STATE OF CALIFORNIA–HEALTH AND WELFARE AGENCY PETE WILSON, Governor

DEPARTMENT OF HEALTH SERVICES
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November 18, 1997

TO: All County Welfare Directors
All County Administrative Officers
All County Medi-Cal Program Specialists/Liaisons

Letter No.: 97-48

SECOND CONTACT, REQUEST FOR VERIFICATION AND/OR ADDITIONAL INFORMATION REQUIREMENT (Ref: ACWDL 90-07, Article 4, Section 4H-Status Report Notice Requirements and Section 4U - Notices of Action)

The purpose of this letter is to clarify policy and procedures regarding the "second contact" requirement (when information is needed) before denying or discontinuing a case based on Article 4, Sections 50167 and 50175. Section 50167, Verification--Prior to Approval, states what verifications the county welfare departments (CWDs) must obtain prior to the approval of eligibility. Section 50175 clearly delineates the bases for denials or discontinuances due to lack of information, noncooperation, or loss of contact.

The "second contact" policy is the result of the 1980 Balderas v. Woods lawsuit against the Department of Social Services. This lawsuit requires CWDs to make two contacts before denying or discontinuing an individual from cash assistance program. Current policy as outlined in ACWDL No. 90-07 requires the eligibility worker (EW) to make two contacts with the applicant/beneficiary prior to taking an action to deny or discontinue a case. The two attempts must be documented in the case file with the date, method of contact, and the result of each contact.

Title 42, United States Code, Section 1396 (r)(2) requires state Medicaid programs be "no more restrictive" than a cash assistance program. In order to remain "no more restrictive," the Medi-Cal program established the same policy requiring CWDs to make two contacts before a case may be denied or discontinued.

NEW APPLICANT

Before a Notice of Action (NOA) can be issued to deny a new applicant Medi-Cal benefits, the CWD must ensure the NOA contains specific reasons for the denial action and the appropriate corresponding regulations. Any adverse notice of action issued MUST contain the appropriate citation number(s) in Title 22, California Code of Regulations.

Example: At the face-to-face interview, the EW gives the applicant a written request of the items he/she needs to provide to the CWD to establish eligibility with a specific due date. This is the "first" contact.

If the "first" due date passes with no response from the applicant, the EW makes another request either in writing or by telephone. The "second" telephone call or notice must inform the applicant of the items necessary to establish eligibility. This "second" telephone call or notice gives the applicant ten-calendar days to respond. This would constitute the "second" contact.

If the "second" due date passes with no response from the applicant, the EW should issue an NOA to deny Medi-Cal benefits. The NOA must be specific so that the applicant knows exactly what was needed by the CWD to determine eligibility. In addition, the denial NOA must state the corresponding regulation section(s) citing the reason(s) for the denial.

REDETERMINATION

The following example illustrates two contacts on a continuing case when an EW is redetermining eligibility and information/verification is needed from the beneficiary. **Remember, in order for an action to qualify as a "contact," the action must be performed by the EW and documented in the case file.**

Example: The EW contacts the beneficiary regarding verification, information or other related purposes in order to establish continuing eligibility and gives the beneficiary a specific due date to respond. This constitutes the "first" contact. This can be done with either an informational notice or a telephone call as outlined in ACWDL 90-07.

If the beneficiary fails to respond to the "first" contact by the requested due date, the EW makes another contact. The "second" contact can also be in writing or by telephone. The MC 239A or county equivalent can be used as a "second" contact and should include all information/verification needed to establish continuing eligibility. The MC 239A or county equivalent should state clearly to the beneficiary that if the information requested is not received by the due date, the case or person will be discontinued effective on the last day of the current month or the last day of the future month if the ten-day notification is not possible.

However, if the information is received prior to the discontinuance date, the discontinuance action must be rescinded.

INVESTIGATIONS

Example: When a beneficiary is under investigation and the investigator completes, his/her report, it is then forwarded to the EW for further review. The EW makes an assessment and, if needed, can contact the beneficiary by telephone or in writing. The EW gives the beneficiary a due date to respond. All items necessary to continue eligibility should be clearly stated and if not received by the requested date, the person or case will be discontinued effective the last day of the current month or the last day of the future month if the ten-day notification is not possible.

EXCEPTIONS

Example: Exceptions from advance notices. According to Title 42, Code of Federal Regulations, Section 431.213, the following situations do not require the ten-day advance NOA:

1. If county has factual information confirming the death of a beneficiary.

2. The county receives a clear written statement signed by a beneficiary that he/she no longer wishes services; or gives information that requires termination or reduction of services, and the beneficiary understands the result of supplying the information;

3. The beneficiary has been admitted to an institution where he/she is ineligible under the plan for further services;

4. Beneficiary's whereabouts are unknown and the post office returns to the county welfare department (CWD) mail indicating no forwarding address;

5. The CWD establishes the fact that the individual has been accepted for Medicaid services in another local jurisdiction, state, or territory.

QUARTERLY REPORT STATUS

Example: The second contact requirement also applies to counties when processing Quarterly Status Reports (QSR). For example, the county issues the QSR to the Medi-Cal beneficiary, this is considered the first contact. If the beneficiary does not return the QSR by the due date or returns it incomplete, the county reissues or returns the QSR with the MC 239I NOA or county equivalent NOA. This constitutes the second contact. The MC 239I or equivalent NOA would be advising the beneficiary of the incomplete or nonreceipt of the QSR prior to discontinuance. If QSR is received prior to discontinuance date, the discontinuance action is rescinded. However, if the QSR it is not received or is incomplete, the case is discontinued.

If you have questions regarding the second contact requirements, please call Ms. Ana Ramirez of my staff (916) 657-1401.

Sincerely,

ORIGINAL SIGNED BY

Frank S. Martucci, Chief
Medi-Cal Eligibility Branch