STATE OF CALIFORNIA--HEALTH AND WELFARE AGENCY

PETE WILSON, Governor

DEPARTMENT OF HEALTH SERVICES
714/744 P Street
P.O. Box 942732
Sacramento, CA 94234-7320
(916) 657-2941

June 18, 1998

Medi-Cal Eligibility Branch Information Letter No: I98-11

TO: All County Welfare Directors
All County Administrative Officers
All County Medi-Cal Program Specialists/Liaisons

DISABILITY CASE PROCESSING REMINDER ITEMS

The Medi-Cal Applications Based on Disability (MABD) committee meets twice a year to discuss state-county concerns on disability processing and ways to reduce county errors and case processing time. The committee is comprised of county Medi-Cal disability liaisons and disability specialists from State Programs-Disability Evaluation Division (SP-DED) and the Department's Medi-Cal Eligibility Branch (MEB).

At a recent meeting, SP-DED identified some problem areas that are causing delays in case processing and unnecessary phone calls. These concerns are discussed below.

I. NO ACCESS TO ARTICLE 22 OF THE MEDI-CAL ELIGIBILITY PROCEDURES MANUAL (MEPM)

The MABD committee worked very extensively to revise Article 22 of the MEPM to make it very user friendly. However, SP-DED staff have discovered that many counties are not providing their line staff with copies of Article 22. Whenever a county calls with a question, SP-DED will refer the caller to a specific citation in Article 22 that answers the caller's question; however, the caller does not have Article 22 available to them. We strongly recommend making copies of Article 22 available to all line staff in the counties to assist them with disability issues.

SP-DED also found that many of the disability case processing errors could have been avoided if line staff had access to Article 22. Some of the most problematic areas are:

- incorrect completion of the **MC 221 (Disability Determination and Transmittal Form)**, particularly Items 8* (Type of Referral) and 11 (File Reviewed and Approved for Transmittal);
- faxed information on **urgent case requests** are not followed up with a full disability packet, and counties do not call SP-DED after they send a fax to confirm that it was received;
- counties do not annotate in Item 10 on the MC 221 that the client is now cooperating or show the client's new address on **Z56 case returns** (returned for client's failure to cooperate or whereabouts unknown);

*We recognize that Item 8 in the MC 221 is problematic for counties because the terminology is unclear. There will be future revisions to this field to make these distinctions clearer. Until these changes are made, counties should refer to Article 22, C-4 (or the back of the MC 221) for guidance on completing this field.

- **incomplete/inaccurate MC 273 (Work Activity Report Form);** used only when the applicant is currently working.

- On the MC 223, (item 17), all relevant work in the past 15 years, including work performed outside of the United States must be completed; and

- (Item 15 on the MC 223) must show the individual's educational level. The county must not guess on this question as the response could result in an erroneous disability denial or approval. Applicants should be contacted if this information is incomplete or omitted.

  If the county observes that an individual is illiterate, that information should be noted in Item 10 on the MC 221 or if there are additional observations that the eligibility worker feels may be of benefit to SP-DED, they may be included on a DHS 7045 (Worker's Observations Disability Form).

- Missing or inappropriate completion of the **MC 272 (Substantial Gainful Activity [SGA] Worksheet)** whenever an individual has gross monthly earnings of $500 or more. If the county determines that the individual is not performing SGA, the county must annotate in Item 10 on the MC 221 that there is "no SGA issue" and include a copy of the MC 272 in the disability packet. If SP-DED returns a disability packet to the county as a Z56 for an SGA determination, and the county concludes that the applicant is not performing SGA, they must include a copy of the MC 272 worksheet (attached to the new MC 221) in the disability packet or send it to SP-DED via the MC 222 (DED Pending Information Update form).

II. DELAYS IN REFERRING BENEFICIARIES ALLEGING A DISABILITY TO SP-DED

MEB staff have found that some counties are not making timely referrals to SP-DED on Medi-Cal beneficiaries who allege a disability. In these instances, counties waited until beneficiaries alleging a disability have been terminated from Medi-Cal because they turned age 21 or no longer have a minor child in their care before sending a disability packet to SP-DED. This causes unnecessary breaks in Medi-Cal coverage. In other instances, the budget unit's share of cost may have been too high because the county did not seek a disability determination and the correct income deductions were not applied (i.e., $65 plus one-half earned income deduction and $20 any income deduction).

Counties must complete a disability packet and refer the case to SP-DED immediately when an individual alleges a disability to ensure uninterrupted Medi-Cal coverage and the correct share of cost.

If you have any questions regarding this letter, please contact Mr. Terry Durham of my staff at (916) 657-2701.

Sincerely,

Original signed by

Angeline Mrva, Chief
Medi-Cal Eligibility Branch