



DAVID MAXWELL-JOLLY
Director

State of California—Health and Human Services Agency
Department of Health Care Services



ARNOLD SCHWARZENEGGER
Governor

November 23, 2010

To: ALL COUNTY WELFARE DIRECTORS Letter No: 10-23
ALL COUNTY ADMINISTRATIVE OFFICERS
ALL COUNTY MEDI-CAL PROGRAM SPECIALISTS/LIAISONS
ALL COUNTY PUBLIC HEALTH DIRECTORS
ALL COUNTY MENTAL HEALTH DIRECTORS

SUBJECT: REVISED OTHER HEALTH COVERAGE REPORTING AND CORRECTION
PROCEDURES
(Ref.: All County Welfare Directors Letter (ACWDL) Nos.: 94-59, 00-25, 03-
39, 09-25, 09-36)

The purpose of this letter is to:

- Inform counties of automatic changes to the Other Health Coverage (OHC) code for certain records on the Medi-Cal Eligibility Data System (MEDS).
- Inform counties of new procedures to temporarily override OHC coverage codes in certain situations.
- Remind counties of procedures to change OHC codes and carrier information on a long term basis.
- Remind counties of documentation requirements before removing or changing OHC information.

Background

As stated in ACWDL 09-25, the Department of Health Care Services (DHCS) has discontinued processing of the paper Health Insurance Questionnaire (DHS 6155). DHCS has been increasing tape matches with health insurance carriers and is receiving increased automated batch transactions from county consortium systems, Department of Child Support Services, Social Security Administration and other automated systems. These changes allow DHCS to receive more complete OHC information in a more timely

and cost-effective manner. As stated in ACWDL 09-36, DHCS also changed the procedures for changing OHC coverage codes and changing carrier information. This ACWDL contains further refinements to MEDS and OHC reporting procedures to support and clarify these new processes.

Verification Required Before Removing OHC Code from MEDS

As a means of ensuring that Medi-Cal is the payer of last resort, counties must verify that a Medi-Cal beneficiary's OHC has terminated prior to removing the OHC code from MEDS for those beneficiaries whose OHC has ended or who never had OHC.

Verification will be either:

1. A payroll or pension check stub which shows deductions for private health insurance have ceased.
2. An Explanation of Benefits from the insurance carrier showing the date the policy terminated.
3. A termination letter from the insurance carrier and/or employer showing the date the policy terminated. If the letter indicates that continuation of medical benefits is available under COBRA law, and the beneficiary has a high cost medical condition, county staff should refer the client to the DHCS Health Insurance Premium Payment Unit at HIPP@dhcs.ca.gov.
4. An affidavit signed by the Medi-Cal beneficiary or their representative stating he/she no longer has, or never had OHC. The affidavit should also include the date the policy terminated if known. This affidavit may be used when an erroneous OHC code appears on a recipient's Medi-Cal record after DHCS conducts a data match with an insurance carrier, or in any other situation where the client cannot otherwise verify termination. The affidavit also may be used when a custodial parent or guardian cannot verify termination of an absent parent's insurance.

For Supplemental Security Income/State Supplementary Payment (SSI/SSP) cases, where there is no county case record, the county shall view the documentation prior to removing the OHC code from MEDS. Counties are not required to retain or send the verification to DHCS.

Affidavits signed by the Medi-Cal beneficiary or their representative stating the specific circumstances which prevent them from accessing care without removal of the OHC code from MEDS may be accepted for cases where there is a geographic barrier to care.

Affidavits may also be accepted for domestic violence situations, where accessing or utilizing OHC may jeopardize the safety of the beneficiary or the beneficiary's immediate family.

In Child Support (CS) cases, when medical support is being enforced by the local child support agency, DHCS can not permanently remove the health insurance records that come through the CS Administration OHC data match. The county shall determine if "good cause" exists for a custodial parent or guardian to not access OHC posted to MEDS from the CS Administration OHC data match.

Good cause is defined as, geographical barriers, and domestic violence issues. If good cause exists the county should work with the local child support agency to have the OHC record removed from the CS Administration OHC data match.

OHC is considered unavailable under any health plan which is limited to a specific geographic service area and the beneficiary lives outside that area or the health plan requires use of specified provider(s) and the beneficiary lives more than 60 miles or 60 minutes travel time from the specified provider(s).

Automatic Temporary Override of OHC by MEDS for Children in Foster Care/Adoption Assistance Program Aid Codes

MEDS will automatically change the OHC Code to either "A" or "N" for any current or history month in which Foster Care or Adoption Assistance eligibility is reported to MEDS. The OHC Code is set to "A" if the child also has Healthy Families (HF) eligibility; otherwise, it is set to "N". The reason for the automatic override for Foster Care children is so that the foster care provider does not have to be concerned with the coverage that they may not be aware of or that is not readily accessible based on the location of the foster care provider. The reason for the automatic override for Adoption Assistance children is so that the adoptive parent does not have to be concerned with the coverage that could have been initiated by prior family members in an attempt to locate the child.

The OHC override does not preclude the foster care provider or the adoptive parent from using the coverage. It simply causes the OHC information not to be revealed to providers at all when it is set to "N" or identifies the coverage as optional when it is set to "A" and Medi-Cal eligibility verification is requested by a provider.

Temporary Override of Incorrect OHC Information by Counties

When a county receives a request from a Medi-Cal provider, a Medi-Cal managed care plan, a Foster Care Worker, a Social Worker, a Medi-Cal beneficiary or their representative to remove OHC information because it is incorrect and presents a barrier to care, the

EW15 or EW55 (for SSI/SSP cases) immediate need transaction should be used to update the OHC Code for that month to a value of "N" indicating no OHC. Do not use the value "A", which indicates the presence of OHC, as that will result in the incorrect OHC information still being displayed to providers. Do not use this process if the county is requesting a change in the OHC carrier information (such as scope of coverage changes). Please refer to the instructions under "Removing or Changing OHC Carrier Information" below. OHC information in the county consortium system also needs to be updated to reflect no OHC in order to ensure that subsequent eligibility updates do not reset the OHC Code on MEDS to the prior value. Refer to the MEDS website for instructions on how to complete the EW15 or EW55 transaction to remove an incorrect OHC Code.

The new OHC value of "N" will remain until the next monthly carrier tape match. If the client is requesting the county to remove the OHC because the coverage has ended, the one-time OHC Code update should take care of the problem. If the OHC removal is being requested for other reasons, refer to the instructions below under "Removing or Changing OHC Carrier Information" on removing OHC carrier information for additional steps needed to fully resolve the issue since the next tape match will reset the OHC Code to show other health coverage. The carrier tape matches are still in the process of being implemented. Once they are fully implemented, a schedule showing the process dates for each carrier will be sent to the counties.

Counties cannot change a HF OHC (OHC Code "9"). Issues regarding HF eligibility on MEDS or HF carrier information should be directed to HF at (800) 880-5305. If there is a problem with incorrect OHC carrier information other than the HF carrier being displayed for a HF child, refer to the instructions below on removing OHC carrier information.

Removing or Changing OHC Carrier Information

The OHC removal or OHC carrier information change request must be submitted by either secure email to WATS@dhcs.ca.gov or via fax to (916) 440-5675. For OHC removal or OHC carrier change requests please do the following:

Type or print the following information in blue or black ink:

- The Client Index Number or the beneficiary's complete county identification number. Use of the social security number is strongly discouraged through e-mail and fax due to a potential breach of confidentiality.
- The name of the commercial insurance carrier.
- The termination date, if known. If the termination date is not indicated, then DHCS will use the last day of the current month.
- The county Medi-Cal worker name and telephone number.

Although the county is required to keep OHC documentation of insurance coverage changes, please do not fax or email this information to DHCS; the additional paperwork can lead to delays in processing the request.

Priority is given to domestic violence victims, cases where the OHC information is preventing immediate access to care, and cases where the client has signed an affidavit that he/she never had the OHC coverage. In most cases where the beneficiary never had the OHC, the one-time removal of the OHC record will resolve the problem, but in some cases, it may be necessary to request the OHC record to be put on the "no carrier match list" to prevent the next OHC tape match from resetting the OHC code. If OHC carrier information needs to be removed for any of these situations, the OHC removal request must indicate "Attention Manager" and the reason for the urgent request. DHCS will attempt to process these requests within 48 hours of receipt.

The Wide Area Telephone System was discontinued as of July 15, 2009, as a result of budget cuts and loss of staff has created a significant backlog. Please do not submit multiple requests for the same action as that will simply add to the backlog and delays.

The goal is to complete an OHC request within 30 days of receipt, however, due to previously stated constraints, processing can take up to 60 days.

If you have any questions regarding this ACWDL, please contact Ms. Tammy Kaylor, Medi-Cal Eligibility Division at (916) 552-9496 or Ms. Patty Peter, Third Party Liability and Recovery Division at (916) 650-6530.

Original Signed By

René Mollow, MSN, RN, Chief
Medi-Cal Eligibility Division