STATE OF CALIFORNIA—HEALTH AND WELFARE AGENCY

GEORGE DEUKMEJIAN, Governor

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

August 7, 1989

Letter: 89-64

TO: ALL COUNTY WELFARE DIRECTORS
ALL COUNTY ADMINISTRATIVE OFFICERS

SUBJECT: OTHER HEALTH COVERAGE

REFERENCE: ALL COUNTY WELFARE DIRECTORS LETTER 87-44 AND 88-92

The Department of Health Services (DHS) will be conducting a data match with Equicor, Inc., to identify Medi-Cal beneficiaries currently insured with this program. The data match is anticipated for July. As a result of the data match, DHS will update the MEDS with the Other Health Coverage (OHC) cost avoidance code of Q. This code will be reflected on the beneficiaries' Medi-Cal cards. We expect to begin coding Medi-Cal cards for the August 1989 month of eligibility.

Affected beneficiaries will be sent a letter (enclosed) explaining cost avoidance, the data match and coding. The letter will also inform the beneficiary of the following requirement:

- If your Medi-Cal card is coded with "Q", your providers will have to bill your private health insurance before billing Medi-Cal. If your insurance denies payment, your provider may then bill Medi-Cal.

Again, beneficiaries will be instructed to contact their county welfare department in the event that they no longer have the coverage identified on their Medi-Cal card. If a beneficiary informs the county eligibility worker that he/she no longer has the cost avoidance coverage, the override procedures described in ACWDL 87-44 must be used to remove the cost avoidance code from MEDS.

If you have any questions regarding MEDS input, contact your MEDS liaison. All other questions should be directed to Robert Kimball of the Health Insurance Unit at (916) 739-3274.

Sincerely,

Original signed by

Frank S. Martucci, Chief
Medi-Cal Eligibility Branch

Enclosure

cc: Medi-Cal Liaisons
Medi-Cal Program Consultants

Expiration Date: August 7, 1990

IMPORTANT MEDI-CAL NOTICE

MEDI-CAL IS EXPANDING ITS PROGRAM FOR USING PRIVATE HEALTH INSURANCE. THIS PROGRAM IS CALLED COST AVOIDANCE AND IT MEANS THAT IF YOU HAVE PRIVATE HEALTH INSURANCE, MEDI-CAL WILL NOT PAY FOR MEDICAL SERVICES COVERED BY YOUR INSURANCE. HOWEVER, YOU WILL STILL BE ABLE TO USE YOUR MEDI-CAL CARD FOR MEDI-CAL COVERED SERVICES THAT YOUR PRIVATE HEALTH INSURANCE DOES NOT COVER.

OUR RECORDS INDICATE THAT YOU HAVE PRIVATE HEALTH INSURANCE WITH EQUICOR. BEGINNING WITH YOUR AUGUST 1989 MEDI-CAL CARD, A "Q" CODE WILL BE PLACED IN THE OTHER COVERAGE FIELD ON YOUR MEDI-CAL CARD TO INDICATE THIS COVERAGE.

EFFECTIVE AUGUST 1, 1989, YOUR PROVIDERS OF SERVICE WILL HAVE TO BILL YOUR PRIVATE HEALTH INSURANCE FIRST. IF YOUR INSURANCE COMPANY DENIES PAYMENT, YOUR PROVIDER MAY THEN BILL MEDI-CAL.

IF YOU DO NOT HAVE PRIVATE HEALTH INSURANCE WITH THE INSURANCE CARRIER THAT WE HAVE CODED ON YOUR CARD, CONTACT YOUR COUNTY WELFARE DEPARTMENT.

NOTIFICACION IMPORTANTE SOBRE MEDI-CAL

MEDI-CAL ESTA EXTENDIENDO SU PROGRAMA PARA USAR EL SEGURO PRIVADO DE SALUD. ESTE PROGRAMA SE LLAMA EVASION DEL COSTO (COST AVOIDANCE) Y SIGNIFICA QUE SI UD. TIENE SEGURO PRIVADO DE SALUD, MEDI-CAL NO PAGARA POR LOS SERVICIOS MEDICOS CUBIERTOS POR SU SEGURO. SIN EMBARGO, UD. PODRA USAR SU TARJETA DE MEDI-CAL POR LOS SERVICIOS CUBIERTOS POR MEDI-CAL QUE SE SEGURO PRIVADO DE SALUD NO CUBRE.

NUESTROS REGISTROS MUESTRAN QUE UD. TIENE SEGURO PRIVADO DE SALUD CON EQUICOR. COMENZANDO CON SU TARJETA DE MEDI-CAL DE AGOSTO DE 1989, UNA CLAVE "Q" SERA PUESTA EN LA PARTE DE LA OTRA COBERTURA DE SALUD EN SU TARJETA DE MEDI-CAL PARA INDICAR ESTA COBERTURA.

ASIMISMO, A PARTIR DEL 1 DE AGOSTO DE 1989, SUS PROVEEDORES DEL SERVICIO TENDRAN QUE COBRAR PRIMERO A SU SEGURO PRIVADO DE SALUD. SI SU COMPANIA DE SEGURO LE NIEGA EL PAGO, SU PROVEEDOR PUEDE ENTONCES COBRARLE A MEDI-CAL.

SI UD. NO TIENE SEGURO PRIVADO DE SALUD CON LA COMPANIA INDICADA EN CLAVE EN SU TARJETA, PONGASE EN CONTACTO CON SU DEPARTAMENTO DE BIENESTAR DEL CONDADO.