



Department of Human Assistance

Zero Income Waiver for Continuous Coverage Unwinding

TYPE	ALERT
PROGRAM(S)	MA
EFFECTIVE DATE	05/01/2023
ISSUE DATE	05/30/2023
REVISED DATE	02/26/2024

Table of Contents

Purpose.....	2
References.....	2
Zero Income Waiver Guidance.....	2
Ex Parte and Renewal Packet Requirement Flexibility.....	3
Automation in CalHEERS	3
Examples	3
Example #1: Single adult applicant with zero income continues to report zero income during continuous coverage unwinding period.	3
Example #2: Single adult with zero income applied for Medi-Cal during the PHE period and reported earned income later during PHE.	4
Zero Income Waiver for Homeless.....	5
Example.....	5
Example #1: Single adult applicant with zero income applied for Medi-Cal during the PHE period and the county has identified the beneficiary is homeless.	5
Documenting the Zero Income Waiver in Journal	6
Contacts.....	6

Department of Human Assistance

Zero Income Waiver for Continuous Coverage Unwinding

Purpose

The purpose of this alert is to inform staff of a temporary Zero Income waiver to assist in case processing during the Continuous Coverage Unwinding Period and its extension.

In order to protect beneficiaries from inappropriate terminations and reduce staff burden during the Continuous Coverage Unwinding Period, the Department of Healthcare Services (DHCS) requested and received temporary approval to complete the income determination for ex parte annual renewals without requesting additional income verification for individuals with no income and no data returned during the Covid-19 Public Health Emergency (PHE) and the continuous coverage unwinding period. This will be referred to as the “zero income waiver”.

NOTE: The waiver flexibility does not apply to application processing requirements. The waiver is for beneficiaries only and is applicable until December 31, 2024.

References

[PHE Continuous Coverage Unwinding](#)

[Continuous Coverage Unwinding Frequently Asked Questions](#)

[Annual Renewal Packet Flexibility](#)

Zero Income Waiver Guidance

During the continuous coverage unwinding period, the zero income waiver will assist county staff in streamlining case processing for beneficiaries that have reported or will report no income/zero income. This flexibility allows staff to temporarily complete the income determination for ex parte annual renewals during the continuous coverage unwinding period without requesting additional income information, documentation, or signed affidavit when:

- The most recent income determination was based on a verified attestation of zero income, including ex parte, electronic, or administrative verification, either at
 - the initial application or
 - the most recent renewal within the last 12 months prior to the start of the PHE (or no earlier than March 2019);
- Electronic verification is not successful via CalHEERS (income verification is “Pending”) during the continuous coverage unwinding period ex parte renewal process and the county staff has not received any conflicting income information from other sources (in accordance with the [MAGI-Based Eligibility Verification Plan](#)); and
- All other non-financial eligibility components are verified.

Department of Human Assistance

Zero Income Waiver for Continuous Coverage Unwinding

Ex Parte and Renewal Packet Requirement Flexibility

The Annual Renewal Packet flexibility/waiver allows county staff to complete the annual redetermination via ex parte (if successful), even after a renewal packet is sent to a Medi-Cal beneficiary. This means that if a renewal packet has already been sent out, it is not required for the beneficiary to submit the packet if they meet the Zero Income Waiver requirements or the information is available is ex parte.

Please see [Annual Renewal Packet Flexibilities](#) program document for more information and examples.

Automation in CalHEERS

On 9/29/2023, CalHEERS implemented a change to automatically apply an income waiver when the attested income is at or below 100% FPL (which includes zero income) starting with December 2023 renewals.

CalHEERS will implement income verification waiver functionality for individuals renewed for MAGI Medi-Cal whose attested income is at or below 100 percent FPL, including zero income. This waiver will apply to both Current Monthly Income (CMI) and Projected Annual Income (PAI) if the member's income verification is pending or unverified until the waiver's expiration. When the income verification is waived, the verification status will be updated to "Admin Pass" with a source labeled "Admin Verified". Additionally, when the waiver is applied to a CalHEERS case, a case note will be added.

Examples

Example #1: Single adult applicant with zero income continues to report zero income during continuous coverage unwinding period.

- Individual A applied in January 2020 and reported zero income at application.
- Zero income was e-verified via CalHEERS, and Individual A was found eligible for MAGI Medi-Cal.
- Individual A has not reported any changes in income since the application was approved.
- In 2023, the continuous coverage unwinding period begins, and Individual A's annual renewal is due in December 2023.
- During auto ex parte using the original self-attested and previously verified case information, zero income does not e-verify in CalHEERS.
- Individual A is sent the annual renewal forms to redetermine their eligibility
- Individual A completes the annual renewal forms through any of the available means. Individual A continues to attest to zero income.
- HSS reviews all paperwork and notices that the returned documents did not include a reasonable explanation or verification of zero income.

Department of Human Assistance

Zero Income Waiver for Continuous Coverage Unwinding

- HSS conducts a manual review and finds no contradictory income information in the case file (such as other information reported for other programs, case narratives, or other documentation) or other available sources.

Outcome: Since there is no other conflicting information on file for the zero income self-attestation, the waiver can be applied. In this case, staff can complete the determination using the self-attestation of zero income.

Example #2: Single adult with zero income applied for Medi-Cal during the PHE period and reported earned income later during PHE.

- Individual B applied on September 2020 and reported zero income at application.
- Zero income was e-verified via CalHEERS, and Individual B was found eligible for MAGI Medi-Cal.
- In January 2021, Individual B reported a change in circumstance and reported earned income.
- The county did NOT process the Medi-Cal change as it would have led to a negative action for Medi-Cal.
- In 2023, the continuous coverage unwinding period begins and Individual B's annual renewal is due in August 2023.
- During auto ex-parte using the original self-attested and previously verified case information, zero income does not e-verify in CalHEERS.
- Individual B is sent the annual renewal forms to redetermine their eligibility.
- Individual B completes the annual renewal forms through any of the available means. Individual B attests to zero income on the annual renewal forms.
- Staff reviews all paperwork and notices that the returned documents did not include a reasonable explanation or verification of zero income. HSS does a manual review and notices the conflicting information from the previously reported earned income.

Outcome: The zero income waiver does NOT apply as there is conflicting information on file from the reported change in circumstance during the PHE. The county would follow normal business processes to verify income.

Application	PHE	Renewal	Outcome
No income reported (January 2020)	No changes reported	No income reported, income not e-verified	Apply zero income waiver and document in case comments.
No income reported (September 2020)	Report change in circumstance	No income reported, income not e-verified	Zero income waiver does not apply, follow normal business processes to verify income.

Department of Human Assistance

Zero Income Waiver for Continuous Coverage Unwinding

	of new income		
--	------------------	--	--

Zero Income Waiver for Homeless

Beneficiaries who report being homeless often do not have countable income when determining eligibility for Medi-Cal. In some instances, the homeless population may not be known to the data sources used in the Federal Services Data Hub because of a lack of work history and/or income.

As stated above the zero income waiver allows a beneficiary with no evidence of self-attested income information whose previously reported zero income was verified electronically or administratively during the last application or renewal to have Medi-Cal renewed without providing additional income verifications.

For homeless customers the use of the zero income waiver is expanded to allow staff to complete the ex parte renewal without the customer returning the renewal packet when:

- Staff is able to identify the beneficiary is homeless (such as the beneficiary reported they were homeless at application, last renewal or reported a change in circumstance);
- The beneficiary has not provided an update or change regarding their homelessness status; and
- The beneficiary has met all criteria listed above under the Zero Income Waiver Guidance section.

Example

Example #1: Single adult applicant with zero income applied for Medi-Cal during the PHE period and the county has identified the beneficiary is homeless.

- Individual C applied on November 2021 and reported zero income at application and that they were homeless.
- Zero income not e-verified via CalHEERS, a sworn statement of zero income was obtained by the county, and individual C was found eligible for MAGI Medi-Cal.
- In 2023, the continuous coverage unwinding period begins, and Individual C's annual renewal is due in October 2023.
- During auto-ex parte, using the original self-attested and previously verified case information, zero income does not e-verify in CalHEERS.
- Individual C is sent the annual renewal forms to redetermine their eligibility.
- Staff identifies that Individual C is Homeless and there is no indication that this has changed.
- Staff conducts a manual review and finds no contradictory income information in the case file (such as other information reported for other programs, case comments or other documentation) or other available sources.

Department of Human Assistance

Zero Income Waiver for Continuous Coverage Unwinding

Outcome: The zero income waiver does apply and no annual renewal packet is required to be returned, as the individual is homeless and meets the criteria for staff to apply the zero income waiver. Staff would follow normal business processes to complete the renewal as an ex parte review.

Documenting the Zero Income Waiver in Journal

Staff shall use the following statement in the Journal in conjunction with standard renewal Journal entries when applying the zero income waiver:

“The 1902(e)(14)(A) Waiver Flexibility for individuals with no income was used to complete the annual renewal.”

Contacts

Supervisors with questions should be directed to the DHA-Medi-Cal@saccounty.gov mailbox.