

**DEPARTMENT OF HEALTH SERVICES**

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April 13, 2000

TO: All County Welfare Directors  
All County Administrative Officers  
All County Medi-Cal Program Specialists/Liaisons  
All County Public Health Directors  
All County Mental Health Directors

Letter No.: 00-25

## COUNTIES' ABILITY TO REMOVE OTHER HEALTH COVERAGE (OHC) CODES

This is to inform you of recent changes made by the Department of Health Services (DHS) involving the counties' ability to remove OHC codes on the Medi-Cal Eligibility Data System (MEDS).

### BACKGROUND

In June 1998, programming logic was installed which prevented counties from removing positive (other than "N" or space) OHC codes from MEDS. When county staff attempted to remove an existing positive OHC code, the system replaced the code with an "A".

The system change was made as a result of state staff identifying instances where county staff erroneously removed positive OHC codes. A study by DHS showed that six percent of the OHC codes removed were incorrect, resulting in a loss of Medi-Cal dollars. As a result, DHS was out of compliance with federal Health Care Financing Administration standards which require the Third Party Liability Branch to maintain OHC information for beneficiaries identified as having private health coverage. The inappropriate removal of OHC codes resulted in the referral of absent parent cases by DHS to the local District Attorney's office when coverage was still active. Counties also erroneously removed OHC codes in cases where the state and federal government were paying premiums for health coverage through the Health Insurance Premium Payment or Employer Group Health Plan program.

### DEPARTMENT'S ACTIONS, REGARDING OHC CODE CHANGES

This issue was raised at both County Medi-Cal Advisory Group and County Welfare Directors Association meetings. To address this concern, DHS has taken the following steps:

- Implemented procedural changes to process all DHS 6155 forms with terminated OHC information, before processing forms with new OHC information.

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- Provided a list of county-specific contacts, with telephone numbers, to assist in resolving difficulties expediently.
- Provided an additional fax number to assist counties in expediting OHC terminations.
- Implemented system changes to allow county staff to remove positive OHC codes in specific instances.

These system changes allow county staff to remove a positive OHC code as long as there are no active insurance segments on the Health Insurance System Database (HISDB) for the month being removed. Before updating an OHC code, the MEDS nightly batch process will interrogate the HISDB for any active health insurance segment. If no active insurance segment is found, the incoming county OHC code will be reset to an "N", otherwise it will be reset to an "A". County staff can also remove any OHC code with an immediate need transaction (EW 15 or EW 55), irrespective of whether there is an active health insurance segment on the HISDB. However, county or departmental staff will not be able to change Healthy Families (HF) OHC code "9" regardless of transaction type or active insurance segment on the HISDB. Any inquiries regarding HF OHC code "9" should be directed to HF at (800) 880-5305. For more details on county transactions and the ability of county staff to change OHC codes, refer to tables one through four (attached).

If you have any questions regarding this system change, please contact Steve Patel, Third Party Liability Branch, at (916) 327-7341.

Sincerely,

**ORIGINAL SIGNED BY**

Angeline Mrva, Chief  
Medi-Cal Eligibility Branch

Enclosures

**Table 1: County Eligibility Worker (EW) Transaction Types and Its Effect on OHC Code on MEDS. Transactions**

County transaction type	OHC Code Submitted By County	Existing OHC Code on MEDS	Status of Health Insurance Segment	UPDATED OHC Code on MEDS	UPDATED OHC Source Code on MEDS
Immediate Need transaction. {EW15 and EW 55 (SSI cases)}	<b>N</b>	<b>Any (except 9)</b>	<b>Active or inactive segment(s)</b>	<b>N</b>	<b>C</b>
EW20 or EW 30	<b>N</b>	<b>Cost avoidance (F, K, C, P or V)</b>	<b>One or more active segment</b>	<b>A</b>	<b>M</b>
EW20 or EW 30	<b>N</b>	<b>Cost avoidance (F, K, C, P or V)</b>	<b>No active segment</b>	<b>N</b>	<b>C</b>
EW15, EW 55, EW20 or EW 30	<b>Any (including N)</b>	<b>9</b>	<b>Active or inactive segment(s)</b>	<b>NO CHANGE (9)</b>	<b>NO CHANGE (F)</b>

**Table 2: EW Transaction Types**

**Types and Purpose of EW Transactions.**

Transaction Type	Transaction Used To	Purpose of Transaction
EW 15	<b>Request Immediate Need Card Issuance</b>	<b>The EW15 transaction is used to request immediate need Medi-Cal identification card for the current or for any month within 12 months prior to the current MEDS month.</b>
EW20	<b>Add New Recipient Record</b>	<b>The EW20 transaction is used to add a new recipient to MEDS or to modify the eligibility information already on MEDS.</b>
EW30	Modify MEDS Record (Individual)	<b>The EW30 transaction is used to modify eligibility information including current eligibility history and eligibility history for the prior twelve months of a recipient's MEDS record.</b>
EW55	<b>SSI/SSP Modify/ID Card Request</b>	<b>The EW55 is used when a SSI/SSP recipient is eligible on MEDS but sex, birth date, other coverage, name and/or address is incorrect.</b>

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**Table 3: OHC Codes and Their Corresponding Health Coverage Type.**

OHC Code	Health Coverage Type
<b>9</b>	<b>Healthy Families</b>
<b>F</b>	<b>Medicare HMO</b>
<b>K</b>	<b>Kaiser</b>
<b>C</b>	<b>CHAMPUS</b>
<b>P</b>	<b>PHP/HMO</b>
<b>V</b>	<b>Fee for service carriers</b>
<b>A</b>	<b>Pay-and-chase</b>
<b>L</b>	<b>Dental only</b>
<b>N</b>	<b>No other coverage</b>

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**Table 4: OHC Source Codes Corresponding to the Process or Entity that Made the Change to the MEDS OHC Code.**

OHC Source Code on MEDS	Process that changed the OHC code on MEDS.
<b>C</b>	<b>Updated from County Welfare Department</b>
<b>F</b>	<b>Updated from Healthy Families Vendor</b>
<b>H</b>	<b>Updated from Department of Health Services</b>
<b>M</b>	<b>MEDS assigned from the OHC update logic</b>
<b>R</b>	<b>Batch update from the Other Health Coverage Master File</b>
<b>S</b>	<b>Update from SSI/MEB</b>
<b>T</b>	<b>Tape to tape match with carriers and other sources.</b>