Medi-Cal's Modified Adjusted Gross Income (MAGI) and Non-MAGI Programs

- **MAGI Medi-Cal**
  - Determines eligibility based on IRS income calculations for tax purposes
  - Has multiple coverage groups with income limits that vary based on age and pregnancy status
  - Some coverage groups require a premium amount
  - Exceptions to using IRS rules in certain tax household and income counting circumstances

- **Non-MAGI Medical**
  - Requires an asset and income test for eligibility
  - To qualify for a Non-MAGI Medi-Cal program, you must be *one* of the following:
    - Blind or disabled
    - Pregnant
    - Under the age of 21
    - Age 65 or older, *or*
    - A parent or caretaker relative caring for a child under 21 in the home
  - Certain programs can require a Share of Cost that the individual must meet before Medi-Cal will begin paying for services

Other Health Coverage Programs

- **Medi-Cal Access Program (MCAP)**
  - Low-cost comprehensive health insurance coverage to pregnant individuals
  - No copayments or deductibles for its covered services
  - Total cost for MCAP is 1.5% of a households Modified Adjusted Gross Income
  - Pregnant individuals in Covered California coverage may be able to switch to MCAP
  - Babies born to individuals enrolled in MCAP qualify for the Medi-Cal Access Infant Program if ineligible to Medi-Cal

- **County Children's health Initiative Program (CCHIP)**
  - Provides affordable and comprehensive health, dental, and vision insurance for children 0-18 who reside in San Mateo, San Francisco or Santa Clara County
  - Household income above 266 percent, and up to 322 percent of the Federal Poverty Level (FPL)
  - Children cannot be eligible for another health plan that meets the requirements for minimum essential coverage

Important Application Reminders

- When assisting a consumer, you **should not**:
  - Coach the consumer on how to answer questions to make themselves eligible
  - Tell the consumer whether he/she would/would not be eligible prior to completing the application in the California Healthcare Eligibility, Enrollment, and Retention System (CalHEERS)
- *Refer the consumer to contact the local county office to obtain information on their eligibility*

Differences between MAGI Medi-Cal and Covered CA

- In certain instances, the federal regulations for MAGI Medi-Cal and Covered California differ, including:
  - Household composition
  - Income counting rules
  - Immigration status
  - Renewals
- The difference in regulations mean that some individuals will not use IRS rules to determine eligibility to MAGI Medi-Cal
- CalHEERS is programmed to use the correct rules when determining MAGI Medi-Cal and Covered California programs in the same application

MAGI Medi-Cal Household Composition

- MAGI Medi-Cal requires different household composition rules from IRS tax filing status when the individual is:
  - A non-tax filer
  - A dependent who meets an exception
  - Someone other than the spouse or child of the tax filer
  - Under 19 (or 21 if a full-time student) who expects to be claimed as a tax dependent and is living with both parents but whose parents do not expect to file a joint return
  - Under 19 (or 21 if a full-time student) and the tax filer is the individual's non-custodial parent
- Individuals that meet the above exception will have household composition based on parent(s), spouse, children and siblings living in the home
- Utilize the DHCS Tax Household Composition flow chart to determine household composition for MAGI Medi-Cal
- More information on County Ops Call Log Resources here

Countable Income for Determining MAGI Medi-Cal

- Most non-taxable income is exempt from the MAGI Medi-Cal determination
  - Social Security income is an exception to this rule
- Certain income types may or may not be counted in the MAGI Medi-Cal budget depending on whether the consumer is required to pay taxes (Examples- IHSS, SDI for FMLA and income of a dependent)
- DHCS maintains a MAGI Medi-Cal Income Chart for quick reference of how different income types and deductions are used
- More information on County Operations Support here

Self-Employment Income

- Self-employment income includes
  - Partnerships
  - S-Corporations
  - Royalties
  - Trusts
  - Rental Income

- Consumers should self-attest to the net income amount received from self-employment income
- If the net self-employment income is a negative amount, that amount will be subtracted from the households other reported income
- Consumers can have a negative Modified Adjusted Gross Income (MAGI) amount when determining eligibility

Mixed Households

- In some instances, adults on the case are eligible for an Advanced Premium Tax Credit (APTC) and the children are eligible to MAGI Medi-Cal
- This type of case is referred to as a "Mixed Household"
  - o Example: Mixed Household Scenario:
    - ▪ Kirstoff is applying for health coverage for himself, his wife Anna and their 2 children Olaf (10 yrs.) & Sven (15 yrs.). Kristoff reports $3,000.00 monthly in earnings from the Ice Factory. No other income reported for household. Kristoff and Anna file taxes as married jointly, claiming Olaf and Sven as dependents.
    - ▪ Why is this case a mixed household? While the parents on this case are above the 138% FPL they are not eligible for Medi-Cal coverage, however because the income falls below the 266% FPL for the children aged 19 and under, they are eligible to Medi-Cal benefits as the income limits are higher for children. Parents may be potentially eligible to APTC coverage through Covered California.

MAGI Medi-Cal Coverage Based on Immigration Status

- Non-citizens who are eligible for full scope Medi-Cal benefits are:
  - o Qualified Immigrants (regardless of their five-year bar status)
  - o Lawfully Present Immigrants under the age of 21 or pregnant
  - o Permanent Residence Under Color of Law (PRUCOL) Immigrants
  - o Trafficking and Crime Victims Assistance Program (TCVAP) Immigrants
- Individuals not eligible for full scope Medi-Cal benefits due to immigration status are eligible for limited Medi-Cal benefits if they meet all other eligibility requirements
- These benefits cover emergency, pregnancy-related, and long-term care services

Annual Redetermination

- Medi-Cal renewal dates are based on the date of the application
- Consumers must renew their Medi-Cal benefits at least once per year
- Reported changes that require a redetermination of
  - o Medi-Cal eligibility are considered a change in circumstance renewal
- The county will try to renew Medi-Cal coverage through an automated batch process using the current reported case information
- When Medi-Cal cannot be verified using electronic verifications, a pre-populated redetermination packet is sent
- The renewal can be returned electronically, in person, by mail, fax or phone

Transition Coverage in CalHEERS

- **Soft Pause**
  - Protects consumers who are potentially eligible to another Medi-Cal program from losing coverage while the county evaluates for other Medi-Cal programs
  - Soft Pause is applied when losing eligibility for MAGI Medi-Cal, including, but not limited to:
    - Turning 65 years old
    - Becoming eligible for Medicare before age 65
    - Experiencing an increase in income that renders the beneficiary ineligible due to being over program income limits

- **Carry Forward (CFS)**
  - CalHEERS will automatically place all eligible and conditionally eligible APTC/CSR/CCP individuals into CFS when a redetermination of eligibility results in "eligible," "conditionally eligible," or "pending" for MAGI Medi-Cal
  - CFS is designed to ensure that the transitioning individual will continue in their Covered California QHP coverage until the county completes the individual's full Medi-Cal determination

Resources

- County Offices to Apply for Health Coverage, Medi-Cal, and Other Benefits >>

- Medi-Cal Managed Care Health Plan Directory >>

- Renewing Medi-Cal Coverage >>

- Medi-Cal Benefits >>

- AC & Medi-Cal Q&A >>

- Department of Health Care Services Website >>

- Appointment of Representative Form >>