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

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

April 4, 1984

To: All County Welfare Directors Letter No 84-12

PROOF OF ELIGIBILITY DOCUMENTATION FOR HOSPITALS

Pursuant to AB 1305 (Stats. 1983, c. 819, Section 1), which added Section 14018.4 to the Welfare and Institutions (W&I) Code, counties are required to provide a POE label or other documentation to establish eligibility for beneficiaries, as requested by hospitals in accordance with this letter and forthcoming departmental directives. Should the beneficiary ID number on a claim fail to match the eligibility file, the claims payment system, as currently designed, cannot accept any documentation as proof of eligibility other than a label, a copy of a label or a copy of a Medi-Cal ID card. Therefore, counties must provide an actual POE label for the appropriate month of service/eligibility to all hospitals who have rendered care to a Medi-Cal beneficiary if the following two conditions are met.

1. The hospital unsuccessfully attempted to obtain a label from the beneficiary at the time the services were provided.

2. The hospital made a subsequent attempt to obtain a label or other appropriate documentation from the beneficiary.

Counties are required to provide labels only for beneficiaries who are eligible in that county. If requests are received for beneficiaries eligible in another county, the request may be returned to the hospital.

The term hospital as used in W&I Code, Section 14018.4 is defined in Section 51207, Title 22, CAC. A provider bulletin is being prepared to inform hospitals of the procedures they must follow to request labels under the provisions of W&I Code, Section 14018.4. Providers will be required to send a cover letter followed by listings of persons for whom they are requesting labels. The bulletin will also inform providers that they should supply the following information for each request and that the absence of any of the data may decrease the chance that eligibility will be established: beneficiary name; ID number; social security number; sex; date of birth; address and month(s) of service for which proof of eligibility is needed. Each listing or group of listings should be submitted with a cover letter on hospital letterhead signed by an official authorized to act on behalf of the hospital and will include a certification by the hospital that all provisions of W&I Code, Section 14018.4 have been met.

The provisions of AB 1305 will apply to any billings which are appropriate under existing billing limitations set forth in Section 51008, Title 22, CAC. Since Section 51008 specifies that claims may be submitted for services rendered up to 12 months prior to the billing date with good cause, hospitals will be allowed to request labels for services rendered on or after January 1,

1983, which is 12 months prior to the effective date of AB 1305. Providers must submit claims for payment within 60 days of receipt of proof of eligibility. You should therefore process provider requests chronologically working the oldest first to avoid the additional processing specified below for claims beyond the twelve month limit.

If you are providing a label for a beneficiary whose eligibility was established subsequent to the date of service, please indicate that the case involves retroactively determined eligibility in a separate note and provide the date eligibility was established. This will assist in the processing of treatment authorization requests when needed.

If the date of service is 10 months or more from the date you are processing the request for a replacement label, the following procedures apply. As an example, if services were provided in May, 1983, and you provide a replacement label in April, 1984 (11 months from date of service), the procedures outlined below must be followed:

1. Issue the provider a "Replacement POE Only" Medi-Cal card for each month of service in which the beneficiary was eligible.

2. Issue a letter to the provider for <u>each</u> month of service to authorize billing beyond the one-year limitation period (Attachment 1).

In addition, labels can be requested through MEDS only if the date of service is within the MEDS Eligibility History file. Any requests for POEs beyond those dates covered in the MEDS History file must be manually prepared.

If you or your staff have questions regarding the above process, please contact Dave Watanabe of my staff at (916) 445-1912.

Sincerely,

Original signed by

Caroline Cabias, Chief
Medi-Cal Eligibility Branch

Attachment

cc: Medi-Cal Liaisons
Medi-Cal Program Consultants

Dear _____:

Attached is a replacement POE only Medi-Cal card for ____(recipient's name)__ for the month of _____. This POE was issued in accordance with Section 14018.4, Welfare and Institutions Code (AB 1305, Chapter 819, Statutes of 1983) and Section 50746(a)(4), Title 22 of the California Administrative Code, which authorizes county welfare departments to issue Medi-Cal cards more than one year after the date of service.

A copy of this letter, along with the patient's replacement Medi-Cal POE, must be attached to your completed claim form for the month of service. The completed claim form should then be submitted as instructed for processing.

Please note that the fiscal intermediary will not honor a claim submitted more than one year after the date of service unless a copy of this letter is attached to the claim. To ensure that these claims will be processed, code the billing limit box on the claim form with an "8", mark the attachment box on the claim with an "X" and indicate the date proof of eligibility was received in the remarks section of the claim. (See Provider Manual, Section 2-8b.)

Should you have any questions regarding this matter, please contact the welfare department at _____.

Sincerely,

_____

Medi-Cal Program Manager