



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



ARNOLD SCHWARZENEGGER
Governor

February 28, 2008

TO: ALL COUNTY WELFARE DIRECTORS Letter No.: 08-09
ALL COUNTY ADMINISTRATIVE OFFICERS
ALL COUNTY MEDI-CAL PROGRAM SPECIALIST/LIAISONS
ALL COUNTY HEALTH EXECUTIVES
ALL COUNTY MENTAL HEALTH DIRECTORS

SUBJECT: MONITORING OF QUARTERLY RECONCILIATION PROCESSING AND
ASSESSMENT OF COUNTY ALERT PROCESSING
(Reference All County Welfare Directors Letters (ACWDL) No. 02-52,
03-42, 03-48, 03-59, 05-19 and 05-22)

This letter is to convey information on how the Department of Health Care Services (DHCS) will monitor compliance with the performance standards for quarterly reconciliation and worker/error alerts, as specified in Welfare and Institutions Code (W&I), Section 14154.5. While the performance standards for eligibility and annual redeterminations require counties to self-report, the performance standards for quarterly reconciliations and worker/error alerts require DHCS to make a finding of compliance. The current DHCS procedures for processing county performance standards eligibility worker and error alerts are contained in the Medi-Cal Eligibility Procedures Manual, Article 25F. This ACWDL provides additional information regarding error alert and worker alert performance standards and how DHCS will review county performance reconciliations and worker/error alerts.

Quarterly Reconciliations

As described in ACWDL 05-22, performance standards for quarterly reconciliations are found in W&I Code, Section 14154.5 and require counties to submit quarterly reconciliation files. Quarterly reconciliation submissions must be based upon a schedule determined by DHCS and in a format prescribed by DHCS. The intent is to

identify any discrepancies between eligibility files in the county records and eligibility as reflected in the Medi-Cal Eligibility Data System (MEDS). Quarterly reconciliation performance will be continuously monitored by the Medi-Cal Eligibility Division.

Worker and Error Alerts

Section 14154.5 requires DHCS to consult with the County Welfare Directors Association to define those error alerts that affect eligibility or share-of-cost (SOC). Eight MEDS daily and renewal error alerts deemed to be critical alerts and three worker alerts were identified through this process and will be used to determine if counties are meeting worker and error alert performance standards. County Performance Standards (CPS) for the worker and error alerts will be monitored by the Program Review Section (PRS).

MEDS Daily and Renewal Error Alerts

MEDS daily and renewal error alerts subject to review are:

Alert Number	Alert Definition
1503	CLIENT INDEX NUMBER/MEDS-ID CONFLICT
1504	CLIENT INDEX NUMBER/MEDS-ID VS COUNTY-ID/MEDS-ID CONFLICT
1510	TRANSACTION FAILED MEDS NAME/BIRTHDATE MATCH CRITERIA
2005	TRANSACTION COUNTY-ID DOES NOT MATCH MEDS
9532	OVER 3 EDWARDS MONTHS - MEDI-CAL DETERMINATION OVERDUE
9546	OVER 2 MONTHS ACCEL ENROLL - APP DETERMINATION OVERDUE
9548	OVER 2 MONTHS EXTENDED ELIG - MEDI-CAL DETERM OVERDUE
9550	ONGOING BURMAN ELIGIBLE - MEDS ELIGIBILITY UPDATE OVERDUE

For further information on these alerts, go to the **MEDS Training Materials section of the MEDS home page** (https://www.ext.dhs.ca.gov/meds_home). This is a secure site that requires an Extranet account. For access, please see your County MEDS coordinator.

Counties are required to process 90 percent of these error alerts within the following designated timeframes.

- The MEDS daily and renewal error alerts received on or before the tenth working day of the month must be processed in time for the change to be effective the beginning of the following month.
- The MEDS daily and renewal error alerts received after the tenth working day of the month must be processed in time for the change to be effective the beginning of the month after the following month.

Some of the alerts listed above are not generated by a specific county action. However, the county must process the alert in order to initiate steps to identify and document the source of the error and initiate steps to address the error. For example, alert number 9546 is created when a child is aided through the Accelerated Enrollment process under aid code 8E. The alert identifies that the child has been in aid code 8E for over two months and an evaluation of ongoing Medi-Cal eligibility is required. An evaluation of this alert would include the determination of whether the county took timely action to process the alert within the guidelines specified above.

The evaluation process will also consider situations in which the county is unable to process the alert within the mandatory timelines because doing so is beyond the county's control. To ensure consideration during the review processes, these situations must be clearly documented in the case record. Because each error alert is unique to that beneficiary and situation, the alert will be individually evaluated for these criteria as part of the evaluation process.

The evaluation process will also consider whether or not there is a fiscal impact to an error alert. Examples of alerts where there may not be a fiscal impact include incorrect Social Security Numbers, incorrect date of birth, or accelerated enrollment when the child is otherwise eligible for Medi-Cal under another aid code with no SOC. If there is no fiscal impact and the county processes the alert on a timely basis, the error alert will be considered correct for CPS error alert purposes. If there is no fiscal impact associated with an error alert and the county does not process the alert on a timely basis, the alert will not be considered for CPS error alert purposes (i.e., a dropped case). These CPS determinations cannot be determined until actual case reviews are completed.

MEDS Worker Alerts

The reconciliation worker alerts subject to review are:

Alert Number	Alert Definition
6005	RECON RECORD ON MEDS/NOT ON COUNTY - RECON HOLD GENERATED
6006	DUP RECORDS ON COUNTY RECON FILE - RECON HOLD GENERATED
6008	DUP RECORDS ON COUNTY RECON FILE - NO MATCH ON MEDS

For further information on these alerts go to the **MEDS Training Materials section on the MEDS home page** (https://www.ext.dhs.ca.gov/meds_home). This is a secure site that requires an Extranet account. For access, please see your County MEDS coordinator.

Counties are required to process 95 percent of worker alerts that stem from records that are on the county files but not on MEDS or on MEDS but not on the county files within the following timeframes:

- Reconciliation worker alerts received by the tenth working day of the month must be processed in time for the change to be effective the beginning of the following month.
- Reconciliation worker alerts received after the tenth working day of the month must be processed in time for the change to be effective the beginning of the month after the following month.

County Performance Monitoring

PRS has the responsibility for performing the evaluations for CPS. The first counties selected for review will be notified approximately three months after release of this ACWDL. The review will be initiated approximately two months after the county has been notified of the impending review. As detailed in Medical Eligibility Procedures Manual Article 25F, the sample that will be used for the CPS evaluation will include all alerts from the daily, renewal, and quarterly reconciliation processes. The specific dates for the alerts will depend on the actual dates determined for the onsite reviews. The dates are based on processing requirements, as described in the previous pages.

The county will be advised of the date specific range for each of the alerts to be reviewed.

A formal report of findings will be provided to the county after completion of each review and will confirm the county's performance in relationship to the 90/95 percent criteria. Counties that are unable to meet the mandatory performance standards will be advised of the requirement to document a Corrective Action Plan (CAP). Upon completion of the CAP process, a follow-up review will be performed. DHCS may, at its sole discretion, reduce the county's Local Assistance allocation by two percent in the following fiscal year if the county has not met the performance criteria, as a result of the CAP review. Any funds that are reduced may be restored by DHCS during the following fiscal year, if sufficient improvement has been demonstrated.

If you have questions regarding this letter, please contact Ms. Amrit Singh at (916) 552-9514 or by email at Amrit.Singh@dhcs.ca.gov. If you have questions regarding PRS CPS review procedures, please contact Mr. Jose Morales at (213) 897-0980 or by e-mail at Jose.Morales@dhcs.ca.gov.

Original Signed By

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