DEPARTMENT OF HEALTH SERVICES
714/744 P Street
P. O. Box 942732
Sacramento, California  94234-7320
(916) 557-1460
March 11, 1998

To All County Medi-Cal Administrative Activities (MAA)/
Targeted Case Management (TCM) Coordinators and
Advisory Committee Members

ALLOCATING COSTS FOR NEW POSITIONS, NEW CLASSIFICATIONS OR REPLACED
STAFF FOR MEDI-CAL ADMINISTRATIVE ACTIVITIES

Program Policy Letter (PPL) 97-024, dated October 22, 1997, addressed the submission of
amendments to the Medi-Cal Administrative Activities (MAA) Claiming Plan. The purpose of this PPL
is to clarify the allocation of cost for staff who are in a newly created position for a classification already
approved in the Medi-Cal Administrative Activities Claiming Plan, for a classification not already
approved in the MAA Claiming Plan, new staff placed in an existing approved classification after the
MAA time survey has been completed, and the attendant requirement for a MAA Claiming Plan
amendment.

New Position - Job Classification is in the approved MAA Claiming Plan

When a new position is created for a civil service classification already included in the MAA
Claiming Plan approved by the Department of Health Services (DHS) and the Health Care Financing
Administration, and the MAA as described on the Duty Statement/Position Description for the new
position are the same as those described on the Duty Statement/Position Description for that
classification listed in the approved MAA Claiming Plan, a Claiming Plan Amendment will not be
required. The cost should be assigned to either Cost Pool #1 or Cost Pool #2. The costs will be allocate
based on the time survey results of those staff who participated in the MAA time survey.

If the MAA on the Duty Statement/Position Description of the new position are different from
those of the classification already approved in the MAA Claiming Plan, the costs may be claimed only if
MAA Claiming Plan Amendment has been submitted before the end of the quarter to be claimed and a
time survey has been conducted for one entire month of that quarter. In accordance with PPL
No. 96-017, if a time survey is required, a request to conduct the time survey must be submitted to DHS
for approval within thirty (30) days before the beginning of the quarter in which the LGA will be time
surveying. The entire claiming unit must participate in the time survey. If the costs are
they should be assigned to either Cost Pool #1 or Cost Pool #2. If the costs are not claimable, they
be assigned to Cost Pool #3. If the request to conduct a subsequent time survey is not approved by
DHS, but the LGA conducts the time survey, the costs of the new staff must be assigned to Cost Pool #
New Position - Job Classification is NOT in the approved MAA Claiming Plan

When a new position is created for a job classification not included in the approved MAA Claiming Plan, a Claiming Plan Amendment must be submitted to DHS in the quarter during which costs are expected to be claimed and a time survey must be conducted for one entire month of that quarter in order for the costs to be claimable. In accordance with PPL No. 96-017, if a time survey is required, a request to time survey must be submitted to the DHS for approval within thirty (30) days before the beginning of the quarter in which the LGA will be time surveying. *The entire claiming unit must participate in the time survey.* If the costs are claimable, they should be assigned to either Cost Pool #1 or Cost Pool #2. If the costs are not claimable, they must be assigned to Cost Pool #3. If the request to conduct a subsequent time survey is not approved by DHS, but the LGA conducts the time survey, the costs of the new staff must be assigned to Cost Pool #3.

Vacancy Filled

It is expected that employees will change positions after the MAA time survey is conducted. Costs should be allocated based on the time survey results for that employee classification, not the person filling the position. If the new appointees perform exactly the same approved MAA as the staff who participated in the time survey, a MAA Claiming Plan Amendment and a new MAA time survey are not required. Costs should be assigned to Cost Pool #1 or Cost Pool #2.

If the new appointee has a revised Duty Statement/Position Description which includes MAA identified in the approved MAA Claiming Plan, but which are different from those on the initial Duty Statement/Position Description, a MAA Claiming Plan amendment and a new MAA time survey are not required.

If the new appointee has a revised Duty Statement/Position Description which includes MAA not approved in the MAA Claiming Plan, a MAA Claiming Plan amendment must be submitted to DHS and a MAA Time Survey must be conducted for one entire month in the quarter in which costs will be claimed. In accordance with PPL No. 96-017, if a time survey is required, a request to time survey must be submitted to the DHS for approval within thirty (30) days before the beginning of the quarter in which the LGA will be time surveying. *The entire claiming unit must participate in the time survey.* If the request to conduct the subsequent time survey is not approved by DHS, but the LGA conducts the time survey, the costs of the new staff must be assigned to Cost Pool #3. If the request to conduct a subsequent time survey is not approved by DHS, but the LGA conducts the time survey, the costs of the new staff must be assigned to Cost Pool #3.
Should you have any questions regarding this policy, please contact the Administrative Claiming Unit analyst assigned to your Local Governmental Agency. A matrix is enclosed as a quick reference and summary of the policies set forth in this PPL.

Sincerely,

Janet Wilson  
Acting Chief  
Medi-Cal Benefits Branch

Enclosure

<table>
<thead>
<tr>
<th>Medi-Cal Administrative Activities:</th>
<th>X</th>
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<tbody>
<tr>
<td>Targeted Case Management:</td>
<td></td>
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<tr>
<td>Policy Effective Date: 7/1/95</td>
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<tr>
<td>Policy Reference: PPL No. 96-017, PPL No. 96-035, PPL No. 97-024, and PPL No. 98-002</td>
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</tbody>
</table>

cc: Mr. Bill Lasowski  
Technical Director  
Office of Financial Services  
Health Care Financing Administration  
7500 Security Blvd., MS-C4-17-27  
Baltimore, MD 21244-1850

Mr. Richard Chambers  
Associate Regional Administrator  
Health Care Financing Administration  
75 Hawthorne Street, Suite 401  
San Francisco, CA 94105
## Medi-Cal Administrative Activities

<table>
<thead>
<tr>
<th>Description of Event</th>
<th>Claiming Plan Amendment Required</th>
<th>Subsequent Time Survey Required</th>
<th>Cost Pool</th>
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<td><strong>NEW POSITION:</strong></td>
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<tr>
<td>Classification in approved MAA Claiming Plan</td>
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<tr>
<td>Duty Statement includes same MAA identified in Claiming Plan</td>
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<tr>
<td>Duty Statement includes different MAA</td>
<td>YES</td>
<td>YES</td>
<td>CP#1 or CP#2</td>
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<tr>
<td>Classification NOT in approved MAA Claiming Plan</td>
<td>YES</td>
<td>YES</td>
<td>CP#3 or CP#2</td>
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<td><strong>VACANCY FILLED:</strong></td>
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<td>Duty Statement includes same MAA identified in Claiming Plan</td>
<td>NO</td>
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<tr>
<td>Duty Statement includes different MAA</td>
<td>YES</td>
<td>YES</td>
<td>CP#1 or CP#2</td>
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