STATE OF CALIFORNIA—HEALTH AND WELFARE AGENCY GEORGE DEUKMEJIAN, Governor

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

September 29, 1986

TO: All County Welfare Directors
All County Administrative Officers

Letter No.: 86-52

SUBJECT: MEDI-CAL DISABILITY DENIAL NOTICE REQUIREMENTS, FAILURE TO COOPERATE WITH DED, AND REQUESTS FOR CASE STATUS

The purpose of this letter is to remind counties of procedures required for disability cases pursuant to Visser v. Kizer with regard to denial notice requirements, applicant failure to cooperate with DED, and county requests for case status from DED. All three of these areas are currently included in Medi-Cal Eligibility Procedure Manual (MEPM) Section 4A.

DENIAL NOTICE REQUIREMENTS

Pursuant to Visser v. Kizer, DED evaluates disability and, where the person is determined not to be disabled, prepares a rationale explaining the basis for the decision. This rationale is then sent to the county attached to the MC 221. These rationales must be attached to any denial notice sent to the applicant. The denial notice must state that the application is denied due to lack of disability and refer the applicant to the attachment for further explanation. Pursuant to Visser, notices which do not contain the rationale constitute inadequate notice. Do not attach any other documents (i.e., MC 221, MC 221 attachment, etc.) as such documents are not written for clients and are, therefore, confusing and/or misleading to the applicant.

Please Note: The presence of the rationale does not excuse the county from meeting other adequate notice requirements such as citation of supporting regulations, hearing rights, etc.

FAILURE TO COOPERATE WITH DED

Certain problems have arisen in cases where DED has neither denied nor granted disability status but has instead shown "No Determination" on the MC 221 returned to the county. DED most commonly uses "No Determination" where DED is unable to contact the applicant despite several attempts or where the applicant fails or refuses to cooperate with DED. In such cases, DED is unable to proceed with the disability evaluation. DED has not found that the applicant fails to meet disability standards but has instead stated that a determination could not be made based on available information.

The Office of the Chief Referee has informed us that many of such cases are denied by the county on the basis that DED found the claimant not disabled. At the hearing it quickly becomes apparent that the basis for denial is in error and that the applicant has not received a proper notice or a chance to establish good cause.

MEPM Section 4A specifically states that upon receipt of a "No Determination" from DED, the county staff must 1) provide the new address or other information to DED and resubmit the packet, and/or 2) attempt to contact the applicant to obtain the new address or other information and resubmit the packet to DED. Further, the county must determine if good cause existed where the applicant has failed to cooperate. If good cause existed, the packet must be resubmitted with the notation "good cause established" on the MC 221. If good cause does not exist, the county may take steps to deny the application. In either case the basis for denial must be either failure to cooperate or whereabouts unknown, not denial of disability status. The above steps must be documented in the case file for hearing purposes.

REQUESTS FOR CASE STATUS

DED has informed us that the number of telephone requests from eligibility workers for case status reports has increased. Further, written requests for status reports frequently cover a six to eight month period. DED has indicated the majority of the cases being queried have in fact been completed by DED and sent to the county office several months earlier. These requests constitute a serious problem for both DED and the applicants. DED staff process approximately 55,000 Medi-Cal referrals each year. There is insufficient staff time to research the status and/or disposition of any significant percentage of these referrals. Case status queries (in particular those submitted by telephone) delay case development due to the inordinate amount of staff time spent pursuing the case search rather than developing cases. In addition, where DED has completed case development and sent the county the results at an earlier date, we are concerned that the applicant may not have been notified of the disposition of his/her application. Therefore, as described in MEPM 4A, the following procedure must be followed:

1. Telephone inquiries: No telephone requests for case status will be honored except where the applicant has a need for major emergency medical care and it is necessary to expedite case disposition. All other inquiries must be made in writing.

2. Written requests: A list of all cases submitted to DED 70 days earlier should be submitted to the DED office in Oakland or Los Angeles with a copy to:

   Sandy Poindexter
   Operational Support Analyst
   Disability Evaluation Division
   1414 K Street, Room 201
   Sacramento, CA 95814

   Each case listed should be identified by name, Social Security Number, birthdate, and date submitted to DED.

   The county case file for each case listed must be checked to verify that DED has not yet responded prior to submitting the list.

   In no case should an inquiry on a referral more than 80 days old be made to DED without an explanation of the reason for the county's delay in making the inquiry.

   Requests for case status from county hospital staff will <u>not</u> be honored. It is the responsibility of the county welfare department to follow up with DED on cases. In addition, DED case information is confidential and may not be released to any agency except the welfare department without an adequate written release from the individual alleging disability.

   <u>Please note</u>: County workers may call DED to provide additional information, change of address, etc. However, such information should be confirmed in writing via an MC 221 to DED.

DED has suggested that each county or county district office designate one individual through which all referrals and contacts could be made. We strongly support this suggestion. Counties who currently designate a liaison have noted a considerable reduction in case rejections as the liaison monitors problems in packets submitted so that corrective action may be taken and develops a line of communication with DED resulting in more efficient processing for both county and DED staff.

If you wish to designate a liaison for your county, please contact the DED office responsible for processing your packets.

If you have any questions, please contact Toni Bailey at (916) 324-4953.

Sincerely,

Original signed by

Frank S. Martucci, Chief
Medi-Cal Eligibility Branch

Attachment

cc: Medi-Cal Liaisons
Medi-Cal Program Consultants

Expiration Date: September 30, 1987