TO: All County Welfare Directors
All Administrative Officers

SUBJECT: REPAYMENT OF SHARE OF COST FOR RETROACTIVE 185 PERCENT, 200 PERCENT AND 133 PERCENT PROGRAM ELIGIBLES

REFERENCE: ACWDLs 89-50, 89-55, 89-103, 89-104, 90-34 and 90-61

Beneficiaries determined eligible for the 185 Percent, 200 Percent or 133 Percent programs may be dually eligible for a Medi-Cal Share of Cost (SOC) program in the same month of eligibility. These programs are as follows:

1. 185 Percent Program (aid codes 44, 47, 48, 49 and 69) (Implemented July 1, 1989)
2. 200 Percent Program (aid codes 07, 70, 75 and 79) (Implemented January 1, 1990, effective October 1, 1989)
3. 133 Percent Program (aid codes 72 and 74) (Implemented July 1, 1990, effective April 1, 1990)

Beginning January 1991 MOE, only those beneficiaries who met their SOC and received a Medi-Cal SOC card in the same month of eligibility, but were subsequently determined eligible for a no SOC 185 Percent, 200 Percent or 133 Percent program, may request a refund of their met SOC. This refundable portion of the beneficiaries' met SOC represents services which should have been provided at no SOC under the 185 Percent, 200 Percent or 133 Percent programs. Counties will not be required to verify that only services for the Percent programs was used.

Beneficiaries may request a refund of their met Medi-Cal SOC amount from the provider when:

1. They have met their SOC and received a SOC Medi-Cal card for full scope or restricted emergency/pregnancy related services and,
2. They were subsequently determined retroactively eligible for the no SOC 185 Percent, 200 Percent or 133 Percent programs.
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NOTE: If the date of service on the provider's bill is older than 12 months, the county must issue a retroactive Medi-Cal card containing the original SOC County I.D. to the beneficiary. In order to process a claim older than 12 months, the fiscal intermediary can only identify the beneficiary as eligible by using the original SOC aid code reported to MEDS. In this situation, the county is not to issue retroactive Medi-Cal cards containing a no SOC aid code designated for the Percent programs.

If a beneficiary requests a refund of his/her SOC, the provider is to use one of the following procedures:

1. If the provider has never submitted a claim to the fiscal intermediary for services covered under the no SOC programs, or had any previous claim denied by the fiscal intermediary, he will submit a new claim with a Share-of-Cost Medi-Cal Provider Letter (MC 1054) attached. This process, described in the Medi-Cal Eligibility Manual, Article 12C-1, will authorize the reduction of the original SOC for a newly submitted claim.

2. If the fiscal intermediary has paid the provider's claim, the provider is instructed to submit a Claim Inquiry Form (CIF) with an MC 1054 attached. Providers will be informed of this new process via a provider bulletin. This procedure will enable the fiscal intermediary to identify previously submitted SOC claims and make adjustments to those claims based upon reduction in SOC as indicated on the MC 1054.

Claims must have Dates of Service (DOS) of July 1, 1989, or later for the 185 Percent program; October 1, 1989, or later for the 200 Percent program; or April 1, 1990, or later for the 133 Percent program for claims to be paid.

The procedures described in this All County Welfare Directors Letter (ACWDL) do not require the use of an Administrative Error Letter (AEL), now referred to as a "Medi-Cal Card issuance Authorization Letter". This letter is still to be used in situations described in ACWDL 89-63.

Enclosed is a camera ready copy of the revised Share-of-Cost Medi-Cal Provider Letter (MC 1054). The MC 1054 was revised to reflect changes in the fiscal intermediary's claims processing of SOC adjustment situations. The MC 1054 must now contain the recipient's original 14-digit County Identification (COID) number and the new program COID number. The revised MC 1054 should be available in the Department of Health Services Warehouse by January 1991. A copy of the provider bulletin is also provided for your information.
Please direct any questions to Tina Velasquez, of my staff, at (916) 323-9510 or ATSS 473-9510.

Sincerely,

 ORIGINAL SIGNED BY

Frank S. Martucci, Chief
Medi-Cal Eligibility Branch

Enclosures
SHARE-OF-COST MEDI-CAL PROVIDER LETTER

[County Address]

[Provider Address]

RE: ____________________________

(1) ____________________________ (2) ____________________________

Old Share of Cost County I.D. New Non-Share of Cost County I.D.

The individual(s) shown above was determined eligible for Medi-Cal for the month(s)/year of __________

with a monthly share-of-cost of $_______________. Upon review, it has been determined by the county welfare department that the share-of-cost for each month indicated should have been only $_______________.

The California Code of Regulations, Title 22, Section 51471.1, requires providers to cooperate with the Department of Health Services in making reimbursements to beneficiaries for Medi-Cal program underpayments. The Welfare and Institutions Code 14019.3 and the regulation further requires that the provider accept an underpayment adjustment from the Medi-Cal program for such beneficiaries and the full amount of that adjustment, up to the amount actually received in payment from the beneficiary for the medical services in question.

The following information will assist you in making the reimbursement required by this regulation.

Beneficiary Share-of-Cost Reduced to Zero

1. If the beneficiary paid or obligated to pay an original share-of-cost amount to you, and you billed Medi-Cal for the balance of the charges, you must submit a Claims Inquiry Form (CIF) with this MC1054 form attached. DO NOT submit a new claim, as it will be considered a duplicate claim and payment will be denied. Once the CIF is approved and payment is received, you are required to reimburse the beneficiary any share-of-cost previously paid or to eliminate the outstanding share-of-cost obligation for the service billed.

2. If the beneficiary paid or obligated to pay an original share-of-cost amount to you, and you did not bill Medi-Cal because the charges equaled the share-of-cost amount you collected or which is still an outstanding charge, you may now bill the program for the services you rendered. You must submit a claim with a zero (0) in the "Patient's Share-of-Cost" field, and attach this MC1054 form. Once the claim is approved and payment is received, you are required to reimburse the beneficiary any share-of-cost previously paid or to eliminate the outstanding share-of-cost obligation for the service billed.

Beneficiary Share-of-Cost Reduced to a Lesser Amount

In those situations where a beneficiary's share-of-cost amount has been reduced (but not to zero), the county welfare department will be required to issue the beneficiary a "revised" MC177, Record of Health Care Costs. Any provider who rendered services for which a share-of-cost amount was paid or obligated should complete the "revised" MC177. Upon completion of this process, the beneficiary will return the MC177 form to the county welfare department, to be processed and mailed to the State. Subsequently, the fiscal intermediary share-of-cost records will be updated. Providers should allow approximately 30 days for this process before submitting a CIF or claim.

Follow the same procedures previously described in steps 1 and 2 when submitting a CIF or claim, except the reduced share-of-cost amount must be entered in the "Patient's Share-of-Cost" field on the claim instead of zero (0).

Eligibility Worker's Signature

Phone Number

MC 1054 (12/90)
Share of Cost Repayment for
133, 185, and 200 Percent Program Recipients

Some recipients determined to be retroactively eligible for the no-Share of Cost (SOC) Medi-Cal 133, 185, and 200 Percent Programs may have been previously enrolled in a Medi-Cal SOC program during the same time they were eligible for a no-SOC Percent Program. These recipients are now retroactively entitled to reimbursement by the provider for any past SOC payments made, or a reduction of any SOC amounts obligated, toward services covered under the applicable Percent Program. Please refer to the May 1989, December 1989, and July 1990 bulletins for services covered under the no-SOC Percent Programs.

This SOC repayment policy applies only to services rendered on or after the effective date of the appropriate Percent Program:

<table>
<thead>
<tr>
<th>Program</th>
<th>Effective for Dates of Service On or After</th>
</tr>
</thead>
<tbody>
<tr>
<td>133%</td>
<td>April 1, 1990</td>
</tr>
<tr>
<td>185%</td>
<td>July 1, 1989</td>
</tr>
<tr>
<td>200%</td>
<td>October 1, 1989</td>
</tr>
</tbody>
</table>

Providers may seek reimbursement through Medi-Cal for the SOC amounts to be repaid to recipients. The Share-of-Cost Medi-Cal Provider Letter (MC 1054) containing the recipient’s original 14-digit County Identification (COID) number and the new Percent Program COID number will be used as an authorization for adjustment and will be presented to the provider by the recipient. The MC 1054 must be attached to any document submitted for reimbursement in order to receive payment.

Follow the instructions below when requesting SOC reimbursement for previously paid or new claims:

- If requesting payment for a previously paid claim, submit the MC 1054 with a CIF. The CIF must contain the date of service in box “10”. Providers submitting improperly completed CIFs will receive one of four new CIF denial letters, numbers 70 through 73.
- If requesting payment for a denied claim or a claim not previously submitted, submit the MC 1054 with the new claim. Place billing limit “1” in the BILLING LIMIT EXCEPTION box if the claim date of service is greater than six months from the date of claim submission.
- Enter the original SOC recipient ID on the CIF or claim.
- Only one recipient is allowed per CIF or claim.
- Mark the ATTACHMENTS box on the CIF or claim.
- All services on the CIF or claim must be for SOC reimbursement.
- Enter “SOC repayment; MC 1054 attached” in the Remarks section of the CIF or claim.
- Attach an original POE label to the CIF or claim if the services were rendered more than 12 months prior to submission of the CIF or claim.
- If SOC is reduced to other than zero, wait a minimum of 30 days prior to submission of the CIF or claim in order to allow processing of the new MC 177 document.
- The EOB/RA will not display a specific message for a SOC reduced to zero.
- The EOB/RA will display message 433 for a SOC reduced to other than zero.

When to Submit Claims: Medi-Cal will begin processing claims and CIFs for SOC reimbursement for 133, 185, and 200 Percent Program recipients on December 1, 1990. Please do not submit claims and CIFs for SOC reimbursement for these recipients before this date.