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

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Director

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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.: 09-07

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 Care Services 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) 2008/2009. This All County Welfare Directors' Letter provides information on the latest extension, which is effective July 1, 2009, for FY 2009/2010.

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 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 has minimized travel time and costs, increased MEQC efficiency, and

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

GSP PILOT PROJECT

Based on the 2008/2009 GSP, MEQC case reviews will continue to 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 2,520 cases. (15 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 issues.

Enclosed for your information is a chart of California counties MAO population size. The chart reflects the MAO population for March 2008 month of eligibility as noted in the ELIG0808_Benes_by_Month_2008_08 Report. 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 percent is the lowest level of statistical certainty for 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, 2008, 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. 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 citeable errors and procedural errors.

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, 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 2,520 MEQC reviews for 2009/10.

- 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 since 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. The Department is confident the extension of the pilot project effective July 1, 2009, 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. John Lim of my staff at (415) 904-9702.

Original signed by Vivian Auble

Vivian Auble, Chief
Medi-Cal Eligibility Division

Enclosure

Enclosure I

PROPOSED GSP LARGE AND SMALL COUNTIES
FOR APRIL 2009 THROUGH SEPTEMBER 2009 AND
OCTOBER 2009 THROUGH MARCH 2010 BASE PERIODS

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

County	Total	% Total
Los Angeles	1,407,428	35.9%
Orange	254,318	6.5%
San Bernardino	204,566	5.2%
San Diego	194,746	5.0%
Riverside	189,088	4.8%
Fresno	159,623	4.1%
Santa Clara	142,244	3.6%
Sacramento	133,920	3.4%
Kern	124,167	3.2%
Alameda	114,038	2.9%
Tulare	90,819	2.3%
San Joaquin	78,990	2.0%
Ventura	75,731	1.9%
Stanislaus	66,214	1.7%
Contra Costa	65,429	1.7%
San Francisco	58,554	1.5%
Monterey	52,384	1.3%
Santa Barbara	46,675	1.2%
San Mateo	42,130	1.1%
Merced	39,155	1.0%
Solano	31,725	0.8%
Sonoma	31,368	0.8%
Imperial	27,353	0.7%
Santa Cruz	26,351	0.7%
Madera	24,837	0.6%
Total	**3,681,853**	**93.9%**

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

County	Total	% Total
Butte	23,504	0.6%
Kings	19,090	0.5%
San Luis Obispo	18,161	0.5%
Shasta	17,473	0.4%
Yolo	15,630	0.4%
Placer	14,436	0.4%
Humboldt	12,545	0.3%
Mendocino	12,146	0.3%
Sutter	11,944	0.3%
Marin	11,844	0.3%
El Dorado	9,388	0.2%
Yuba	9,020	0.2%
Napa	8,667	0.2%
Lake	8,070	0.2%
Tehama	7,648	0.2%
Nevada	5,212	0.13%
San Benito	5,055	0.13%
Siskiyou	4,312	0.11%
Glenn	4,066	0.10%
Tuolumne	3,627	0.09%
Del Norte	3,159	0.08%
Colusa	3,120	0.08%
Calaveras	2,727	0.07%
Lassen	2,406	0.06%
Inyo	2,102	0.05%
Amador	1,957	0.05%
Trinity	1,429	0.03%
Plumas	1,407	0.03%
Mariposa	1,248	0.03%
Modoc	1,150	0.03%
Mono	845	0.02%
Sierra	221	0.005%
Alpine	106	0.003%
Total	**243,715**	**6.1%**

Statewide Total 3,925,568

ELIG0808_Benes_by_Month_2008_08 Report
2008-06 Beneficiary Count
Medically Indigent+, Medically Needy+, and Other+ categories
were used for this Enclosure