



MICHELLE BAASS  
DIRECTOR

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



GAVIN NEWSOM  
GOVERNOR

Date: December 1, 2022

Medi-Cal Eligibility Division Information Letter No.: I 21-29E

TO: ALL COUNTY WELFARE DIRECTORS  
ALL COUNTY MEDI-CAL PROGRAM SPECIALISTS/LIAISONS  
ALL COUNTY WELFARE ADMINISTRATIVE OFFICERS  
ALL COUNTY MEDS COORDINATORS  
ALL COUNTY HEALTH EXECUTIVES  
ALL COUNTY MENTAL HEALTH DIRECTORS

SUBJECT: ERRATA TO MEDI-CAL ELIGIBILITY DATA SYSTEM ENHANCEMENTS  
TO OVER ONE YEAR LETTER OF AUTHORIZATION PROCESSING

The purpose of this letter is to inform Counties of changes to the Medi-Cal Eligibility Data System (MEDS) with regards to new functionality to utilize MEDS screens to print the Over One Year Letter of Authorization (LOA) document. These changes are part of an overall change to the current LOA manual process of using paper based Forms MC180 (Eligibility Letter of Authorization) and MC180-2 (Medi-Cal/CMS SP Share of Cost Record of Health Care Cost), and moving to a more automated process that will no longer require the use of these forms.

As was the case in Medi-Cal Information Division Information Letter (MEDIL) I 21-29, the MEDS changes outlined in this letter do not change previously provided policy guidance for approval of the LOA in the Medi-Cal Eligibility and Procedures Manual (MEPM) Section 14-E. Any changes in policy regarding approval of services over one year will continue to be provided through All County Welfare Directors Letters (ACWDLs), Medi-Cal Eligibility Division Information Letters (MEDILs) and MEPM updates.

**Background**

The change to move away from paper based verification of eligibility began with the ability to add an LOA indicator to the MEDS record. This functionality was implemented in March of 2021. The implementation resulted in the ability for the county to enter LOA information into MEDS and allowed counties to utilize a newly designed County Authorization Letter that contained all the required LOA information, or to keep using existing stock of the paper MC 180 until depleted, and/or until such time the MC180 could be converted to an electronic format.

### **Overview of MEDS Changes to Print Over One Year Authorizations from MEDS**

The summary below highlights the enhancements implemented in MEDS which serve to further automate the over one year authorization process by allowing county designated staff to print the LOA directly from MEDS. The MEDS Manual and the MEDS Network Reference Guides have been updated to reflect changes to MEDS screens, transactions, processes, and data elements.

- I. The EW51 now includes online messages to guide county designated staff through the transaction and print process.
- II. The EW51 transaction has been updated to include contact information for both the provider and county designated staff to be included in the MEDS print screens.

#### Usage considerations:

Contact information fields are not required and can be left blank, allowing counties the ability to print and manually complete more than one LOA if necessary for multiple providers.

- III. The Date of Approval (DOA) field was added to the EW51 to allow county designated staff to enter the date the LOA is approved to start the 60 day clock for providers to resubmit claims for the LOA period.
- IV. MEDS pre-populates some of the EW51 information to the printable screens, including the month, year and Share of Cost (SOC) for each LOA month, up to

twelve months within the same year (the same as the EW51 transaction). The printable screens contain the County Authorized Signature line. All three printable screens are required in order for the provider to submit claims.

- V. The printable screens contain the same provider information and instruction as the existing MC 180.
- VI. Once the EW51 has been submitted, replacement LOAs must be provided using the MC180, or County Authorization Letter.
- VII. Counties are to submit Remedy tickets for correction and removal of erroneous LOA information.

#### **Attachments**

- Attachment A provides images of the LOA print screens.
- Attachment B provides an updated Frequently Asked Questions (FAQ) for the LOA process.

The changes described above have been implemented beginning August 2022 Month of Eligibility. MEDS Manual and MEDS Network Reference Guides have been updated with the changes described in this letter.

If you have any questions or comments regarding the information in this letter, please contact Linda Page, by e-mail at [linda.page@dhcs.ca.gov](mailto:linda.page@dhcs.ca.gov), or the MEDS Process Unit at [processunit@dhcs.ca.gov](mailto:processunit@dhcs.ca.gov).

Sincerely,

Sandra Williams, Chief  
Medi-Cal Eligibility Division

Medi-Cal Eligibility Division Information Letter No.: I 21-29E  
Page 4  
December 1, 2022

Attachment A: Printable LOA Screens  
Attachment B: Updated LOA Frequently Asked Questions

```
*
*                               STATE OF CALIFORNIA                                *
*                               DEPARTMENT OF HEALTH CARE SERVICES                 *
*                               ELIGIBILITY LETTER OF AUTHORIZATION                *
*
* ISSUING COUNTY:      COUNTY-ID:      DOA:      OHC:
* ISSUANCE DATE:      WORKER NUMBER:
* WORKER NAME: LAST      FIRST
* WORKER TELEPHONE NUMBER:      EXT
* PROVIDER NAME:
* PROVIDER TELEPHONE NUMBER:
* BENEFICIARY NAME:
* BENEFICIARY ADDRESS:
*
*
* MEDI-CAL BILLING FOR (MO/YR/SOC):
* ===MO/YR/SOC==MO/YR/SOC==MO/YR/SOC==MO/YR/SOC==MO/YR/SOC==MO/YR/SOC===
*
```

Print Screen 2:

```

*****
* This authorization is approval for Medi-Cal providers to bill services
* provided to you during the above referenced months. An authorization
* document is being issued in accordance with Title 22, California Code
* of Regulations (CCR) Section 507 46. This regulation permits county
* welfare departments to issue documentation of eligibility which can be
* used by you for periods more than one year after the month of service
* for the following reason:
*
*
* _____
*
* _____
*
* Please immediately give your doctor or other medical provider this form
* for the applicable month(s)/year(s) of service. If you were provided
* services by more than one doctor or provider, please contact your local
* welfare office immediately to obtain additional original form(s).
* Original Signature of Authorized County Administrative Staff:
*
*
* _____
* 237 PAGE 2 OF 3: AFTER PRINT.PRESS ENTER TO VIEW PRINTABLE LOA PAGE 3 OF 3

```

December 1, 2022

Print Screen 3:

```
*****
* INSTRUCTIONS TO PROVIDER
* Submit this authorization, along with the claim(s), to:
* EDS Federal Corporation Attention: Over-One-Year-Unit P. O. Box 13029
* Sacramento, CA 95813-4029
*
* If this service you are billing for requires a Treatment Authorization
* Request (TAR), you must still send your TAR request along with this form
* to the Medi-Cal Field Office. After approval you must send them both to
* the address above. This form does not override the TAR process.
*
* *This information is not needed when eligibility is established by the
* Social Security Administration.
*
*
* 238 PAGE 3 OF 3: PRESS ENTER TO RETURN TO PAGE 1 OR CLEAR SCREEN TO EXIT
*****
```

## E-LOA Questions and Answers

**This document replaces the FAQs Attachment in I 21-29**

1	<p>Is there an expectation that counties will still need to keep an MC 180 log for auditing purposes since Medi-Cal Eligibility Data System (MEDS) does not track Comments?</p> <p>Is there any reason for counties to keep a log of which providers requested the Letter of Authorization (LOA)?</p>	<p>The intent of the MC 180 log is to track the MC 180 and MC 180-2 forms. The log will no longer be necessary once the forms are depleted. Counties are expected to continue to follow existing County processes for case documentation.</p>
2	How long do we need to keep the existing logs?	<p>There is no change to the current retention policy for existing logs. Please follow the Medi-Cal Eligibility Procedures Manual (MEPM) and your internal County guidance for retention information.</p>
3	With paper LOA, our manager signed off on the form. With EW51, there would no longer be a signature requirement correct?	There is still a signature requirement.
4	What do we do with current stock on hand?	<p>For now, please share with Counties who have run out of stock. After implementation, Counties will be able to continue to use paper stock, or the electronic process, until paper stock is depleted.</p>
5	Is it going to show anywhere in MEDS that an MC180 was issued?	New restriction codes will indicate LOA months.
6	How long will MEDS store the MC 180 info?	<p>Since the MC 180 information is now tied to the eligibility record, the retention will be the same as the retention for the eligibility record.</p>
7	Can you please explain the difference between the Minimum Essential Coverage (MEC) reasons and LOA reasons?	<p>MEC reasons were developed in compliance Internal Revenue Service (IRS) and Franchise Tax Board (FTB) guidance. LOA reasons were developed in compliance with DHCS policy guidance.</p>
8	What are the eligibility status action codes (ESACs) we should use?	<p>The details of the transaction, including ESAC, are provided in the MEDS Manual.</p>
9	On the EW51 screen there is an EFF DATE and TERM DATE. Does this mean one could put in a period of time longer than a month using those fields or does an EW51 transaction need to be done for each month approved?	<p>A range of months can be entered on a single transaction, but the range must fall within the same year and all dates must be prior to the last 12 months.</p>
10	How do you undo, withdraw, or correct if an error was made creating an LOA via EW51?	<p>For withdrawal and corrections of LOA periods, please submit a Remedy ticket.</p>
11	When we re-issue the County generated notification, does the EW51 need to be resubmitted?	<p>It is not necessary to resubmit the EW51 in this scenario.</p>

I 21-29E Attachment B  
December 1, 2022

12	Will the EW51 update MEDS for changes to RESTRICT Codes, whether to add or remove?	The restriction code for LOA will be applied by MEDS. Please see Question 10 above about removal.
13	What if we need both MEC for 1095-B but also need LOA?	When the eligibility is added for an LOA, a corrected or new 1095-B will be generated by existing 1095-B functionality.
14	If a notification is provided to the beneficiary or their authorized representative timely, and they later report they were not notified timely, will there any way to work around the 60 day time limit for provider to bill?	Current County and Provider claiming processes for this situation should be followed.
15	Will there be an option to distinguish security rights for MEC and LOA transactions?	The EW51 transaction has separate security rights from the EW50 transaction.
16	Is there still a limit to the number of days a provider has to actually bill? From what date would that be?	The number of days required for the Provider to resubmit a claim has not changed. The date that starts the clock is the date of the notification granting the LOA.
17	How will the person processing the claim know when we issued a letter?	The Provider is required to submit a copy of the authorization document with the claim.
18	Is there going to be a documentation update about the LOA process to reflect this new approach?	The MEPM will be updated with the new process.
19	Will Counties be allowed to add or update Supplemental Security Income eligibility (aid codes 10, 20, or 60) or would a Remedy ticket be needed?	A Remedy ticket will be needed for the State to update these records.
20	A Medi-Cal beneficiary is current active in County B and has a medical bill with County A over a year. County A is responsible to approve an LOA with administrative error. Would MEDS allow County A to perform EW50/EW51 since the current county responsibility is County B, or is a Remedy ticket needed?	The County of Responsibility for the months to be updated is responsible for submitting the transactions.
21	When will the Providers see the eLOA?	The Providers are unable to see the LOA; the restriction code is used for the FI to approve claims payments. The Provider will continue to be informed via the MC-180 or County LOA Letter.
22	What about the issue date on re-issuances?	County generated notification of reissuance is acceptable.



I 21-29E Attachment B  
December 1, 2022

23	<p>Will there be any type of reporting to the State that will be required, such as the monthly reporting of the MC180? Or does eLOA completely eliminate the need to report to the State regarding LOAs issued?</p> <p>Can there be a separate monthly report posted in the MOVEIt Folder just for LOAs for the counties that identifies the user, the transaction, the date, the County ID, Aid Code, SOC, Month(s) and Year(s)?</p>	<p>The State will receive an annual report of LOAs submitted. The Counties will receive a monthly report. This is a separate work effort, so thank you for the data elements you would like to see. In the meantime, we are keeping the transactions that are occurring now to include on the first report.</p>
24	<p>Is there a drop dead deadline to convert completely to using eLOA process? If so, what is the deadline?</p>	<p>There is no deadline. Providers will accept all three versions of the LOA.</p>
25	<p>Is it permissible for up to 1 year to keep the current manual process of issuing MC 180 only as a backup should there be any problems or outages in MEDS preventing a successful and correct electronic issuance of an LOA? I say this because usually it can take up to a year to resolve all system and operational issues.</p>	<p>Providers will accept all three versions of the LOA until instructed not to.</p>
26	<p>Do you have the MEDS Alert Numbers and Description for the LOA Request? Are these Daily and Monthly Alerts?</p>	<p>There is a one time daily alert generated when an LOA has been submitted on the record. The alert details will be provided via Change Cycle Letter.</p>
27	<p>If we have to submit an EW50 to post past eligibility, for each change in County ID/Aid code, a separate EW50 transaction has to be submitted. I assume this is also true for EW51? Please confirm.</p>	<p>Yes.</p>
28	<p>When an EW51 is submitted before 5:00 cut off on a Monday, what is the effective date for the LOA 60 day time limit?</p>	<p>The effective date is the date on the notice to the Beneficiary.</p>
29	<p>On the QQ, will it show the date of the submission on Monday or the next business day after batch processing (in this example Tuesday) when it is accepted and posted in MEDS?</p>	<p>QQ will show an EW51 was submitted on the next business day.</p>
30	<p>What date will the MEDS Alert have as the Effective Date when the clock starts?</p>	<p>The MEDS alert will only include the date the EW51 was submitted.</p>
31	<p>Which date do we use when sending the NOA to the client?</p>	<p>Please use your current business process when sending the notice. Please note that there is no clock in MEDS. MEDS will hold the eligibility and LOA indicator for that month.</p>
32	<p>On the Attachment D Scenario 1: the question "How will DHCS or MEDS know when the client is notified?" was never really answered.</p>	<p>DHCS and MEDS will not know when the client was notified. That continues to be a County business process that should be captured in the case documentation.</p>

I 21-29E Attachment B  
December 1, 2022

33	The Provider will bill timely but if they are given less than 60 days' notice, is it their fault that it was not considered timely?	This would fall under current County and Provider claims business processes.
34	<p>Is the assumption that the 60 day clock starts ticking based on the date successfully posted in MEDS?</p> <p>So, if for any reason, the sending of the NOA to the client is delayed, does that mean that the Provider really has less than 60 days or does the full 60 days still apply based on the date on the NOA, not necessarily when it is posted in MEDS?</p>	The 60 days begins on the date of the notification document to the beneficiary. The Provider will still need to attach the LOA to the claims.
35	<p>There is a possibility of a delay because we separate duties for control purposes. The people who submit the EW51 transaction are not the workers who send the NOAs. If there is any miscommunication or other reasons causing the delay of the actual sending of the NOA, the Issuance Date of LOA will be different from the date in MEDS.</p> <p>To be in compliance we still need to give the Provider 60 days to submit their claim. So how will this be done in real world situations?</p>	MEDS does not hold the NOA issuance date, the provider has 60 days from the date of the document that was provided to the beneficiary.
36	When an EW51 is submitted erroneously, how can that be corrected immediately? Before the error is corrected in MEDS, should another EW51 be submitted with the correct information just so the client's bill gets paid?	<p>Currently LOA restriction codes cannot be removed using the EW51 once posted. There is a function on the 51 online screens that requires the end-user to press enter twice for the transaction to be sent for batch processing. It's a safety precaution before end-user submits the LOA.</p> <p>Online message is: E457 LOA DATE AND REASON VERIFIED - HIT ENTER TO CONTINUE. Once an LOA is successfully submitted, the end-user will need to open a remedy ticket.</p>

37	<p>What transactions get accepted when multiple EW51 transactions are submitted? If the user submits multiple EW51s for different eligibility periods and/or different LOA Reason Codes and/or different Aid Codes, I am assuming that those should all be accepted in MEDS. Please confirm.</p>	<p>As long as the EW51 is submitted for different periods and pass online edits, it should be accepted in MEDS EXCEPT if the eligibility period being submitted has an existing Restriction Code on the history record that is not allowed to update the history restriction with new LOA Restriction.</p> <p>If this occurs, the EW50 must be submitted to add the eligibility without the LOA restriction code and the County letter or MC 180 can be used. This is the list of allowable restriction codes that 51's are allowed to overlay: 000, 001, 010, 011, 820, 830, 821, 831. Alert 2162 should be generated if the overlay is rejected.</p>
38	<p>Are Restrict Codes going to be used in MEDS to identify LOA? If so, do you know what generates these RESTRICT Codes, based on what criteria?</p> <p>Or do we enter the RESTRICT Codes ourselves? If so, we need a better definition of the use of these codes.</p>	<p>The RESTRICT code is applied by MEDS based on the current condition of the record prior to adding the code, e.g., other restrictions exist. The RESTRICT code is not an editable field on the EW51.</p>
39	<p>What additional steps, if any, are counties required to do when issuing the LOA under the new procedures. Are counties only required to perform one transaction listing the SOC and let the provider and client work it out? Or is there some other requirement we are unaware of?</p> <p>Prior practice was to issue the MC 180-2 first; once that was completed by the provider and returned by the client, the MC 180 was issued. Will clients be required to submit verification of submitting payments to their providers?</p> <p>Will there be two MEDS transactions? The MEDIL doesn't specify.</p>	<p>While the process for a printable MC 180-2 is being analyzed, please continue to use the MC 180-2 form.</p>
40	<p>Will these RESTRICT Codes appear on the INQ7 screen since this tracks 48 months of eligibility?</p>	<p>Yes.</p>
41	<p>Also, will LOA RESTRICT Codes require MC eligibility for that month even though we did not determine eligibility?</p>	<p>Eligibility in the request month up to 48 months prior to current eligibility is required for LOA.</p>
42	<p>What is County Limited Inquiry Access and Substance Use Disorder Restriction subject to Surveillance Utilization Review and when is that used?</p>	<p>Limited access generally refers to Confidential cases. The S/URS is not an eligibility restriction, but is a restriction on the particular drug benefits that are allowed.</p>

I 21-29E Attachment B  
December 1, 2022

43	Will the issuance of the MEDS generated letter affect the BIC Issue date?	No.
44	Will SOCR be updated to reflect a client was approved via the LOA process? Otherwise eligibility staff may provide incorrect information to clients about billing.	SOCR is not updated by the EW51.
45	Providers have 60 days from the notification date to submit retroactive claims. How will this be tracked by MEDS/DHCS? For example, county makes the MEDS request to do an e-LOA on 1/11/21 to establish eligibility in 10/2019. County does not issue the notification to the client until 2/1/21. Provider submits their claim on 4/5/21. How will DHCS or MEDS know when the client was notified? This seems like it will create a lot of extra work and back and forth to confirm notification dates which would be mitigated by continued use of the actual form.	This can be tracked through the County Generated letter, MC180 and MEDS generated letter. The Provider is required to submit any of these documents with the claim.
46	Given the strict timeline for claims and that client's provider may be unwilling to submit to this process or no longer in business, and the client may have already paid for services in the approved month, should it stipulate the county generated notice must mention the right to a Conlan claim in this circumstance and include a copy of the Conlan claim rights?	The Conlan notice has been published to the Meds Home Website under 11 Notices of Action. The notice is available in English and Spanish.
47	<p>With the paper MC 180 LOAs, we had to give each provider a letter so they could bill. With this new process, it sounds like the MEDS Codes will mark a retroactive month as "open for billing".</p> <p>So, does that mean we will no longer have to do anything to indicate which providers can bill?</p> <p>Is there any reason for counties to keep a log of which providers requested the LOA, maybe for audit purposes or anything like that?</p>	<p>Providers will still be provided with written authorization via the MC180, County letter, or MEDS generated letter.</p> <p>The current guidance to provide the LOA for each provider has not changed.</p> <p>The State will receive an annual report of LOAs submitted. The Counties will receive a monthly report. This is a separate work effort, so thank you for the data elements you would like to see. In the meantime, we are keeping the transactions that are occurring now to include on the first report.</p>
48	What is the process for eligibility over 48 history months?	The County can request eligibility verification by emailing <a href="mailto:hev@dhcs.ca.gov">hev@dhcs.ca.gov</a> . If the eligibility history and reason for the LOA request meet LOA requirements, then an LOA can be issued.