CALIFORNIA DEPARTMENT OF
HEALTH CARE SERVICES

Sacramento County

FOCUSED REVIEW REPORT

Findings for focused review of annual renewals due July 2024.

Report issued April 2026

SUMMARY

The California Department of Health Care Services (DHCS) performed a review of 90 individuals with Medi-Cal annual redeterminations due in the month of July 2024. All beneficiaries included in this review reside within the jurisdiction of Sacramento County Department of Human Assistance (Sacramento County DHS).

PURPOSE

The primary objectives of this review are:

- Verify that annual case renewal processing aligns with all applicable state and federal laws and regulations, both in accuracy and timeliness.
- Identify error trends that contribute to delays or inaccuracies in case determinations, whether stemming from human oversight or system deficiencies.
- Examine DHCS policy and procedural guidance to isolate any areas that may inadvertently lead to incorrect eligibility decisions or flawed case maintenance.
- Collaborate with counties throughout the review process to resolve findings constructively and efficiently.
- Strengthen communication channels with counties to better identify and address policy ambiguities that may result in noncompliance with regulatory requirements.

This review serves not only to assess current practices but also reinforce shared standards of accountability, enhance interagency coordination, and support continuous improvement efforts.

SAMPLED POPULATION

For Sacramento County DHS's focused review, 90 sampled Medi-Cal individuals were drawn from CalSAWS Renewal Master Request All County CIN data set. The sample universe consists of MAGI Medi-Cal determinations with renewals due in July 2024. Cases may have had their annual determinations completed before, during, or after this month, or have outstanding renewals, but all were subject to annual redetermination deadlines by July 31, 2024.

REVIEW PROCESS

DHCS reviewed sampled records at the individual level; eligibility for other household members in the same case was not evaluated. A comprehensive review was completed on all case actions taken using documents procured (or applicable waivers) to ensure that required data elements were properly verified, verification documents are on file, and that case comments support the final eligibility determination.

DHCS reviewed information in CalSAWS, California Healthcare Eligibility, Enrollment and Retention System (CalHEERS), and the Medi-Cal Eligibility Data System (MEDS) to confirm that:

- The county followed Ex parte requirements prior to pursuing a manual renewal
- The county terminated eligibility timely for instances where beneficiaries fail to submit a renewal form when required
- All screens in CalSAWS, CalHEERS, and MEDS were updated with current information
- Required data elements are verified manually or electronically prior to the redetermination of eligibility (e.g. citizenship, Social Security Number, residency, household composition, income)
- Appropriate Notice of Action (NOA) letters were mailed
- Members were granted the appropriate aid code based on information provided
- MEDS reflects the correct aid code

FINDINGS

DHCS found that Sacramento County DHS did not meet state and federal regulations or California annual redetermination performance standards. Of the 90 MAGI Medi-Cal cases reviewed with annual renewals due 07/2024, 56 (62%) were determined to have been processed without deficiencies. The remaining 34 cases (38%) had issues identified.

Case issues identified at under 10% occurrence rate:

Issues Identified	Issue Count	% of Cases
Citizenship Status Incorrect	1	1.1%
Social Security Number (SSN) Not Verified	2	2.2%
Incorrect Household Size	1	1.1%
Income Not Correctly Verified	1	1.1%
Income Calculated Incorrectly	1	1.1%
Incorrect or Insufficient NOA Sent	6	6.7%
Aid Code Incorrect	2	2.2%
Incorrect Renewal Action Taken	2	2.2%

Case issues identified at over 10% occurrence rate:

Issues Identified	Issue Count	% of Cases
Ex-parte Attempt Not Made (Batch MAGI Skip)	9	10.0%
Renewal Not Timely	24	26.7%

DHCS' review found that although the county processes annual renewals accurately, the renewals were not complete in accordance with federal and state regulations that pertain to timeliness. Please refer to 42 CFR 435.912(c)(4)(i) and (ii).

TRENDS

- 26.7% of annual renewals were not processed timely.
- 10% of cases did not have an auto ex-parte attempt due to the Batch MAGI Skip and the county did not proceed with a manual renewal.
- 6.7% of cases had an incorrect or insufficient NOA sent to the member.
- 2.2% of cases were processed without appropriate verification of the members' SSN.
- 2.2% of cases had members who were enrolled in the incorrect aid category.
- 2.2% of cases the actions taken at determination were incorrect.

RECOMMENDATIONS

Sacramento County DHS should implement a process to mitigate the number of cases that are impacted by the Batch MAGI Skip, and to ensure that the Batch MAGI Skip report is reviewed timely, and that the appropriate actions are taken to complete the renewal process, timely.

Additionally, Sacramento County DHS should implement processes that will reduce the number of cases that are not processed timely.

CORRECTIVE ACTION PLAN REQUIRED

Sacramento County DHS is required to develop a Corrective Action Plan (CAP) to address the untimely processing of renewals. DHCS will collaborate with the county throughout this process to support the successful resolution of this issue.

The CAP must address how the county plans to ensure that:

- Renewals are processed timely
- Ex-parte process is conducted prior to renewal due dates

CORRECTIVE ACTION PLAN REQUIREMENTS

The CAP must be submitted to DHCS within 60 days of the final focused review report delivery. It should outline a 12-month implementation schedule, clearly designate staff responsible for oversight, detail how corrective strategies will be operationalized, and define metrics for evaluating progress. Should performance standards remain unmet after one year, the county must propose alternative solutions. Tangible improvement is expected no later than 18 months following implementation; if sufficient progress is not demonstrated by the 19th month, DHCS could impose fiscal penalties in accordance with established sanction protocols.

Progress reports are required every six months. At the 12-month mark, DHCS will conduct a follow-up focused review to assess CAP effectiveness. If the same deficiencies exist but the county remains compliant with CAP requirements, DHCS will continue to engage the county in problem-solving efforts for an additional six months. However, failure to adhere to CAP requirements within the 18-month timeframe may result in sanctions.

ACWDL 24-17 provides additional information about enhancements to county Medi-Cal eligibility performance standards.

CONCLUSION

DHCS would like to acknowledge Sacramento County DHS dedication to processing renewals accurately and retaining the appropriate documents in the case file.

However, due to the number of records that were found to have a renewal processed outside of the established renewal processing timelines, and the number of records that did not have an ex-parte attempt made due to the Batch MAGI Skip, a CAP is required.

The county should develop and implement control mechanisms to ensure that renewals are processed in accordance with federal and state timeliness standards.

DHCS looks forward to working collaboratively with Sacramento County DHS to ensure that the Medi-Cal program is administered in compliance with federal and state regulations.