State of California—Health and Human Services Agency
Department of Health Services

California Department of Health Services

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Director

GRAY DAVIS
Governor

April 11, 2003

TO: ALL COUNTY WELFARE DIRECTORS
ALL COUNTY ADMINISTRATIVE OFFICERS
ALL COUNTY MEDI-CAL PROGRAM SPECIALISTS/LIAISONS
ALL COUNTY HEALTH EXECUTIVES
ALL COUNTY MENTAL HEALTH DIRECTORS
ALL COUNTY MEDS LIAISONS

Letter No.: 03-16

SUBJECT: MEDI-CAL ELIGIBILITY QUALITY CONTROL (MEQC) GEOGRAPHIC SAMPLING PLAN (GSP) PILOT PROJECT

The purpose of this letter is to inform counties of the Centers for Medicare and Medicaid Services (CMS), approved extension of the GSP pilot project. The renewed GSP authorizes the Department of Health Services to continue conducting geographic sampling of Medi-Cal Assistance Only (MAO) cases. The initial pilot was implemented on July 1, 1999, and was extended effective July 1, 2002, for the fiscal year 2002/2003. This All County Welfare Directors' Letter provides information on the latest extension, which is effective July 1, 2003, for fiscal year 2003/2004.

BACKGROUND

Prior to approval of the GSP pilot project, MEQC annually reviewed random samples of MAO cases for all 58 counties. The number of MEQC case reviews selected for each county was proportionate to its share of the statewide MAO beneficiary population. Because of this, small counties had only limited numbers of cases reviewed annually. These minimal numbers of case reviews may not have accurately reflected the performance of these counties in determining Medi-Cal eligibility. Under the renewed GSP, this revised sampling strategy provides for MEQC case reviews in the 25 large counties in terms of MAO population. This sampling strategy should minimize travel time and costs, increase MEQC efficiency, and enhance the accuracy and usefulness of county reports. In consideration of the GSP, the Department agrees to maintain the level of MEQC effort.

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GSP PILOT PROJECT

Based on the 2003/2004 GSP, MEQC case reviews will be conducted in the 25 large counties which comprise approximately 94 percent of the statewide MAO population. As a result of the extension of the GSP pilot project, the annual MEQC coverage for the 25 large counties is projected to be 2,352 cases. (14 cases monthly x 12 months x 14 staff persons). As this will provide more MEQC data, it should ensure more accurate measurement of state and county performance in the MAO program as well as suggesting possible Focused Review (FR) issues.

Enclosed for your information is a chart of California counties' MAO population size. The chart reflects the MAO population for June 2002 month of eligibility. The 33 small and 25 large counties are identified as well as the MAO numbers for each county.

CMS's approval of the GSP pilot project freezes the MEQC dollar error rate for the State of California at 0.635 percent. This percent is the computed dollar error rate for Fiscal Year 1997, the most recently completed MEQC period prior to the inception of the GSP pilot project. The terms of the GSP pilot project preclude MEQC fiscal repercussions or sanctions for the duration of the pilot project.

As a part of the extension effective July 1, 2003, the dollar threshold level for a citeable Medi-Cal error will remain at $400. Any discrepancy in the share of cost which is below $400 will be reported as a procedural error, not a citeable error. However, all MEQC findings will continue to be reported to the counties for corrective action where appropriate, including dollar discrepancies of less than $400.

The Department provides an annual report to CMS on the findings of the MEQC pilot project. We anticipate that the pilot will be renewed annually and will continue for an indefinite period of time.

ACCOMPLISHMENTS

Under the GSP pilot project thus far, the following accomplishments have been achieved:

- Due to refinements in the MEQC review process, the number of MEQC case reviews have increased from 1,500 annually in 1998/1999 to an estimated 2,352 MEQC reviews in 2003/2004.

- Much more reliable data concerning error trends has resulted from limiting MEQC reviews to the 25 large counties.

- The dollar error threshold has increased from $5, which had been in effect prior to June 30, 1999, to $400 effective July 1, 2002.

If you have any questions, please contact Mr. John Lim of my staff at (415) 904-9702.

Original signed by

Beth Fife, Chief
Medi-Cal Eligibility Branch

Enclosure

Enclosure

PROPOSED GSP LARGE AND SMALL COUNTIES FOR APRIL 2003 THROUGH SEPTEMBER 2003 OCTOBER 2003 THROUGH MARCH 2004 BASE PERIODS

Medi-Cal Eligibility Quality Control Counties
25 Largest Counties
(94% of CA MAO population)

County	Total
Los Angeles	1,171,454
Orange	186,117
San Diego	153,087
San Bernardino	139,217
Riverside	119,207
Fresno	110,075
Santa Clara	90,910
Kern	85,866
Sacramento	79,332
Alameda	67,429
Tulare	61,562
Ventura	56,588
San Joaquin	56,375
Stanislaus	53,807
Monterey	43,184
San Francisco	42,572
Contra Costa	41,852
Santa Barbara	34,292
Merced	32,366
San Mateo	30,148
Sonoma	22,895
Solano	22,630
Butte	22,608
Imperial	20,852
Madera	17,845
Total	**2,762,270**

Periodic Case Review Counties
33 Smallest Counties
(6% of CA MAO population)

County	Total
Santa Cruz	17,171
Shasta	15,763
Kings	15,065
San Luis Obispo	14,499
Yolo	12,094
Humboldt	11,143
Mendocino	9,526
Sutter	9,392
Placer	8,026
Napa	7,290
Marin	7,113
El Dorado	6,734
Yuba	6,628
Tehama	6,267
Lake	5,419
Siskiyou	4,399
Nevada	4,374
San Benito	3,521
Glenn	3,312
Tuolumne	3,204
Colusa	3,131
Del Norte	2,869
Calaveras	2,423
Lassen	2,065
Inyo	1,746
Amador	1,710
Plumas	1,432
Mariposa	1,207
Modoc	1,054
Trinity	990
Mono	707
Sierra	218
Alpine	114
Total	**190,606**

Data from June 2002 Elig0208_Benes_by_Month_2002_08 Report
Medically Indigent+, Medically Needy+, and Other+ categories
were used for this enclosure