Medi-Cal Overview for Enroller Partners

Presented by the Department of Health Care Services

DHCS
CALIFORNIA DEPARTMENT OF HEALTH CARE SERVICES

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DHCS Presenters



Kathryn Floto

Health Program Specialist II
Department of Health Care Services



Theresa Hasbrouck

Eligibility Policy Branch Chief
Department of Health Care Services

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Topics Covered

- Medi-Cal Foundations
- *Priority 1*: Medi-Cal Households
- *Priority 2:* Medi-Cal Income
- *Priority 3*: Program Transitions
- *Priority 4:* Medi-Cal Systems and Business Processes
- *Priority 5*: Best Practices
- Resources

Medi-Cal Foundations

A Brief Overview of Medi-Cal Eligibility

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Medi-Cal: California's Medicaid Program

- **Medi-Cal** is California's Medicaid program established in 1966, serving approximately 15 million individuals.
  - Provides free or low-cost health coverage for children and adults with limited income and resources.
- The Department of Health Care Services (DHCS) is California's **single State Medicaid Agency**.
  - *Medi-Cal is administered by local county offices with oversight by DHCS.*
- DHCS works closely in conjunction with Covered California to administer **insurance affordability programs** (**IAPs**).

Did you know?

When applying for one IAP, an individual is applying for **all IAPs** – you cannot skip Medi-Cal and only be reviewed for Covered California, and vice versa.



Medi-Cal:
A tapestry of many programs

Medi-Cal is comprised of over 100 different programs.

If someone is eligible for Medi-Cal, they are covered under a specific program.

Many Medi-Cal programs share the same rules, however some have rules specific to that program.

Most programs cover a variety of health-related services and benefits, but some programs are very specific to certain conditions or populations.

Examples: Breast and Cervical Cancer Treatment Program, Former Foster Youth

Medi-Cal eligibility has a **hierarchy** of programs or groups that must be reviewed <u>in sequence</u> for potential eligibility.

An applicant or member is be placed into the **most beneficial** program.

Two Methods for Determining Eligibility

» Modified Adjusted Gross Income (MAGI) Medi-Cal

- Established by the **Affordable Care Act (ACA)** and began in 2014,
- Uses taxable income and tax-filing relationships as defined by the Internal Revenue Service (IRS),
- Uses similar rules to Covered California (*with some differences*).

» Non-MAGI Medi-Cal

- **Pre-ACA** programs or programs that do not leverage MAGI,
- Uses gross income with allowable deductions,
- Looks at the value of real and personal property and assets,



MAGI and Non-MAGI are actually terms for the **method for determining eligibility** – each methodology is comprised of **multiple** programs (over 100 in total).

Priority Area 1:

Medi-Cal Households

Medi-Cal Households

Medi-Cal eligibility is determined on the **individual** basis.

Due to the complex rules, each person in a household may have different people in their Medi-Cal household.

Household size is critical to determine whether someone meets the income limit for their program.

- While MAGI Medi-Cal households do leverage tax filing status, they differ from Covered California.
  - *MAGI has tax filer rules, tax dependent rules, and non-filer rules to determine someone's household size.*
- Non-MAGI Medi-Cal programs do not use tax filing status.
  - *Households are built using federal and state laws (typically spouses, unmarried parents, children, guardians, and other responsible relatives).*

Household Comparison Chart

Who counts in a household?

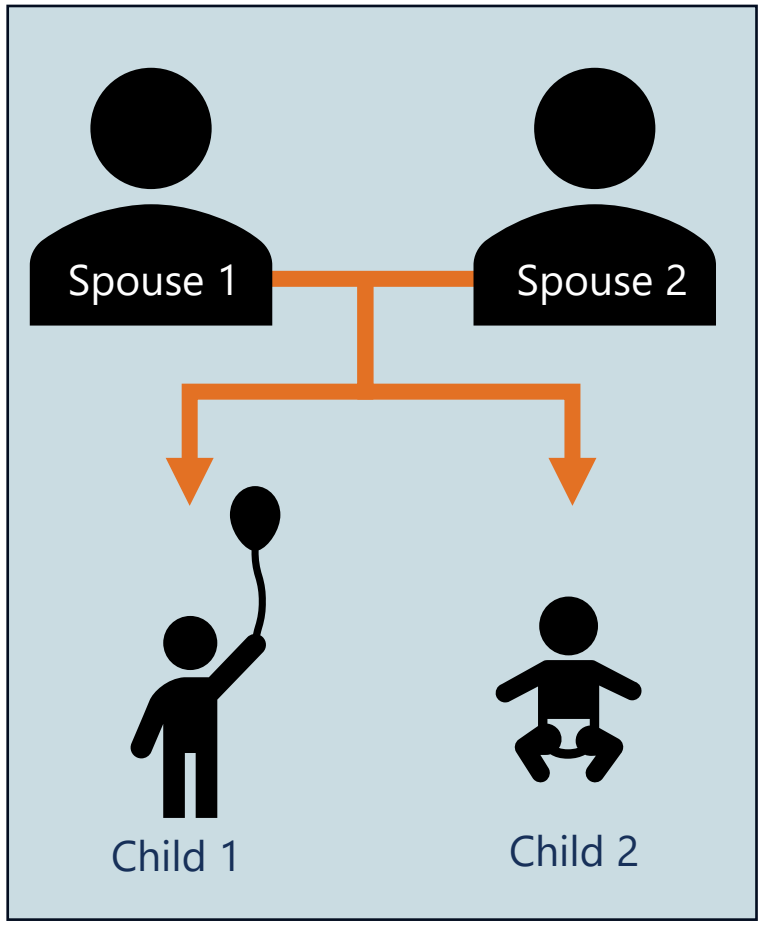
Household Scenario	Covered California	Medi-Cal
Married spouses or domestic partners	Count for one another	Count for one another *(unless filing separately and living apart).*
Unmarried parents/spouses	Not counted for one another	Unmarried parents *may* not counted for one another, count mutual child(ren).
Children	Counted if tax dependent regardless of age	Included if tax dependent, **or** if not filing taxes and under the age of 19, or under age of 21 and a full-time student.
Siblings	Counted if in same tax household	Counted if in same tax household, **or** if not filing taxes include all siblings (natural, adopted, step).
Pregnant individual	Unborn baby not counted until birth	Count number of expected babies as additional household members.

Medi-Cal Mixed Households

- Depending on each individual's household and countable income, there may be different program eligibility for each member:
  - Different **Medi-Cal programs** within the household,
    - *Each Medi-Cal program may have different rules for household, income, and other criteria.*
  - **Medi-Cal** and **Covered California** mixed households,
  - Members with non-covered or non-applying individuals in the household (that may still need to provide required information),
  - Members with CalFresh/other benefit programs

Scenario 1: Apple Family

Covered California Parents, Medi-Cal Children



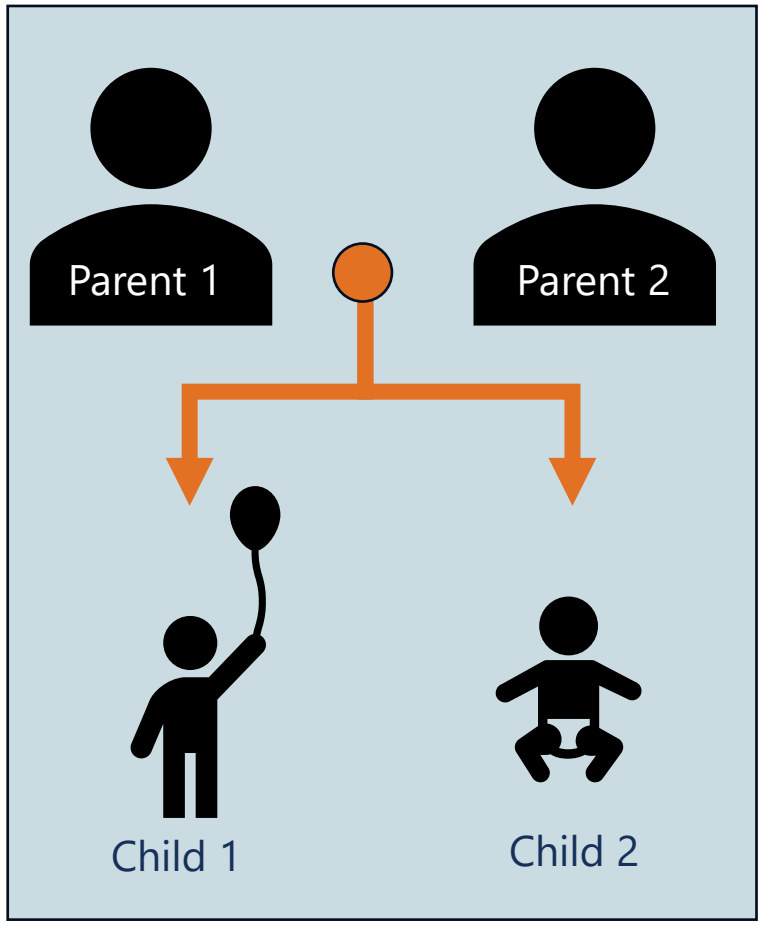
- The Apple family is comprised of two married parents, and their two mutual children.
  - *Tax filing: Married Filing Jointly, claiming both children as tax dependents.*

Sample Medi-Cal Household Size

Spouse 1	**N/A Covered California Eligible**
Spouse 2	**N/A Covered California Eligible**
Child 1	**4** *(Child 1, Spouse 1, Spouse 2, Child 2)*
Child 2	**4** *(Child 2, Spouse 1, Spouse 2, Child 1)*

Scenario 2: Kiwi Family

Medi-Cal Parents, Medi-Cal Children



- The Kiwi family is comprised of two unmarried parents, and their two mutual children.
  - *Tax filing: Parent 1 claims head of household with both children as tax dependents. Parent 2 files single.*

Sample Medi-Cal Household Size

Parent 1	**3** *(Parent 1, Child 1, Child 2)*
Parent 2	**1** *(Parent 2)*
Child 1	**4** *(Child 1, Spouse 1, Spouse 2, Child 2) MAGI Non-Filer Rules*
Child 2	**4** *(Child 2, Spouse 1, Spouse 2, Child 1) MAGI Non-Filer Rules*

Priority Topic #2

Medi-Cal Income

Medi-Cal Income Overview

- The next step in determining MAGI eligibility is identifying **whose income in the household counts** for other members in the household.
  - Like household composition, each individual may have income count differently depending on who is in their household, and what program they are eligible for.
- Income limits are determined by **Federal Poverty Level (FPL) limits** set annually at the federal level.
- Both MAGI and Non-MAGI Medi-Cal have:
  - Countable income
  - Deductibles/expenses

  Countable income/deductions vary by program

Not all Medi-Cal programs have an income limit.

*Some Non-MAGI have a **Share-of-Cost** amount (similar to a deductible) that a member must first pay out of pocket before Medi-Cal will pay.*

Medi-Cal
Income Limit Examples

Coverage Group	Description	FPL Limit
MAGI New Adult Group	Individuals between 19 and 64 years of age	138%
MAGI Pregnant Individuals	Individuals reporting a pregnancy	213%
MAGI Mandatory Children's Coverage	Children ages 0 through 19	0-1: 208% 1-6: 142% 6-19: 108%
MAGI Optional Targeted Low Income Children's Program (OTLICP)	Children ages 0 through 19 ***Note: $0 premium as of July 1, 2022***	**Non-Premium** 0-1: 266% 1-19: 160% **Premium** 1-19: 266%
Non-MAGI Aged, Blind or Disabled Federal Poverty Level (ABD-FPL)	No share-of-cost program for individuals whose income and assets fall within program limits.	138%
Non-MAGI Disabled – Medically Needy Program	Individuals who are age 65 or older, blind or disabled – Share-of-Cost program.	No Income Limit

Income Nuances:
Self-Employment Income

Self-Employment income has some nuances when being calculated:

- Self-Employment income is calculated using gross earnings minus allowable deductions.
  - *All deductions claimed on IRS forms for self-employment are allowable.*
- If the calculated income is a negative amount, that amount will be subtracted from the household's other reported income (if applicable)

*An individual can have a **negative** income when determining MAGI eligibility!*

Calculating Medi-Cal Income: *Budget Periods*

» California has three ways to calculate the income amount used in the budget for MAGI Medi-Cal eligibility, called "**Budget Periods**:"

Current Monthly Income (CMI)

CMI uses the amount of income an applicant or member expects to receive in the month under evaluation for eligibility.

***CMI** is used when:*

- *An applicant or member does not provide income information for a different budget period to be applied; or*
- *CMI is the budget period with the lowest calculated income*

Reasonably Projected Annual Income (RPAI)

RPAI is the total amount of income that an applicant or member **expects to receive in a twelve-month period**. RPAI is helpful for those who may not qualify for MAGI programs due to fluctuating income.

***RPAI** is used when:*

- *One month may be **over** the MAGI income limit, but once averaged over a 12-month period, the monthly average is **within** Medi-Cal limits.*
- *The RPAI monthly amount is the budget period with the lowest calculated income*

System Calculated Annual Income (SCAI) (*members only*)

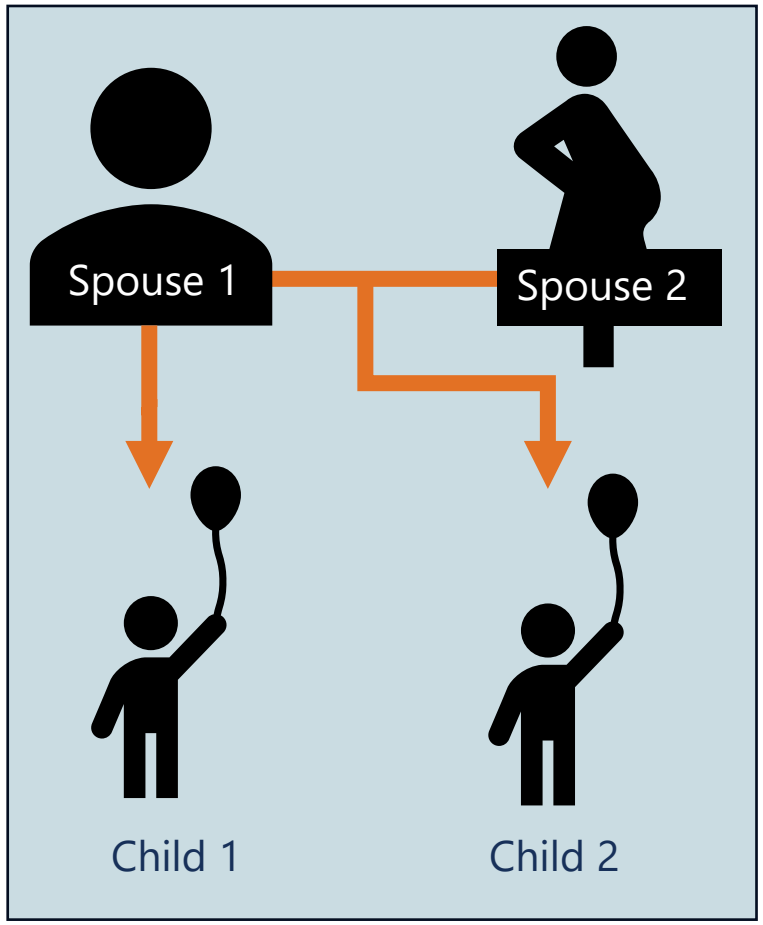
SCAI is used when a member is not eligible to MAGI based on CMI or RPAI and is often due to a new income source. Eligibility based on SCAI **must be redetermined at the end of the calendar year**.

*SCAI is used for **members** when:*

- *CMI is over the MAGI income limit,*
- *Income is not expected to decrease in the next 12 months, and*
- *The total income for the calendar year is under the MAGI income limit*

Scenario 1: Orange Family

Varying Medi-Cal Income Limits



The Orange family applies through Covered California and reports the following income:

Spouse 1: **$3500.00**/month working full-time

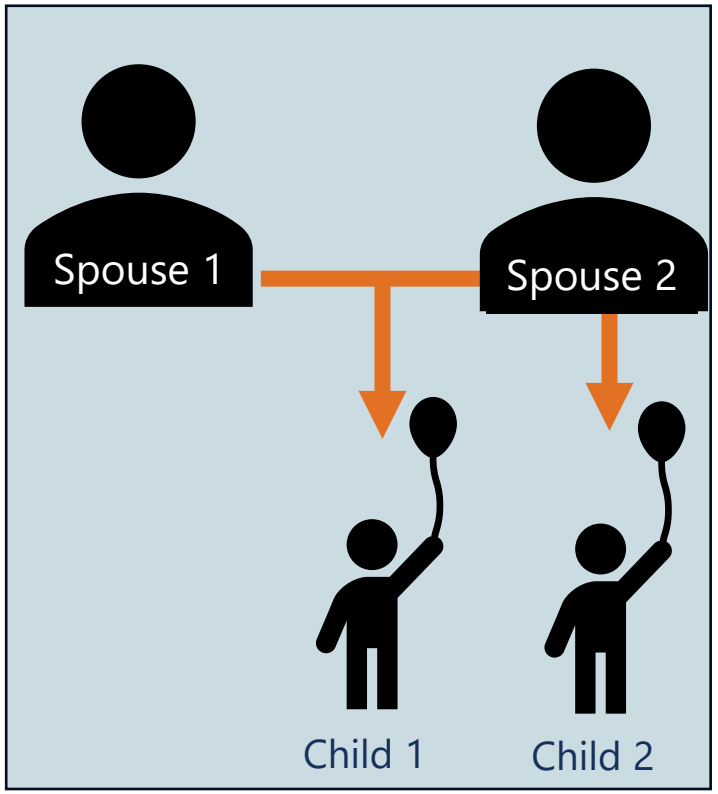
Spouse 2: **$500.00**/month working part-time

Total: ***$4000.00***

Person	Size	Income	Medi-Cal FPL Limit	Eligibility
Spouse 1	**N/A**	**4,000**	**3,795** *Adults – up to 138% FPL*	**CCA**
Spouse 2	**4**	**4,000**	**5,720** *Pregnant – up to 213%*	**Medi-Cal**
Child 1	**5**	**4,000**	**7315** *Children – up to 266% FPL*	**Medi-Cal**
Child 2	**5**	**4,000**	**7315**	**Medi-Cal**

Scenario 2: Lemon Family

SCAI Example



The Lemon family were granted Medi-Cal in February reporting they no longer have income after losing their job in January. Their January earnings are 3,000.

In October, Spouse 1 reports a new job earning $8,000 monthly that is not expected to fluctuate.

Income(Jan through Sept): **(0x8)+3,000** **=** **$3,000**

Earnings (Oct. through December): **$8,000 x 3=** **=** **$24,000**

3,000 + 24,000 = 27,000

27,000 / 12 = $2,250 / month (SCAI)

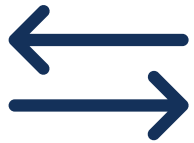
The Lemon family qualifies for SCAI and remains Medi-Cal eligible until **redetermined in December for January coverage**.

Person	Size	2026 Income	Medi-Cal FPL Limit	Eligibility for 2026	2027 Income	Eligibility for 2027
Spouse 1	**N/A**	**2,250**	**3,795** *Adults – up to 138% FPL*	**Medi-Cal**	**8,000**	**CCA**
Spouse 2	**4**	**2,250**	**3,795**	**Medi-Cal**	**8,000**	**CCA**
Child 1	**4**	**2,250**	**7315** *Children – up to 266% FPL*	**Medi-Cal**	**8,000**	**CCA**
Child 2	**4**	**2,250**	**7315**	**Medi-Cal**	**8,000**	**CCA**

Priority Topic #3

Program Transitions

Program Transitions:
When a Medi-Cal member is no longer eligible



- If a member is discontinued from Medi-Cal (renewal or reported change) for failure to provide required information, they have 90 days to resolve their coverage, using a mechanism called the **90-day cure period**.
- Program transitions mean that sometimes additional information is needed – a member might receive requests for more information needed
  - *For example, going from Covered California or MAGI Medi-Cal to Non-MAGI might mean that property/asset verifications such as bank statements, vehicle titles is needed.*
- If a member is discontinued due to income or household changes and is no longer eligible to Medi-Cal, they must be evaluated for Covered California eligibility.

Program Transition Protections

Medi-Cal has certain protections in place when members are transitioning to/from coverage.

Program Protections

Medi-Cal **Consumer Protection Programs (CPPs)** are specific Medi-Cal programs that will hold or transition a person into a specific program if they meet the protection program criteria (mainly for children, parents, pregnant individuals).

What this may look like to enrollers:

After being discontinued or no longer eligible, children, parents, pregnant individuals remaining in Medi-Cal under a protection program.

System Protections

Carry-Forward Status maintains CCA coverage while a Medi-Cal determination is being made.

Soft Pause maintains MAGI coverage for certain members that may be eligible to a Non-MAGI program before release can be made to CCA (*ex: over 65, disabled, etc.)*

Awaiting Review maintains Medi-Cal coverage when a member is no longer eligible during a system automated process until a county worker confirms the results.

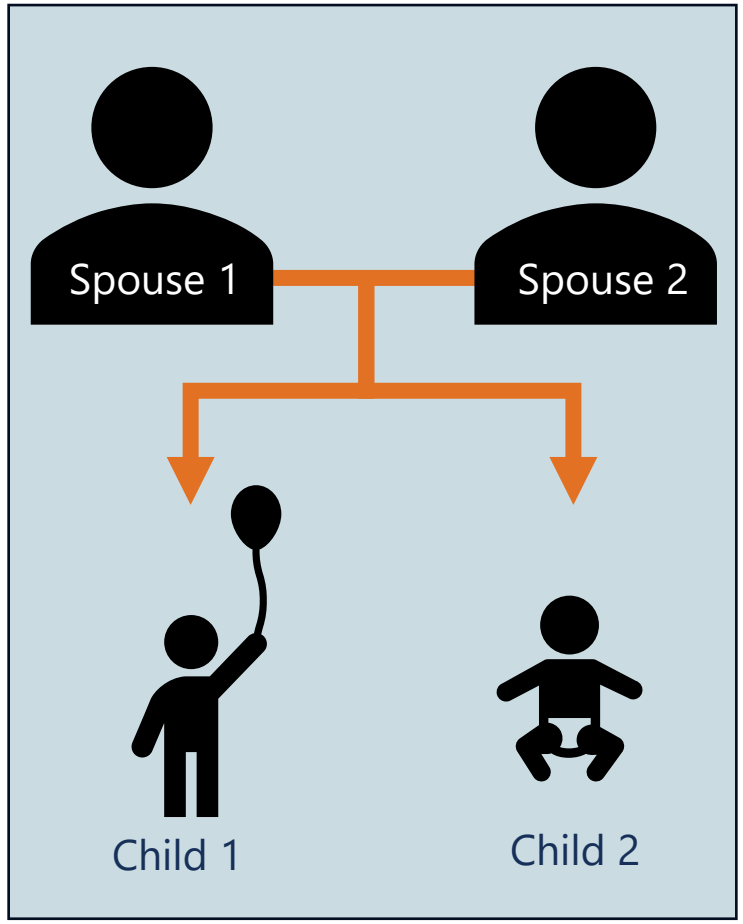
What this may look like to enrollers:

This may look like coverage is stuck, or have 'holds' in the system that either Covered California or counties need to review and release. These are not instantaneous and may take time.

Scenario 1: Apple Family

Program Transition

The Apple Family are a mixed household with Covered California parents and Medi-Cal children. Spouse 1 reports self-employment as a small business owner, and Spouse 2 works part-time at a coffee shop.



- In **November 2026**, the family completes their open enrollment/renewal for both programs.
- In **February 2027**, the family goes to their local enroller to update information in their case. Spouse 2 reports now working full-time for a local business and their income will put the children over Medi-Cal limits.
- The enroller makes the necessary updates in CalHEERS, and submits the information. The children still appear to be Medi-Cal eligible in the system and have not transferred to Covered California pending county worker review.
- The following week, the county worker is able to review the case and confirm the updates to the children. However, due to the children's age, they are protected in Medi-Cal coverage until their next renewal.
  - *They will be moved to Covered California eligibility at their next determination – their next Medi-Cal renewal occurs in **November 2027.***

Priority Area #4

Medi-Cal Systems and Business Processes

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Medi-Cal Systems

» Application Portal

- An online portal for Medi-Cal applicants and members to apply for Medi-Cal (or other programs), report changes to their existing case information, access certain case information, and/or complete their eligibility renewal.

» Eligibility Determination System

- A system or tool that houses Medi-Cal rules in order to see if an applicant or member is eligible to Medi-Cal.

» System of Record

- The system that houses information from the various determination systems and/or application portals. Used by providers, hospitals, pharmacies, state/county departments, etc.

What is the difference?

Application Portal vs Eligibility Determination System

Application Portal

- Collects information
- Cannot determine eligibility
- Limited dynamic ability
- Sends information to an eligibility determination system

Eligibility Determination System

- May collect information *(but not always)*
- Determines eligibility
- May have dynamic ability
- Receives information from application portal

Application Portals

- BenefitsCal
- CalHEERS

Eligibility Determination Systems

- CalHEERS
- CalSAWS

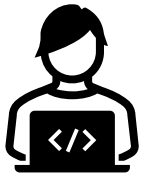
System of Record

- MEDS

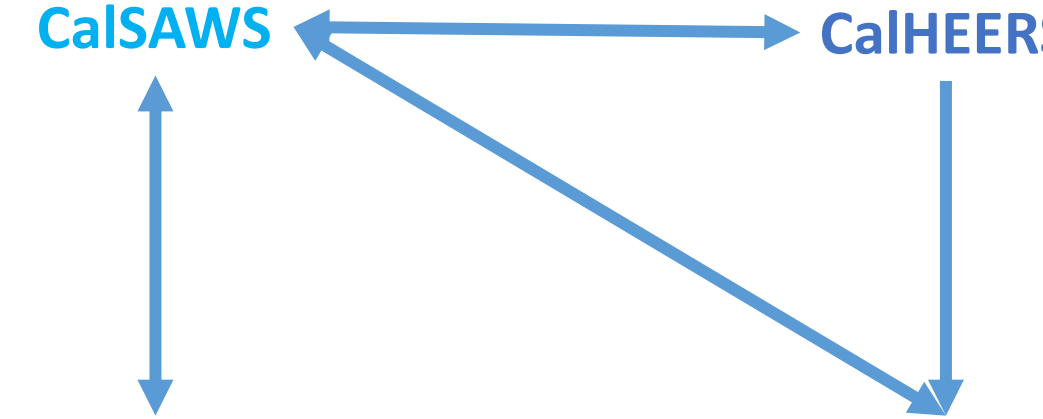
System Communications

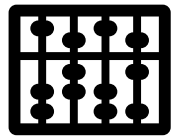


Eligibility Determinations and Case Management

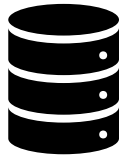


Applicant/Member portal





Applicant/Member Portal Eligibility Determinations

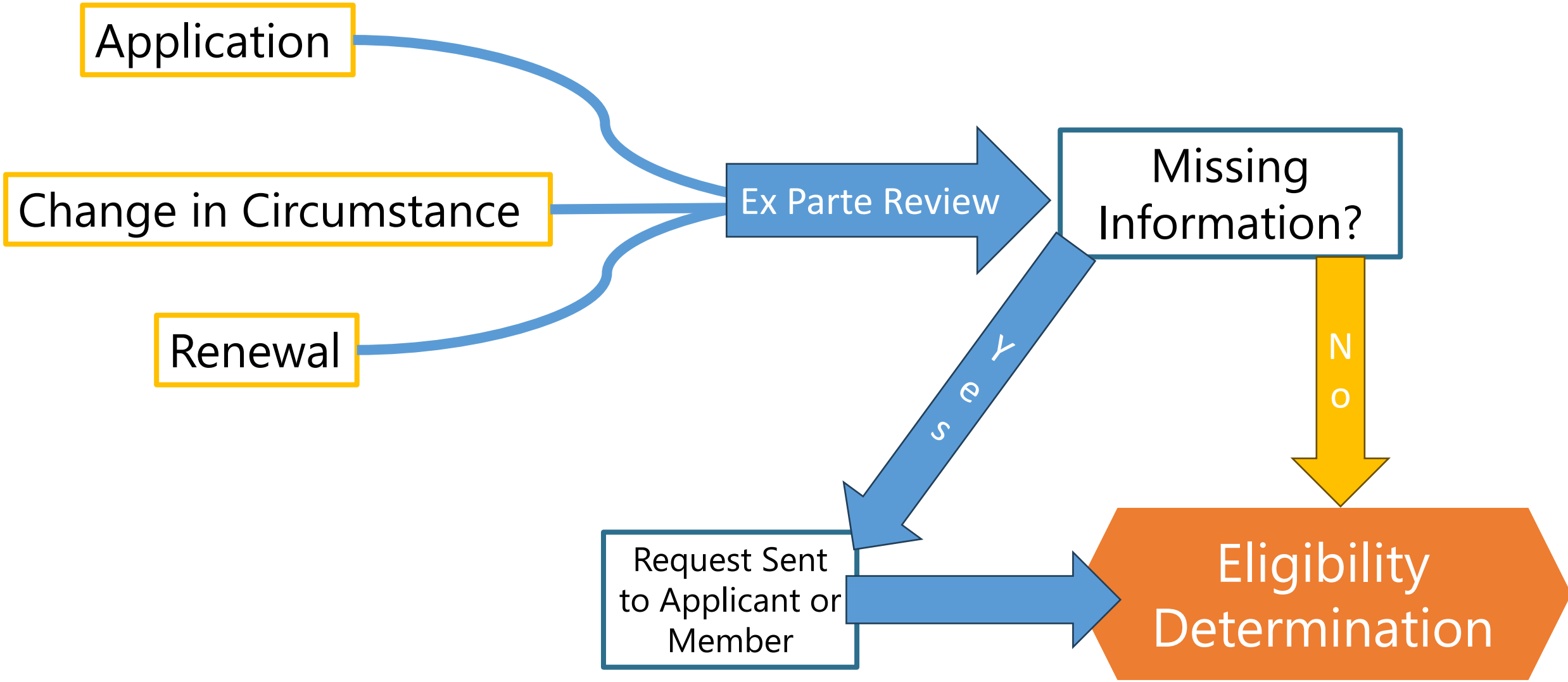


Eligibility Records

Systems at a Glance Reference Chart

System Name	Application Portal?	Eligibility Determination System?	More Information
CalHEERS/ Covered California	Yes	Yes	Provides real-time MAGI Medi-Cal determinations using federal and state data sources *(using Business Rules Engine/BRE)*
CalSAWS	No	Yes	County case management system and determines Non-MAGI Medi-Cal using federal and state data sources *(using EDBC)*
MEDS	No	No	System of record for all Medi-Cal eligibility
BenefitsCal	Yes	No	Does not provide real-time determinations and is not connected to federal/state data sources.

Member Reporting and Case Lifecycle



When does a renewal actually start?

- Medi-Cal renewals happen throughout the year and depend on the last time an eligibility determination was made.
  - *Renewal dates for Medi-Cal are tracked by month*
- The annual renewal process starts no less than **85 days** prior to annual renewal due date.
  - **85 days** is the minimum time needed for systems to gear up for the **Ex Parte Process.**

Renewal Steps:

1. Ex Parte
2. Renewal Packet
3. Process Packet and/or Verifications
4. Eligibility Determination
5. Notice of Action

Renewal Flow Scenario: *Happy Path*

Reminder: *A **Happy Path** determination is a Medi-Cal jargon word that describes an application or member report where eligibility can be determined real-time or instantly without further verification. This is typically for **MAGI** Medi-Cal.*

Renewal initiated

First, the system gears up for the renewal about 90 days prior to the renewal date and sends all case information through auto ex parte.

All information verified via ex parte

The CalHEERS system is able to electronically verify all information through auto ex parte and no additional verification is needed.

Determined Eligible

Since all information is verified, the member is determined in real-time (no waiting). The renewal is complete and the member's next renewal date is updated (6 or 12 months ahead).

Renewal Step 2
Renewal Form



If the ex parte process does not confirm vital eligibility information, the next step is to send the renewal form. The system may automatically send the form if automated ex parte fails, or a worker may manually send one.

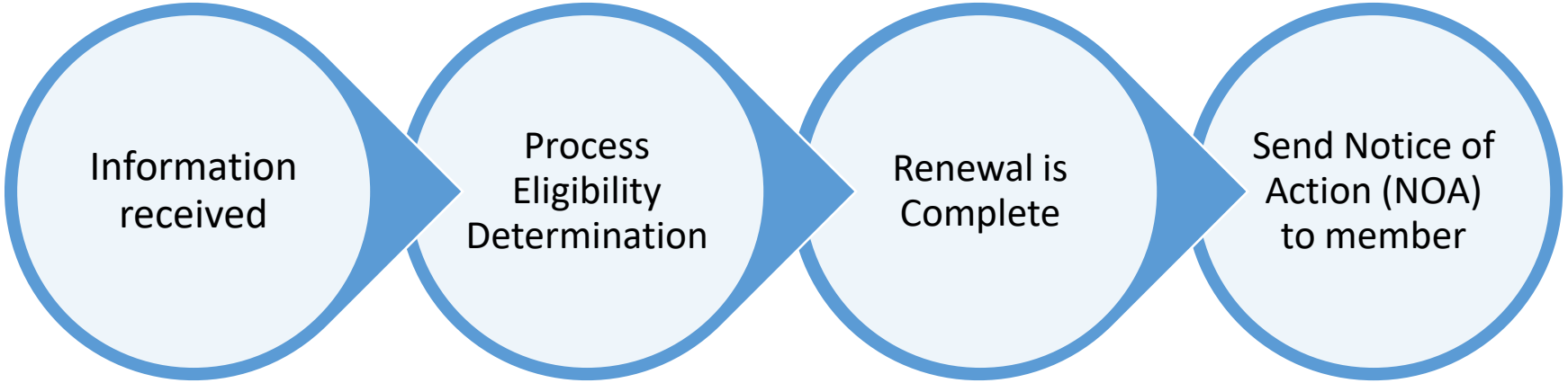
All renewal forms are **prepopulated** with known information and only ask for the information that has changed or could not be verified.

Renewals can also be completed through CalHEERS or BenefitsCal, over the phone, or in person at the local county office!

Renewal Steps 3 – 5

Process Packet and/or Verifications
Eligibility Determination
Notice of Action

If the county receives the renewal packet and all necessary information, they complete the renewal process:



Success! Renewal completed for another 6 or 12 months

If the county does not receive all required information and verifications…

The county will attempt to contact member through preferred method and obtain required information, if possible, and will send a reminder notice by mail if no information has been received.

Common Causes for Mismatched Information

- Pending county action
- Different information reported/available to county
- Duplicate cases
- Renewal/enrollment cycles differ

Priority Area #5:
Medi-Cal Best Practices for Enrollers

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Best Practices

- Request to be appointed as an **Authorized Representative** by the customer.
- Become a DHCS Coverage Ambassador
- Sign up for a **Community-Based Organization (CBO) Account** through BenefitsCal
- Connect with county leadership at the director's level to build relationships and create processes

Additional Best Practices

- Avoid duplicate applications or cases.
  - *If someone currently has Medi-Cal or has had Medi-Cal in the past, follow the Covered California process to link to the existing account.*
- Before reaching out to the county, read all provided materials (notices, eligibility results in CalHEERS) – there may be information to help explain.
- When reaching out to the county:
  - *Identify yourself as an enroller assisting an applicant or member*
  - *Be as specific as possible, provide all necessary details*

Resources

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Medi-Cal Household Policy Resources

- MAGI: All County Welfare Director's Letter (ACWDL) 20-10
- Non-MAGI: Medi-Cal Eligibility Procedures Manual – Article 8
- MAGI Medi-Cal Household Size Flow Chart

Medi-Cal Income Policy Resources

- MAGI Medi-Cal Income and Deductions Chart
- MAGI: Whose Income Counts
- MAGI: ACWDL 21-04 , ACWDL 25-21
- Non MAGI: Medi-Cal Eligibility Procedures Manual – Article 10

Medi-Cal Program Transition Resources

- ACWDL 17-35E - Soft Pause Policy
- ACWDL 22-20 – Senate Bill 260 information
- ACWDL 23-04 – “Awaiting Review” or “Eligibility Review”

Other Resources

- ACWDL 18-26E – Authorized Representative Policy
- Become a DHCS Coverage Ambassador

Questions?

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