, after 30 days, and after at least one attempt to contact the beneficiary by phone or other means preferred by the beneficiary, the beneficiary fails to return the Non-MAGI Screening Packet, or otherwise provide the requested information, the beneficiary shall be discontinued from Medi-Cal only after the beneficiary is sent a timely discontinuance Notice of Action and after the required notice period, if the person does not make a timely appeal and request aid pending the appeal. The beneficiary shall be immediately evaluated for APTCs and forwarded to Covered California.

Please Note: If the beneficiary provides the requested information prior to this discontinuance action taking affect, the county shall rescind the discontinuance action and properly work the case.

The county shall ensure that the beneficiary is properly noticed of the discontinuance action. Upon discontinuance, the beneficiary is given a 90-day cure period. During the

cure period, if the beneficiary provides the needed information, the county shall treat the information as if it were received timely, and immediately determine eligibility. If eligibility is found, eligibility shall be granted back to the date of discontinuance.

Medi-Cal Beneficiary Discontinued from Non-MAGI Medi-Cal

As a result of an annual redetermination or change in circumstance redetermination, a Non-MAGI Medi-Cal beneficiary may be determined no longer eligible for Non-MAGI Medi-Cal. Prior to discontinuing the beneficiary, the county must evaluate the individual for MAGI Medi-Cal.

Request For Tax Household Information (RFTHI) Redetermination Packet

In order to determine the Non-MAGI Medi-Cal beneficiary for MAGI Medi-Cal, the county must send the beneficiary the RFTHI Redetermination Packet. As prescribed in WIC Section 14005.37, the beneficiary shall be given 30 days from the date the form is mailed to return the packet.

Please Note: Prior to sending the beneficiary the RFTHI Redetermination Packet, the county shall conduct an ex parte review to see if the tax household information is already known. For example, if the Non-MAGI beneficiary is in a household with MAGI individuals, it is likely that the tax household information is already known about the Non-MAGI individual. As such, the RFTHI Redetermination Packet shall not be sent to the beneficiary and the known tax household information shall be used to conduct a MAGI eligibility determination.

MAGI Medi-Cal Evaluation

The beneficiary can return the RFTHI Redetermination Packet by mail, or convey its contents over the phone, by fax, or in person and must be documented in the case. If the RFTHI Redetermination Packet is not returned and its information is not provided by the beneficiary, follow the related guidance in the "Process Exceptions" on page 6..

Please Note: The beneficiary is not required to submit any supporting documentation with the beneficiary's responses to the questions asked in the RFTHI Redetermination Packet. The packet is only to acquire information to be verified through the federal verification hub and available state data sources. Documentation shall only be required to the extent that the electronic verification through the CalHEERS BRE finds the information not reasonably compatible or cannot verify information that must be verified and the information is not available via ex-parte review. In such cases, follow the reasonable opportunity process for the beneficiary to respond to address the incompatibility, as set forth below.

County Responsibility After Sending the RFTHI Redetermination Packet

As prescribed in WIC Section 14005.37, if during the 30-day period the beneficiary has not returned the RFTHI Redetermination Packet, or has not otherwise provided all of the

requested information, the county shall first complete an ex-parte review to attempt to verify information. If the information is unavailable or cannot be verified, the county must attempt to contact the beneficiary requesting the information and provide a 10-day deadline following the contact. Contact can be attempted via the Internet, by telephone, or by other means available to the county and should be conducted according to the beneficiary's preferred method of contact if a method has been identified as required by WIC section 14005.37 and the county has the capabilities to do so. This information must be documented in the case file.

Eligibility is Determined

Once the RFTHI Redetermination Packet is returned, or information is otherwise provided, the SAWS shall use the CalHEERS BRE to determine continued Medi-Cal eligibility. If the beneficiary is found MAGI Medi-Cal eligible, the county shall ensure the beneficiary is placed in the appropriate aid code and send a corresponding Notice of Action. If the beneficiary is found APTC/CSR eligible, the county shall immediately discontinue the beneficiary from Medi-Cal and send the appropriate Notice of Action.

Process Exceptions

RFTHI Redetermination Packet Not Returned and Information Not Provided

If after 30 days, during which time the county has attempted to reach the beneficiary as discussed above following the ex parte review, the Medi-Cal beneficiary does not return the RFTHI Redetermination Packet, or does not provide all the requested information and the information is not available from an ex parte review in SAWS or other data sources, the beneficiary shall be sent a notice of termination and discontinued from Medi-Cal benefits at the end of the annual redetermination due month in accordance with due process requirements. The beneficiary shall be sent a Notice of Action explaining the basis for termination and the ability to cure within 90 days.

Please Note: If the beneficiary provides the requested information prior to this discontinuance action taking affect, the county shall rescind the discontinuance action and properly work the case.

The beneficiary who is discontinued shall also be notified in writing that he/she has a 90-day cure period to provide any missing information. During the cure period, if the beneficiary returns the RFTHI Redetermination Packet, or otherwise provides the requested information, the county shall treat the information as if it were received timely, immediately enter the information into the SAWS system and submit to the CalHEERS BRE as prescribed above.

If the beneficiary is subsequently found Medi-Cal eligible, the county shall grant benefits back to the date of discontinuance and notify the beneficiary that their Medi-Cal benefits have been restored back to date of discontinuance. The original application and renewal dates shall be retained in the case once benefits are restored. Please note, as

prescribed in WIC Section 14005.37(i), the submittal of the RFTHI Redetermination Packet, or the otherwise providing of the requested information, does not constitute a finding of Medi-Cal eligibility. The discontinuance action shall not be overturned until the information is run through the CalHEERS BRE and eligibility is found.

Information that is Not Reasonably Compatible

When submitting the RFTHI Redetermination Packet information through the CalHEERS BRE to determine continued Medi-Cal eligibility, if the result of the eligibility determination is not reasonably compatible, the county shall check available data sources ex parte to resolve the incompatibility, including data in SAWS and MEDS. If, after checking all available data sources, the incompatibility still cannot be resolved, the county shall immediately send the beneficiary the MC 355 form to request paper verification of the data element(s) that is (are) not reasonably compatible. For example, if income is not reasonably compatible, the MC 355 form should be sent asking only for the beneficiary to provide paper verification of income.

The MC 355 shall not ask for verification of information that was already verified through the CalHEERS BRE or other available data sources. Furthermore, the form shall not ask for information that is not relevant to the eligibility determination.

The beneficiary shall be given 30 days to respond to the MC 355. If during the 30-day period the beneficiary has not responded to the form, nor otherwise provided the requested information, the county shall attempt to contact the beneficiary requesting the information. Contact can be attempted through any of the means available to the county and should be conducted according to the beneficiary's preferred method of contact if known and must be documented in the case.

If the MC 355 is returned timely, or needed information otherwise provided, the county shall verify that the information returned is correct. For example, if the beneficiary was required to submit income verification, the county shall verify that the document submitted is a valid income document.

Once the county approves the verification document, the county shall enter the data element into the SAWS and re-submit the redetermination to the CalHEERS BRE to continue with the eligibility determination.

If the information requested through the MC 355 is not returned timely, and needed information is either not otherwise provided or is incomplete, the county shall attempt to contact the beneficiary to obtain the information. If still unsuccessful, the beneficiary shall be discontinued from Medi-Cal benefits for lack of cooperation at the end of the month at which the 30-day period ends. If the 30-day period ends prior to the annual redetermination month, the beneficiary shall not be discontinued until the end of the redetermination month.

The county shall ensure that the beneficiary is properly noticed of the discontinuance action. Upon discontinuance, the beneficiary is given a 90-day cure period. During the cure period, if the beneficiary returns the MC 355, or otherwise provides the needed information, the county shall treat the information as if it were received timely, immediately enter the information into the SAWS system and submit to the CalHEERS BRE as prescribed above.

If the beneficiary is subsequently found Medi-Cal eligible, the county shall grant benefits back to the date of discontinuance.

Please note: the submittal of the MC 355, or otherwise providing the information, does not constitute Medi-Cal eligibility. The discontinuance action shall not be overturned until the information is run through the CalHEERS BRE and eligibility is found. Once eligibility is found, the county shall provide notice to the beneficiary that his/her benefits have been restored back to the date of termination.

Missing Information

If the RFTHI Redetermination Packet is returned, or information is otherwise provided, but there is not enough information to determine eligibility for MAGI Medi-Cal, counties should immediately send the beneficiary the MC 355 form. The form should request only the information that is required to complete the MAGI eligibility determination. The beneficiary can return the form, or otherwise provide the requested information, by mail, or convey its contents over the phone, by fax, or in person and must be documented in the case file.

The beneficiary shall be given 30 days to respond to the MC 355. If during the 30-day period the beneficiary has not responded to the form, nor otherwise provided the requested information or provided incomplete or insufficient information, the county shall attempt to contact the beneficiary requesting the information. Contact must be documented in the case and can be attempted through any of the means available to the county and should be conducted according to the beneficiaries preferred method of contact if known.

If the MC 355 is returned timely, or needed information otherwise provided, the county shall enter the data element into the SAWS and submit the redetermination to the CalHEERS BRE for an eligibility determination.

If the MC 355 is not returned timely, or needed information is either not otherwise provided or is insufficient/incomplete, the beneficiary shall be discontinued from Medi-Cal benefits for lack of cooperation at the end of the month at which the 30-day period ends. If the 30-day period ends prior to the annual redetermination month, the beneficiary shall not be discontinued until the end of the redetermination month.

Please Note: If the beneficiary provides the requested information prior to this discontinuance action taking affect, the county shall rescind the discontinuance action and properly work the case.

The county shall ensure that the beneficiary is properly noticed of the discontinuance action. Upon discontinuance, the beneficiary is given a 90-day cure period. During the cure period, if the beneficiary returns the MC 355, or otherwise provides the needed information, the county shall treat the information as if it were received timely, immediately enter the information into the SAWS system and submit to the CalHEERS BRE as prescribed above.

If the beneficiary is subsequently found Medi-Cal eligible, the county shall grant benefits back to the date of discontinuance and the original application and renewal dates shall be retained on the case.

Please note: the submittal of the MC 355, or otherwise providing the information, does not constitute Medi-Cal eligibility. The discontinuance action shall not be overturned until the information is run through the CalHEERS BRE and eligibility is found. Once eligibility is found, the county shall provide notice to the beneficiary that his/her benefits have been restored back to the date of termination.

Beneficiary Determined Eligible for APTC/CSR

If a beneficiary is determined to be ineligible for MAGI Medi-Cal, the beneficiary shall immediately be evaluated for APTC/CSR. In this situation, the beneficiary has been found ineligible for Medi-Cal as both Non-MAGI and MAGI Medi-Cal determinations have been made. A Medi-Cal discontinuance NOA shall be sent timely to the beneficiary and the beneficiary can be terminated after the required notice period, if the person does not make a timely appeal and request aid pending the appeal.

Loss of Contact

If the RFTHI Redetermination Packet is sent back, such as "return to sender," or "no forwarding address" the county shall attempt to contact the beneficiary as required in WIC section 14005.37(c). This shall include first, an ex parte review of information available to the county in SAWS about the beneficiary or his or her family members, such as from a CalFresh file with more current contact information for the beneficiary, and, then, if necessary, by attempting to contact the beneficiary via the Internet, by telephone, or by other means available to the county according to the beneficiary's preferred method of contact if a method has been identified. Attempts to contact the beneficiary shall be documented in the case. For beneficiaries other than former foster youth, if all required attempts at contact fail, the county shall send a notice of discontinuance. If contact cannot be made with former foster youth, eligibility shall not be discontinued but the individual shall be placed in fee-for-service Medi-Cal.

As required by WIC Section 14005.28 (a)(3), former foster youth are to receive a simplified annual renewal packet and should not receive the RFTHI Packet. If a county receives an RFTHI packet as return to sender or otherwise undeliverable, before proceeding with the steps to discontinuance, the county shall check all available sources to see if the beneficiary is a former foster youth. Former foster youth up to age 26 shall not be discontinued due to a loss of contact. Rather, they shall be placed into fee-for-service Medi-Cal.

If you have any questions, please contact Braden Oparowski by phone at (916) 552-9570 or by email at Braden.Oparowski@dhcs.ca.gov.

Original Signed By:

Tara Naisbitt, Chief
Medi-Cal Eligibility Division

Attachments

Dear [Insert Name],

This letter includes important information about your health coverage

Thank you for sending us the renewal forms and information we asked for. We used that information, as well as state and federal data, to see what health coverage you and each member of your family can get, including:

- MAGI Medi-Cal (Modified Adjusted Gross Income) which is the new Medi-Cal program based on tax rules;
- Other Medi-Cal programs, such as Medically Indigent, Medically Needy, and programs for people with disabilities; and
- Covered California private health insurance.

We are sending you this letter because you or someone in your family is not eligible for MAGI Medi-Cal. You may be eligible for other Medi-Cal programs and/or Covered California private health insurance with tax credits. To keep health benefits without a break in coverage, you must complete the last page of this form by [Insert Date].

This is not a notice terminating your Medi-Cal. If we determine you or your family members are no longer eligible for Medi-Cal after we get any additional information from you, you will get a letter (called a “Notice of Action”) telling you you are no longer eligible. You can still file an appeal at that time if you disagree.

Below is health coverage information for each person in your home.

[Insert Name]

You are not eligible for MAGI Medi-Cal. You have not lost your Medi-Cal benefits at this time.

You may still be eligible for other Medi-Cal programs – either free Medi-Cal or Medi-Cal with a share of cost. Information about these programs is in the materials with this letter.

You may also be eligible for a tax credit to help buy private insurance through Covered California. See the Covered California section below for information about the help your family can get.

[Insert Name]

You are not eligible for MAGI Medi-Cal. You have not lost your Medi-Cal benefits at this time.

You may still be eligible for other Medi-Cal programs – either free Medi-Cal or Medi-Cal with a share of cost. Information about these programs is in the materials with this letter.

You may also be eligible for a tax credit to help buy private insurance through Covered California. See the Covered California section below for information about the help your family can get.

[Insert Name]

You are not eligible for MAGI Medi-Cal. You have not lost your Medi-Cal benefits at this time.

You may still be eligible for other Medi-Cal programs – either free Medi-Cal or Medi-Cal with a share of cost. Information about these programs is in the materials with this letter.

You may also be eligible for a tax credit to help buy private insurance through Covered California. See the Covered California section below for information about the help your family can get.

What are other Medi-Cal programs?

The other Medi-Cal programs are not MAGI Medi-Cal. They include the Medically Needy program and Medi-Cal for people with disabilities. See the “**Other Medi-Cal Programs Brochure**” for more information.

What are some of the differences between MAGI Medi-Cal and other Medi-Cal programs?

Other Medi-Cal programs use different rules for counting income and household size than MAGI Medi-Cal. If you are not eligible for MAGI Medi-Cal, you may be eligible for these other Medi-Cal programs. For example, if there is a step-parent with income, a person with disability income, a child with income, or parents that are not married, you may be eligible for free Medi-Cal under these other Medi-Cal programs.

Even if you cannot get free Medi-Cal through these other Medi-Cal programs, you may still be eligible for Medi-Cal with a share of cost.

Under these other Medi-Cal programs, there is a limit on how much property (assets) you can have. This is different from MAGI Medi-Cal.

What if I want to see if I am eligible for other Medi-Cal programs?

You have the right to find out if you can keep Medi-Cal coverage through other Medi-Cal programs. **If you want us to check if you are eligible, mark the box on Page 4 that says “I want you to check if my family and I are eligible for other Medi-Cal programs”.**

We can only figure out if you are eligible for one of these other Medi-Cal programs, if you send us page 4 with your signature and date, and fill out and send us the last page of this letter and the **“Medi-Cal Income, Deductions, and Property Supplement”** form that we included with this letter. **You must send us this information or you may lose your Medi-Cal eligibility.**

What if I am interested in tax credits to buy private insurance through Covered California?

Covered California offers tax credits to help pay for the cost of health insurance. The tax credits are based on your household income and household size. Covered California offers several health plans that you can choose from.

We can check if you are eligible for Covered California coverage with tax credits. **If you want us to check if you are eligible mark the box on Page 4 that says “I want you to check if my family and I are eligible for tax credits to help pay for health coverage through Covered California.”** Make sure to sign and date the last page of this letter.

Can I get Medi-Cal and Covered California coverage?

Yes. Some people may be eligible for both Medi-Cal with a share of cost and Covered California private insurance with tax credits. You may decide you want us to check if you are eligible for both other Medi-Cal programs and Covered California. Or, you may just pick one option. Either way, we need to hear your decision for you to continue to receive benefits without a break in coverage.

Medi-Cal covers some services that Covered California insurance does not cover such as Long Term Care services.

What Must I Do Now?

1. To keep health benefits without a break in coverage, you must select one or both of the two options below.

I want you to check if my family and I are eligible for other Medi-Cal programs. I have filled out the “**Medi-Cal Income, Deductions, and Property Supplement**” form. I am sending both forms to you in the envelope included.

I want you to check if my family and I are eligible for tax credits to help pay for health insurance through Covered California.

2. You must send this form and any required documents in the envelope included by [Insert Date] to continue your health benefits.

Signature: _____ Date: _____

If you do not answer this letter, you will get a Notice of Action (NOA) and your current Medi-Cal benefits will end on [_Insert Date_____]. You will have the right to appeal the action. You can keep your Medi-Cal while you appeal if you appeal before your benefits end.

[Insert County Address]

You have the right to ask for and receive translated materials and interpreter services in your language. The State will provide a free language interpreter including American Sign Language if you ask. Call [Insert Phone Number] for more information.

Other Medi-Cal

What is “Other Medi-Cal”?

There is a new kind of Medi-Cal called MAGI Medi-Cal (Modified Adjusted Gross Income). MAGI Medi-Cal is the main, new Medi-Cal program based on tax rules which we have to check first.

People who are not eligible for MAGI Medi-Cal may still be eligible for other Medi-Cal programs, such as Medically Indigent Medi-Cal, Medically Needy Medi-Cal and programs for people with disabilities. There are different rules for counting income so some people who can't get MAGI Medi-Cal can still sometimes get other Medi-Cal.

What is the Medically Needy Medi-Cal program?

The Medically Needy program provides Medi-Cal to pregnant women and children under 21 years of age, and to families with children. The Medically Needy program also provides Medi-Cal to people who are aged, blind or disabled. These people must

be ineligible for MAGI-based Medi-Cal.

Are there Special Medi-Cal Programs for People with Disabilities?

Yes. There are several special Medi-Cal programs for people with disabilities. There is a program for people with disabilities who work.

What information will I need to give to get Other Medi-Cal?

You must fill out the forms in this packet to see if you can get Other Medi-Cal. You may also need to give proof like pay stubs or bank statements.

What are the property limits for eligibility?

We count your property including your bank accounts. To qualify, one person has a property limit of \$2,000; two people have a property limit of \$3,000; three people have a property limit of \$3,150, and the amounts go up by \$150 for each additional person. If your property is over the

limit, you can still qualify by spending the property that's over the limit.

Not all property counts including your home and one car. Money in your checking account doesn't count as property if it was your income this month. Your personal items and household goods are not counted either. If you have an Individual Retirement Account (IRA), KEOGH or other work-related pension fund and you receive payments of principal and interest from it, then the rest of the account is not counted. Follow the link below to see the Information Notice 007, “Medi-Cal General Property Limitations”, if you want more information about how property is counted under the Medically Needy program.

[http://www.dhcs.ca.gov/formsandpubs/forms/Forms/MC%20007%20-%2004012013%20\(Eng\).pdf](http://www.dhcs.ca.gov/formsandpubs/forms/Forms/MC%20007%20-%2004012013%20(Eng).pdf)

What is the income limit for Other Medi-Cal?

Each program has a different income level. There is an income limit for free Medi-Cal through the Medically Needy

Other Medi-Cal

program, but if your income is above that you would have a share-of-cost (SOC) meaning you have to pay or owe for some medical care before Medi-Cal pays.

What kind of income counts?

Some types of income are not counted and some deductions are subtracted from your income. For example, under the Medically Needy program for families, Medi-Cal doesn't count any court-ordered child or spousal support that you pay, \$90 for work-related expenses for people who are employed, and some earned income of students under the age of 22 and health or dental insurance premiums. People with disabilities have different rules about which income counts. For more information about how income is counted or how the SOC is calculated, you can read, "Medi-Cal, What it Means to You" at the link below:

<http://www.dhcs.ca.gov/formsandpubs/publications/Documents/PUB68.pdf>

Whose income counts?

For Medically Needy Medi-Cal a spouse's income counts for another spouse and a parent's income counts for the children. A brother or sister's income does not count for a child or parent, a step-parent's income does not count for a child, and income for unmarried parents does not count towards each other.

Because of these rules, a family with a step-parent or unmarried parents or with a child with income or families with a large number of children and expenses may be able to get free Medi-Cal through Medically Needy even if they could not be MAGI Medi-Cal.

What is a Share-of-Cost (SOC)?

A share of cost is an amount of medical costs that you must pay or owe in a month that you get health services before Medi-Cal will pay for the rest of your Medi-Cal services in that month. If you have no medical expenses in a month, then you pay nothing for that month. Medi-Cal will

not pay for services used to meet your SOC.

SOC Examples:

For example, if the total countable income of your family of three is \$2,248, the income limit for free Medi-Cal is \$934 which is the maintenance need level (MNL) for three. The amount that is left is your share of cost which will be \$1,314 each month. You would have to pay or owe \$1,314 of medical care in the month before Medi-Cal would pay.

If a child has income or property, or there is a step parent, step children or a caretaker relative, the SOC is calculated differently. This can result in different SOC's for different family members.

For example, Mom and Step father with \$1500 gross unemployment may have a SOC of \$566 a month, while the Mom's daughter with child support of \$200 a month may have no SOC. This is because Mom and Step father get an MNL that is based on 2 people and the Mom's daughter's MNL is one-third of a three person MNL. If you have

Other Medi-Cal

question about SOC, you may call
your County worker.

What is Covered California?

Covered California is a state agency created to help Californians who don't get health insurance from their job or a public program.

To help people get covered, we've set up a new health insurance marketplace where private insurance companies offer plans at affordable rates. Now you can compare insurance plans and find one that's right for you.

Starting in January 2014, most people will be required to have health insurance or pay a penalty.

What kind of assistance is available?

Millions of Californians will qualify for government assistance to make insurance more affordable. Assistance is based on your income. Find out what your options are at www.CoveredCA.com.

Medi-Cal

- If you're eligible for Medi-Cal, California's Medicaid program, you can get insurance at low or no cost.

Premium Assistance

- If you qualify, the federal government will pay a portion of your insurance bill every month.
- It sends the money directly to the insurance company you choose through Covered California.
- You can only get premium assistance if you buy insurance through Covered California.
- If you stop paying your part of the cost, you will lose your coverage.

Help With Out-of-Pocket Costs

- Covered California's "Enhanced Silver" plan can reduce out-of-pocket costs like copays for doctor visits, prescription drugs and routine tests. Participation in Enhanced Silver is based on income.

If you are an eligible individual

Annual Income

\$15,856 ^{or less}

\$15,857 - \$28,725

\$28,726 - \$45,960

\$45,961 ^{or more}

You May Qualify For

Medi-Cal at low or no cost

Federal premium assistance and help with out-of-pocket costs

Federal premium assistance to lower cost*

Purchasing coverage through Covered California

If you have an eligible family of four

Annual Income

\$32,499 ^{or less}

\$32,500 - \$58,875

\$58,876 - \$94,200

\$94,201 ^{or more}

You May Qualify For

Medi-Cal at low or no cost

Federal premium assistance and help with out-of-pocket costs

Federal premium assistance to lower cost*

Purchasing coverage through Covered California

Remember: if you have access to affordable health insurance through your employer or another government program, you cannot get federal premium assistance through Covered California.

**Upper income limit of federal premium assistance eligibility depends on the cost of plans in your region.*



Welcome to Covered California

Your destination for quality, affordable health care

ENROLL NOW

Coverage begins **January 2014**

To learn more about your coverage options:



Online: www.CoveredCA.com



Follow us: **Facebook:** [Facebook.com/CoveredCA](https://www.facebook.com/CoveredCA)
Twitter: [@CoveredCA](https://twitter.com/CoveredCA)



Phone: (800) 300-1506

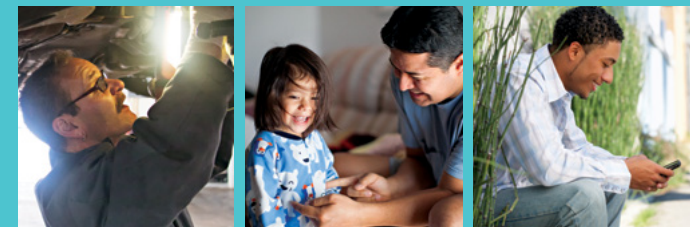


In Person: Find a Covered California Certified Educator, Enrollment Counselor or Insurance Agent on our website or call (800) 300-1506.

REFERENCE NUMBER

#

*Covered California is a registered trademark of the State of California.
8000000-ENG-1013*





We've got you covered

For decades, many Californians have struggled with health insurance. If you couldn't afford coverage or were denied it because of a past illness, you didn't really have anywhere to go.

That's changed. Starting in January 2014, Covered California™, California's new health insurance marketplace, is helping lead the national effort to reform health care.

If you have health insurance through work or a public program, keep it. But if not, Covered California can help:

- Depending on your income, we'll help you get low- or no-cost Medi-Cal or premium assistance.
- And no one can be denied for having a pre-existing condition, which means there's no reason to be without insurance anymore.

Welcome to a new state of health.
Welcome to Covered California.

What are my coverage options?

Monthly premium

Your premium depends on your age and ages of your family members, family size, annual income and where you live. Depending on your income, you may qualify for Medi-Cal or assistance to lower your premium and other out-of-pocket costs.

Four standard levels of coverage

Covered California offers high-quality health insurance plans with four levels of coverage: Bronze, Silver, Gold and Platinum. The benefits for a given level are the same, no matter which insurance company's plan you choose. This makes it easy to compare plans. You can look at cost and the network of hospitals and doctors to pick the plan that is right for you.

Essential health benefits

All health insurance plans cover doctor visits; hospital care; emergency care; care for pregnant women, infants and children; and prescription drugs.

Minimum coverage

Minimum coverage plans are available to people who are under age 30. Some people over 30 may qualify for a minimum coverage plan if they lack affordable coverage or are experiencing other hardship. Minimum coverage helps pay for health services in case of a serious and expensive medical emergency; it does not pay for most day-to-day medical expenses such as doctor visits or prescription medicines.

Standard coverage benefits by level

Key benefits	Bronze covers 60% of average annual cost	Silver covers 70% of average annual cost	Gold covers 80% of average annual cost	Platinum covers 90% of average annual cost
Deductible	\$5,000	\$2,000	no deductible	no deductible
Annual Preventive Care Visit	no cost	no cost	no cost	no cost
Primary Care Visit Copay	\$60 ^{*1st 3 visits}	\$45	\$30	\$20
Urgent Care Visit Copay	\$120 ^{*1st 3 visits}	\$90	\$60	\$40
Emergency Room Copay	\$300	\$250	\$250	\$150
Generic Medication Copay	\$19 ^{or less}	\$19 ^{or less}	\$19 ^{or less}	\$5 ^{or less}
Annual Out-of-Pocket Maximum for One	\$6,350	\$6,350	\$6,350	\$4,000
Annual Out-of-Pocket Maximum for Family**	\$12,700	\$12,700	\$12,700	\$8,000

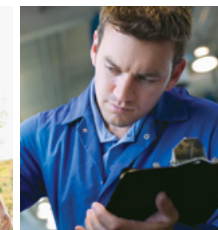
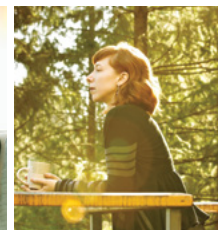
Benefits in **blue** are subject to deductibles.

Chart does not include all medical copays and coinsurance rates. For complete information, visit www.CoveredCA.com.

*For Bronze plans, the deductible is waived for the first three primary care or urgent care visits. Additional visits are charged at full cost until deductible is met.

**The annual out-of-pocket maximum for an individual within a family cannot be more than half the annual out-of-pocket maximum for the entire family.

Learn about affordable coverage in your area | visit CoveredCA.com | [call \(800\) 300-1506](tel:8003001506)



Additional Income and Property Information Needed for Medi-Cal

We are still evaluating your Medi-Cal eligibility and need some additional information. Please answer the questions below for everyone who is part of your household. This includes you, your spouse, and children under 21 who live with you or anyone who is temporarily absent from your household, such as attending school or work or is hospitalized.

Case Name: _____
Case Number: _____
Worker's Name: _____
Worker's Phone Number: _____
Date Sent: _____
Return this Form By: _____

Additional Household Information Needed

The following additional information is needed. Answer only if the questions on this page apply to you or a member of your household.

Please check here if you, or a member of your household, are legally married but currently living apart from the spouse.

If you checked the box, please list the name of the person in your household who is living apart from his or her spouse. _____

Please check here if you or a member of the household is a step-parent.

If you checked this box, please list:

The name of the Step-parent: _____

This Step-parent's children: _____

Please check here if a member of the household is a child who is being cared for by a relative, other than a parent, who also lives in the household.

If you checked this box, please list:

The name of the Caretaker Relative: _____

The children being cared for:

Tell Us About Your Income And Expenses

Tell us about your income and expenses for you, your spouse and any of your children under 21 years of age who are living in the home, or are temporarily absent from the home for reasons such as attending school or work or is hospitalized.

Income

Please check **Yes** or **No** if anyone in your household receives the type of income listed below. Check a box for each income type.

Disability Benefits	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Veteran's Benefits	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Child Support	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Gifts	<input type="checkbox"/> Yes	<input type="checkbox"/> No

If you answered **Yes** to any of the above, please send proof of that income with this form. Examples of documents that can be used include: letters or statements from the Social Security Administration, Veteran's Administration, Employment Development Department, court orders for child support, or other written documents that have specific information about the income.

Expenses

Please check **Yes** or **No** if anyone in your household may be paying the type of expense listed below. Check a box for each expense type.

Child Support Paid	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Other Health Premiums	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Medicare Premiums	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Childcare Expenses	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Adult Care Expenses	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Educational Expenses	<input type="checkbox"/> Yes	<input type="checkbox"/> No

If you answered **Yes** to any of the above, please send proof of that expense with this form. Examples of documents that can be used include: court orders for child support, tuition statements, statements from Medicare or insurance company, invoices or receipts of payment, or other written documents that have specific information about the expense.

Tell Us About Your Property And Possessions

Please check **Yes** or **No** if anyone in your household has or owns this type of property. A box must be checked for each item 1, 2 and 3 below.

SECTION 1

1. Cash or uncashed checks Yes No
If **Yes** list amount here \$_____

2. Checking account or savings account Yes No
If **Yes**, send copies of account statements showing current balances.

3. Do you or a member of your household own more than one vehicle (cars, motorcycles, trucks)? Yes No

4. Do you or a member of your household own boats, recreational vehicles or trailers?
Yes No
If you answered **Yes to question 3 or 4**, please send copies of the ownership documents or most recent registrations, purchase agreements, sales receipts, or estimates of value.

5. Please review the list of property below.
 Check this box if any member of your household owns or is named in **one or more** of the following items.

Real estate other than the home you live in (houses, condominiums, buildings, mobile homes, life estates, time-shares), shares of stock, mutual funds, Individual Retirement Accounts (IRAs), Keoghs, or work-related pension funds, trusts, blocked accounts or agreements (where money or property is held for the benefit of any family member in the home), judgments, settlement agreements, orders for support, prenuptial or postnuptial agreements, promissory notes, mortgages or deeds of trust, business accounts, business property, oil and mineral rights, jewelry worth more than \$100.00 (but not wedding rings, engagement rings, or heirlooms), any other real or personal property, asset, or resource worth \$500 or more.

If you **DID** check the box, please go to **SECTION 2** (below).

If you did **NOT** check this box, go to **SECTION 3** on page 6.

SECTION 2

If you checked the box in **Number 5** above, please complete this section and answer **ALL questions**. Please provide written documentation with this form for any of the categories below to which you answer **Yes**. Examples of documents include: policies, contracts, trusts, purchase agreements, court orders, settlement agreements, financial statements, business tax returns, invoices, receipts, licenses, profit-and-loss statements, or other documents showing ownership or other legal interest.

6. Shares of Stock or Mutual Funds Yes No
If yes, please send a copy of the statements, or stock or mutual fund certificates showing the number of shares.
7. Individual Retirement Accounts (IRAs), Keoghs, Work-Related Pension Funds or retirement accounts, such as 401k or 457 accounts. Yes No
If yes, please send the most recent statements from your employer, financial institution, or brokerage showing the amount of principal and interest you are receiving or the cash value of the account (after penalties for early withdrawal).
8. Annuities or Life Insurance Yes No
9. Burial Plots, Trusts, Burial Contracts or Burial Insurance Yes No
10. Trusts, blocked accounts or agreements (where money or property is held for the benefit of any family member in the home) Yes No
11. Judgments, settlement agreements, orders for support, prenuptial or postnuptial agreements Yes No
12. Promissory notes, mortgages, or deeds of trust Yes No

If you answered **Yes** to any of the **questions 6 through 12** (above), please provide copies of policies, contracts, trusts, purchase agreements, court orders, settlement agreements, or account documents showing payments, current market values, cash surrender values, balances, investments, and distributions

13. Jewelry worth more than \$100.00 (but not wedding rings, engagement rings, or heirlooms).
Yes No
If Yes, please send copies of sales receipts, appraisals, estimates of value or insurance documents.
14. Business Accounts and Property Yes No
If **Yes**, please send tax returns, invoices, receipts, licenses, profit-and-loss statements, or other documents showing ownership, income and/or expenses.
15. Do you currently own a house, condominium, multiple dwelling unit, ranch, land, mobile home, or life estate (right to the use of) in the property which is currently or was previously your home? Yes No
If **Yes**, do you live in the property now? Yes No
If **Yes**, write please write the address of the property here and go to **question 16**.
-
-

If you do not currently live in the property, did you live in it and do you hope to use it as your home someday in the future? Yes No If you answered **Yes**, go to **question 16**.

If you answered **No**, does one or more of your family members, listed below, currently live in that property?

- Your spouse
- A child under 21
- A disabled son or daughter
- A dependent relative who is a tax dependent
- A sibling who also owns the property and who has lived there for at least a year before you went into a nursing home
- another family member who has lived on the property for at least two years with you to care for you so that you could stay home immediately before you went into a nursing home

Yes No

If you answered **Yes**, go to **question 16**.

If you answered **No**, please send a copy of the most recent tax assessment, or an appraisal from a qualified real estate appraiser. We will use the lowest property value.

16. Other real estate that you own but don't live in (e.g., condominiums, buildings, mobile homes, life estates, time-shares) Yes No

If **Yes**, is any of the real estate producing income? Yes No

If **Yes**, please send copies of any rent receipts and bills for utilities, property taxes, insurance, maintenance and repairs.

17. Oil and Mineral Rights Yes No

If you answered **Yes** to **questions 15, 16 or 17**, please send copies of the mortgage papers, most recent tax assessment, registration, and ownership documents.

18. Any other real or personal property, asset, or resource worth \$500 or more. Yes No
If **yes**, please send statements about the property and its worth.

19. Have any of the items listed above in questions 2 through 18 been used to help finance or to guarantee payment for medical services? Yes No

If **Yes**, please explain in the "Additional comments or information section" at the end of this form, and attach proof of the lien, loan or security documents.

20. Do you owe money on anything listed above in **questions 2 through 18**? Yes No
If **Yes**, please send copies of the lien, loan, or security documents.

21. Certified California Partnership for Long-Term Care Insurance Policy Yes No
If **Yes**, please send a copy of your policy. If you have received benefits under the policy, please send a copy of your most recent benefit statement.

Section 3

Answer **questions 22-23** below **ONLY** if you or a member of your household is applying for or currently resides in long-term care or a nursing facility. If **Not**, go to the next page, read it and sign this form.

22. If you are receiving Medi-Cal now for nursing facility level of care, did you or any family member in the home sell or give away any money or property in the past 12 months?

Yes No

If **Yes**, please explain in the “Additional Comments or Information” section at the end of this form, and attach proof.

23. If you are applying for Medi-Cal for nursing facility level of care, did you or your spouse:

A. Sell or give away any money or property in the past 30 months (or 2 ½ years)

Yes No

If **Yes**, please explain in the “Additional comments or information” section at the end of this form, and attach proof.

B. Put money or property into a trust or other arrangement for the benefit of someone else in the past 30 months (or 2 ½ years)

Yes No

If **Yes**, please explain in the “Additional Comments or Information” section at the end of this form, and attach proof.

C. Take money or property out of a trust or other arrangement for the benefit of someone else in the last 30 months

Yes No

If **Yes**, please explain in the “Additional Comments or Information” section at the end of this form, and attach proof

Additional Comments or Information:

Please Read and Sign Below

When I sign below, it means that:

I declare under penalty of perjury under the laws of the State of California the following:

- I understand all the questions on this application, and my answers are true and correct to the best of my knowledge. If I did not know the answer, I tried to confirm the information with someone who did know the answer.
- I know that if I do not tell the truth, I may have civil or criminal penalties, including up to four years in jail.

This is the law: California Penal Code Section 126

- I know that all information on this application will be used to decide whether individuals in my household who are applying for health coverage qualify. The information will be kept private as required by federal and California law.
- I agree to tell the county worker within 10 days (in person, over the phone, by email or by fax) if any of the information I've provided on this form changes or is different from what I have written.

Signature:

Signature of the applicant, responsible party or authorized representative

Date:
