STATE OF CALIFORNIA—HEALTH AND HUMAN SERVICES AGENCY

GRAY DAVIS, *Governor*

DEPARTMENT OF HEALTH SERVICES
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April 18, 2001

TO: All County Welfare Directors
All County Medi-Cal Program Specialists/Liaisons
All County Administrative Officers
All County Mental Health Directors
All County Health Executives
All County IEVS Coordinators
All County SIU Officers

Letter No.: 01-27

INCOME ELIGIBILITY VERIFICATION SYSTEM (IEVS) RECIPIENT MATCHES FROM FEDERAL AGENCIES – BENEFICIARY EARNING EXCHANGE REPORT (BEER) AND INTERNAL REVENUE SERVICE (IRS)

The purpose of this letter is to advise the county welfare departments (CWD) of a temporary change in the distribution and processing of two of the IEVS recipient matches, BEER and IRS Asset. This change is necessary until the Department of Health Services (DHS) is able to obtain an approved Computer Matching Agreement (CMA) for Medi-Cal.

Effective with this letter, the BEER matches for Medi-Cal will be distributed to those with California Work Opportunity and Responsibility to Kids and Food Stamps and sent to the County Special Investigation Unit (SIU) offices indicated on the enclosed distribution list for BEER. The CWD will need to work with the County SIU to receive those matches for processing. The IRS Asset Matches will be sent directly to the CWD office indicated on the distribution list for IRS, in many cases to the County IEVS Coordinator.

The current procedures for both matches are included in the Medi-Cal Eligibility Procedure Manual Section Article 21. As noted in the procedures, when the information provided on either match is considered to be discrepant with the case record, the beneficiary must be contacted to resolve the discrepancy. The information on BEER and IRS is not considered to be verified on receipt and requires third party verification before any action to change Medi-Cal benefits can be made. The CWD is to assist the beneficiary who is unable to resolve the discrepancy by contacting the institution listed on behalf of the beneficiary. A written authorization from the beneficiary will be required. If the beneficiary refuses or fails to cooperate in resolving the discrepancy, the CWD must evaluate how the failure/refusal to cooperate impacts the Medi-Cal eligibility of each beneficiary in the case before taking any negative action to change or stop Medi-Cal beneficiaries.

A fraud and/or overpayment referral can continue to be initiated for those case situations in which it is determined that an overpayment exists, if, the CWD has obtained third party verification that supports the information contained on the BEER or IRS match. A copy of the BEER or IRS match cannot be included with the fraud/overpayment referral at this time. Fraud referral should not be made on cases where the beneficiary refuses or fails to cooperate. Those cases should be flagged and a referral completed when DHS has an approved CMA that allows DHS direct access to the information on the match.

As a reminder, both the BEER and IRS matches have more stringent security requirements than those matches completed against California sources. Please review these requirements in Article 21L (IRS) and Article 21K (BEER) Procedures Section. Please review those guidelines with staff who are involved in processing these data matches.

If you have any questions regarding this change, please contact Ms. Linda Monroe at (213) 897-0202.

Sincerely,

ORIGINAL SIGNED BY
SHAR SCHROEPFER

Shar Schroepfer, Chief
Medi-Cal Eligibility Branch