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

DEPARTMENT OF HEALTH SERVICES
714/744 P STREET
P.O. BOX 942732
SACRAMENTO, CA 94234-7320

January 16, 1990
Letter No. 90-09

TO: All County Welfare Directors
All County Administrative Officers

SUBJECT: OTHER HEALTH COVERAGE

REFERENCE: All County Welfare Directors Letters 87-44 and 88-92

The Department of Health Services (DHS) will be conducting another data match with Blue Shield of California to identify Medi-Cal beneficiaries currently insured by this company. As a result of the data match, DHS will update the Medi-Cal Eligibility Data System (MEDS) with a cost avoidance other health coverage (OHC) code "S" for beneficiaries identified as having full coverage. We expect to begin coding Medi-Cal cards for the February, 1990 month of eligibility.

Affected beneficiaries will be sent a letter explaining cost avoidance and informing them that their providers must bill the other health coverage carrier prior to billing Medi-Cal. If this private health insurance coverage extends to a dependent(s), beneficiaries are now instructed to complete an enclosed Health Insurance Questionnaire for all covered dependents and return the questionnaire to the Department. Beneficiaries are also instructed to contact their county welfare department in the event they no longer have the coverage now identified on their Medi-Cal card. If the beneficiary informs the county that he/she no longer has the cost avoidance coverage, the override procedures described in ACDWL 87-44 must be used to remove the cost avoidance code from MEDS. If the beneficiary's coverage is now with an insurance carrier other than Blue Shield, refer to the procedures in ACDWL 88-92 for the appropriate coding of his/her Medi-Cal card.

Counties will receive the OHC Indicator Change Report (RCV 139-BR002) listing the beneficiaries coded as a result of the match. Counties are not required to update their records to match MEDS. Because other health coverage information is printed on share of cost forms (MC 177), counties should update their MC 177 share of cost records to alert providers to a beneficiary's cost avoidance coverage prior to their rendering services.

A copy of the beneficiary letter is enclosed for your information. If you have any questions regarding MEDS input, contact your MEDS liaison. All other questions should be directed to Michael Jimenez of the Health Insurance Unit at (916) 739-3262.

Sincerely,

ORIGINAL SIGNED BY

Frank S. Martucci, Chief
Medi-Cal Eligibility Branch

Enclosure

cc: Medi-Cal Liaisons
Medi-Cal Consultants

Expiration Date: January 16, 1991

IMPORTANT MEDI-CAL NOTICE

MEDI-CAL IS EXPANDING ITS PROGRAM FOR USING PRIVATE HEALTH INSURANCE. THIS PROGRAM IS CALL 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 BLUE SHIELD. BEGINNING WITH YOUR FEBRUARY 1990 MEDI-CAL CARD, AN "S" CODE WILL BE PLACED IN THE OTHER COVERAGE FIELD ON YOUR MEDI-CAL CARD TO INDICATE THIS COVERAGE.

EFFECTIVE FEBRUARY 1, 1990, YOUR PROVIDERS OF SERVICE WILL HAVE TO BILL YOUR PRIVATE HEALTH INSURANCE QUESTIONNAIRE FOR ALL COVERED DEPENDENTS AND RETURN IT TO THE DEPARTMENT IN THE ENCLOSED POSTAGE PAID ENVELOPE.

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