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

California Department of Health Services
SANDRA SHEWRY
Director

ARNOLD SCHWARZENEGGER
Governor

March 4, 2005

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.: 05-05

SUBJECT: MEDI-CAL ELIGIBILITY QUALITY CONTROL GEOGRAPHIC SAMPLING PLAN PILOT PROJECT

The purpose of this letter is to inform counties of the Centers for Medicare and Medicaid Services' (CMS) approved extension of the Geographic Sampling Plan (GSP) pilot project. The renewed GSP authorizes the Department of Health Services (DHS) to continue conducting geographic sampling of Medi-Cal Assistance Only (MAO) cases. The initial pilot was implemented on July 1, 1999, and has been extended effective every July 1st thereafter through Fiscal Year (FY) 2004/2005. This All County Welfare Directors' Letter provides information on the latest extension, which is effective July 1, 2005, for FY 2005/2006.

BACKGROUND

Prior to approval of the GSP pilot project, the Program Review Section (PRS) annually reviewed random samples of MAO cases for all 58 counties. The number of Medi-Cal Eligibility Quality Control (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, the revised sampling strategy provides for MEQC case reviews in the 25 large counties in terms of MAO population. This sampling strategy has minimized travel time and costs,

1501 Capitol Avenue, Suite 71.4001, MS 4607, P.O. Box 997417
Sacramento, CA 95899-7417
(916) 552-9430 Fax: (916) 552-9425
www.dhs.ca.gov

Increased MEQC efficiency, and enhanced the accuracy and usefulness of county reports. In consideration of the GSP, DGS agrees to maintain the level of MEQC effort.

GSP PILOT PROJECT

Based on the 2005/2006 GSP, MEQC case reviews will be conducted in the 25 large counties that 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 2,688 cases (16 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 the July 2004 month of eligibility. The 33 smallest and 25 largest 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 percentage is the computed dollar error rate for FY 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, 2005, the dollar threshold level for a citable 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 citable error. This dollar error threshold will allow both PRS and county Medi-Cal program staff to focus attention on significant dollar issues. However, all MEQC findings will continue to be reported to the counties for corrective action where appropriate, including dollar discrepancies of less than $400. As part of the GSP, PRS will conduct Corrective Action Reviews on all MEQC cases with citable errors, procedural errors, and/or pertinent information.

DHS provides a base period report to CMS on the findings of the MEQC pilot project. DHS anticipates that the pilot will be renewed annually and will continue for an indefinite period of time.

ACCOMPLISHMENTS

Under the GSP pilot project thus far, PRS has achieved the following accomplishments:

- Due to refinements in the MEQC review process, the number of MEQC case reviews has increased from 1,500 annually in 1998/1999 to an estimated 2,688 MEQC reviews in 2005/2006.

- Implementation of the GSP has resulted in significant efficiency and reduce travel cost and time.

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

- The dollar error threshold has increased from $5, which had been in effect from at least 1979 to June 30, 1999, to $400 effective July 1, 2002.

SUMMARY

In addition to increasing efficiency and use of Quality Control staff time, the GSP should enhance the accuracy and usefulness of reported findings. DHS is confident the extension of the pilot project effective July 1, 2005, will continue to provide counties with more complete MEQC information and assist in our common quest for excellence in the Medi-Cal eligibility determination process.

If you have any questions, please contact Mr. Tom Welch, Chief of the Program Review Section, at (916) 552-9445.

Original signed by

Tameron Mitchell, R.D., M.P.H., Chief
Medi-Cal Eligibility Branch

Enclosure

Enclosure

PROPOSED GSP LARGE AND SMALL COUNTIES FOR APRIL 2005 THROUGH SEPTEMBER 2005 AND OCTOBER 2005 THROUGH MARCH 2006 BASE PERIODS

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

County	Total
Los Angeles	1,427,093
Orange	236,853
San Diego	180,836
San Bernardino	177,067
Riverside	149,552
Fresno	136,537
Santa Clara	132,104
Sacramento	115,525
Kern	110,004
Alameda	94,029
Tulare	76,127
San Joaquin	72,985
Ventura	68,393
Stanislaus	67,256
San Francisco	53,303
Contra Costa	51,311
Monterey	47,923
Santa Barbara	42,688
San Mateo	38,379
Merced	37,753
Solano	29,006
Sonoma	28,252
Imperial	24,490
Butte	24,003
Madera	21,984
Total	3,443,453

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

County	Total
Santa Cruz	21,093
Kings	17,447
Shasta	17,290
San Luis Obispo	17,042
Yolo	14,592
Placer	12,588
Humboldt	12,382
Mendocino	11,501
Sutter	10,887
Marin	9,471
El Dorado	8,329
Napa	7,937
Yuba	7,916
Tehama	7,079
Lake	6,443
San Benito	4,655
Nevada	4,565
Siskiyou	4,440
Glenn	3,970
Tuolumne	3,671
Colusa	3,252
Del Norte	3,041
Calaveras	2,570
Lassen	2,295
Inyo	1,918
Amador	1,786
Plumas	1,334
Mariposa	1,321
Modoc	1,236
Trinity	1,147
Mono	824
Sierra	200
Alpine	117
Total	224,339

Data from Elig0410_ Benes_by_Month Report for July 2004
Medically Indigent+, Medically Needy+, and Other+ categories were used for this Enclosure