STATE OF CALIFORNIA—HEALTH AND WELFARE AGENCY

GEORGE DEUKMEJIAN, Governor

DEPARTMENT OF HEALTH SERVICES
714/744 P STREET
SAC MENTO, CA 95814

January 17, 1986

To: All County Welfare Directors
County Administrative Officers

Letter No. 86-3

MINUTES FROM THE CALIFORNIA WELFARE DIRECTORS ASSOCIATION (CWDA) AND DEPARTMENT OF HEALTH SERVICES (DHS) CORRECTIVE ACTION SUBCOMMITTEE MEETING OF NOVEMBER 12, 1985

Attached are the minutes from the joint CWDA/DHS Medi-Cal Corrective Action Subcommittee meeting which was held on Tuesday, November 12, 1985.

If you or your staff have any questions or wish to provide input, please contact one of the committee members identified in the minutes.

Sincerely,

Original signed by

Doris Z. Soderberg, Chief
Medi-Cal Eligibility Branch

cc: Medi-Cal Liaisons
Medi-Cal Consultants

Expiration Date: March 31, 1986

Minutes from the November 12, 1985 Meeting of the CWDA/DHS Medi-Cal Corrective Action Subcommittee

Members Present

John La Roche -- Orange County

Ann Lashbrook -- Merced County

Kathy Trenery -- San Bernardino County

Jewel Runsford -- Napa County

Lin Semenchuk -- Sacramento County

Bill Macfadden -- Los Angeles County

Cathi Gates -- Department of Health Services (Audits and Investigations Division)

Marlene Ratner -- Department of Health Services (Eligibility Branch)

Marie Leonard -- Department of Health Services (Eligibility Branch)

Discussion

I. County Questionnaire

The subcommittee distributed two income charts (Monthly Income Computation and Medi-Cal Income In-Kind) and a summary report of the most frequent county errors to all county welfare departments in August 1985. A follow-up questionnaire was transmitted to the counties in September 1985 and the subcommittee evaluated the responses. Results of the questionnaire were tabulated as follows:

Forty-one counties (71 percent) responded to the questionnaire. Most counties who responded distributed the two income charts to line staff and/or used them in training and corrective action planning. The error summary will primarily be used in corrective action planning. Most counties found the material useful or very useful. The Income Computation chart was reportedly more useful than the Income In-Kind chart or the error summary.

Fifteen counties suggested that the subcommittee address real and personal property as our next project, while ten counties requested self-employment income and property. The subcommittee members chose to address self-employment income/property next since the principal residence regulations had not yet been finalized as of the date of the meeting.

Counties are requested to forward to John La Roche any internal training/operational material regarding self-employment income or property that they are willing to share. All material received from counties will be reviewed and a self-employment package will be developed by the subcommittee.

A summary of the results of the questionnaire is attached.

II. Response from the Eligibility Branch

The subcommittee sent a letter to the Eligibility Branch on August 1, 1985 recommending changes in several forms and requesting clarification of several policy issues. Copies of the response from the Eligibility Branch were distributed and discussed. Following is a summary of the response to each issue:

A. Interest Earned on Checking Account

- Interest earned on a checking account meets the criteria of Title 22, CAC, Section 50542(a)(2) if it cannot be reasonably anticipated. Various examples of the proper application of 22, CAC, Section 50542 will be incorporated in the Procedures portion of the Medi-Cal Eligibility Manual.

B. Self-Employment Income

- The joint County/State Procedures Update Committee has drafted a section on income from self-employment for inclusion in the Procedures portion of the Manual.

- It is suggested that counties obtain copies of IRS form 1040, Schedules C and F (business and farming deductions) to assist in the computation of self-employment income. Copies of these forms will also be included in the Procedures portion of the Manual.

- Samples of self-employment inventory statements or invoices such as from Avon, Tupperware, etc. are appropriate for inclusion in a county's training/operational material.

C. In-Kind Income

- The subcommittee's suggestion to align the Medi-Cal verification requirements for income in-kind with the AFDC regulations will be included in an upcoming miscellaneous nonemergency regulation proposal. The public hearing for this proposal

will most likely be held in early 1986.

- Examples of various income in-kind situations, including examples with unborns will be included in the Procedures portion of the Medi-Cal Eligibility Manual.

D. Forms Revision

- An attempt will be made to accommodate the suggestion that future revisions of the MC 217 include (providing space permits) the responsibility to report interest from a checking/savings account and the start or stop of payments for Medicare, health, dental or vision insurance.

- The suggestion to include reference on the MC 217 regarding notification of long-term care admission or discharge will not be considered since counties are currently notified via the MC 171 process.

- The Eligibility Branch is hesitant to attach the MC 216 and MC 217 to the Statement of Facts for Medi-Cal since the regulations require these forms to be explained and completed during screening. Additionally, consideration is being given to amending existing regulations to require that the MC 216/217 be issued at the time the CA 1 is signed.

- Several suggestions regarding clarification of the MC 176S and MC 210 will be incorporated in future revisions of the forms. These revisions are:

  MC 176S -- Add clarification regarding rental of rooms or property; specify the requirement to report interest and dividends; expand and reformat the question on Medicare and other insurance coverage.

  MC 210 -- revise question number 31 to include reference to health, dental, vision, or hospitalization insurance paid by an employer or absent parent; reformat the health coverage section.

- Eligibility staff is exploring the feasibility of including space on the MC 176M and MC 176M - LTC for the $75.00, $30.00, and $30.00 plus 1/3 deductions. It may not be feasible as the deductions are individual deductions rather than case deductions.

- Existing supplies of forms will be used before revisions are made.

III. Death Notices from Vital Statistics

The subcommittee discussed quality control errors due to a county's failure to discontinue timely following the death of a beneficiary. The subcommittee members believe it would be more effective if the State was able to obtain timely death notices and issue MEDS alerts for deceased beneficiaries.

IV. Preliminary Quality Control (QC) Reports

The need for a preliminary QC report from the Audits and Investigations Division was discussed. Counties need data regarding the number of cases reviewed and the number and types of QC errors on a timely basis in order to develop effective corrective action initiatives. They prefer that DHS provide this preliminary information as soon as possible after the end of the six month period and before the Department completes the claims processing function. Cathi Gates will explore the feasibility of such a report.

V. Medi-Cal Responsibility Checklist (MC 217)

Copies of the proposed revisions to the MC 217 were distributed and discussed.

RESPONSE TO THE
CWDA/DHS CORRECTIVE ACTION COMMITTEE
EARNED INCOME QUESTIONNAIRE

Forty-one County Responses:

1. With whom was the material shared?

34	Medi-Cal Program Staff
23	Corrective Action Staff
21	Staff Development
24	Line Staff
2	Other (AFDC/FS) Staff
1	Program Review Team
1	Administration

2a. How will the material be used by your Staff?

	County Responses	Conversion Chart	In-kind Chart
Distributed to Line Staff	4	25	25
Included in handbook	1	11	8
Staff Development	12	23	19
Unit Meetings	13	15	16
Corrective Action Planning	27	23	20
Distributed to Eligibility Supervisors	1		
Distributed to Bureau Chiefs	1		

2b. Did your county already have similar tools?

Yes:	16	16	20
No:	23	23	19

3. How useful was this material?

Very useful	7	13	11
Useful	22	21	19
Not at all	8	2	5

No response	4	5	6

4. What would you like this committee to address next?

Real/Personal Property:	15
Self-employment Income/ Property:	10
No response:	10
MFBU and responsible relative	4
Deprivation/linkage factors:	4
Other:	7

5. Comments or suggestions on how this committee can best support your county's corrective action efforts:

No response:	26
Clearing house/share ideas:	5
Encourage DHS to keep manual and procedures current:	2
Policy clarification:	2
Develop training/operational material:	2
Develop Medi-Cal system similar to FSQUADS:	1
Work toward reduction of caseloads:	1
Reduction of Medi-Cal categories:	1
Input on forms revision:	1
Work with DHS to provide periodic QC error reports:	1