STATE OF CALIFORNIA—HEALTH AND WELFARE AGENCY

GEORGE DEUKMEJIAN, *Governor*

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

October 15, 1987

TO: All County Welfare Directors
All County Administrative Officers

Letter No.: 87 - 62

SUBJECT: STATE CORRECTIVE ACTION INITIATIVE - LIVING ARRANGEMENT

This is another letter in the Department of Health Services' (DHS) series dealing with Quality Control (QC) and Corrective Action.

Quality Control Error

Living arrangement errors from the October 1985 - September 1986 QC review periods increased to over ten percent of total case errors and were projected to result in over $2.5 million in misspent funds when annualized. One of the causes of these errors appears to be that county welfare departments fail to apply correct policy when notified of changes in the Medi-Cal beneficiaries' living arrangements. Such failure causes eligibility or share-of-cost errors.

Corrective Action Discussion

Changes in living arrangements occur when adults and/or children move into or out of the household. When notified of such changes, the eligibility worker is responsible for determining the new composition of the MFBU, identifying resources available to the MFBU, and for recomputing the budget to determine the appropriate share-of-cost.

There is a specific situation when a change in the living arrangements requires an additional action by the eligibility worker which, if not taken, results in additional eligibility errors. This situation occurs in AFDC-MN cases when the person leaving the home is the last (or sole) child. In these situations, deprivation will no longer exist because there is no longer a child in the home. Therefore, it is critical that when a child who has left the home is discontinued, the eligibility worker also determines whether this is the last child in the home. If so, the eligibility worker must determine if Medi-Cal eligibility

exists under any other program (Title 22, CAC, Section 50183) for the remaining parent(s) or caretaker relative. If eligibility cannot be established under another program, the Medi-Cal case must be discontinued.

County Action

County welfare departments are urged to share this letter with appropriate staff and to discuss the appropriate policy in staff meetings and/or training sessions. Counties which have a case termination checklist should add this situation to the list.

DHS Action

The Corrective Action Unit (CAU) in the Medi-Cal Eligibility Branch will monitor county performance in this area. CAU staff will review QC letters and county cases to determine if the appropriate policy is being followed.

If you or your staff have any questions, please contact the CAU analyst assigned to your county.

Sincerely,

Original signed by

Frank S. Martucci, Chief
Medi-Cal Eligibility Branch

cc: Medi-Cal Liaisons
Medi-Cal Program Consultants

Expiration Date: December 31, 1988