



TOBY DOUGLAS
Director

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



EDMUND G. BROWN JR.
Governor

February 1, 2011

TO: ALL COUNTY WELFARE DIRECTORS Letter No.: 11-02
ALL COUNTY ADMINISTRATIVE OFFICERS
ALL COUNTY MEDI-CAL PROGRAM SPECIALISTS/LIAISONS
ALL COUNTY HEALTH EXECUTIVES
ALL COUNTY MENTAL HEALTH DIRECTORS

SUBJECT: ORGAN TRANSPLANTS: ANTI-REJECTION MEDICATIONS PROGRAM

The purpose of this letter is to provide counties with instructions for a new state only program for beneficiaries who are losing Medi-Cal or are on restricted Medi-Cal and have had an organ transplant. These beneficiaries may be eligible to receive anti-rejection medications through Medi-Cal. The implementation date for this program is January 1, 2011.

Background:

Assembly Bill (AB) 2352, Perez, Chapter 676, Statutes of 2010 added section 14132.70 to the Welfare and Institutions Code to enable Medi-Cal beneficiaries to remain eligible to receive Medi-Cal coverage for anti-rejection medication for up to two years following an organ transplant, unless during that period the beneficiary becomes eligible for Medicare or for private health insurance that covers the anti-rejection medications. Currently, Medi-Cal beneficiaries who have organ transplants usually receive coverage including, anti-rejection medications as long as they are Medi-Cal eligible. Should the beneficiary lose Medi-Cal eligibility, they may not have the personal resources or prescription drug coverage to obtain the anti-rejection medications. Without the anti-rejection medications the body can potentially reject the transplant, and the beneficiary may require a new transplant, have deterioration in their health, require hospitalization, require dialysis treatments, or possibly die as a direct result.

Aid Code 77:

Aid Code 77 provides State-only restricted scope Medi-Cal coverage with no share of cost (SOC) for organ transplant anti-rejection medications, for up to two years following an organ transplant, to individuals who have lost regular full scope Medi-Cal or are on restricted scope Medi-Cal. Aid Code 77 does not cover physicians' office visits.

I. Eligibility Requirements

In order to be eligible for this new program the beneficiary must meet at least one of these categories:

1. Have had an organ transplant within two years and is losing Medi-Cal and/or Medi-Cal based California Children's Services (CCS) **AND** does not have Medicare or private health insurance that covers the organ transplant anti-rejection medications, **OR**
2. Have had an organ transplant within two years and is only eligible for restricted Medi-Cal and is not on CCS, **AND** does not have Medicare or private health insurance that covers the organ transplant anti-rejection medications.

The county shall not request documentation regarding who paid for the organ transplant as the payer is not relevant to eligibility for this program. There are no other requirements such as income, resources, (regardless of their living arrangements or with whom they reside), or residency/citizenship.

Identifying beneficiaries who may be eligible

The Department of Health Care Services (DHCS) will research the claims data to see which beneficiaries have had an organ transplant paid by Medi-Cal and will send an informing notice to advise the beneficiaries of the new program. DHCS is in the process of developing the beneficiary informing notice. DHCS will share the notice with the counties once it is developed. Counties will receive a list of beneficiaries who reside in their county and are known to have had an organ transplant. The county shall flag the cases on the list. The list of beneficiaries will be specific to each county and it will include the name of the beneficiary, Client Identification Number, and date of latest transplant (if known).

The MC210RV will be updated to include the following question:

Has any family member living in the home received an organ transplant? Yes No
If yes, who? _____

If at time of the redetermination, the beneficiary answers yes to the above question, the county shall flag the case. Flagging the case will allow the county worker to know that a beneficiary on this case needs a determination for aid code 77 before the beneficiary can be discontinued from Medi-Cal.

If the beneficiary is not on the DHCS list, but contacts the county and states that he/she had an organ transplant, the county shall request a note from the treating physician. The letter or note from the physician must be on letterhead with the National Provider Identifier (NPI). The letter must state that the individual had an organ transplant and contain the date of the most recent organ transplant.

This same letter will be required, to establish when the last organ transplant occurred, if the list provided by DHCS does not list the date of transplant or a beneficiary answered yes to the question on the MC210RV.

Making the eligibility determination

When a beneficiary is determined to be ineligible for Medi-Cal the county shall ensure that the SB 87 process has been completed. If the beneficiary is not eligible for any other Medi-Cal program, and the county knows that the beneficiary has had an organ transplant, the county shall perform an eligibility determination for the program.

Medi-Cal does not usually cover organ transplants for beneficiaries on restricted Medi-Cal, except for undocumented children who are also eligible for CCS. CCS pays for the organ transplant and the anti-rejection medication until the child ages out of CCS. Once the child ages out of CCS, they may be eligible for the anti-rejection medication coverage paid for by this program, if they meet all the criteria (within two years of transplant). There may be other exceptions where a beneficiary on restricted Medi-Cal has received a transplant and Medi-Cal does not pay for the anti-rejection medication, therefore, in these exception cases, the beneficiaries should be put on this program.

If the beneficiary has private health insurance, the county shall ask the beneficiary if the insurance covers the medication. If the beneficiary states that the medication is not covered by the insurance, the county shall ask for verification. Verification can include any of the following:

- Summary of benefits showing anti-rejection medications are not a covered benefit.
- Letter from the insurance stating that anti-rejection medications are not covered.
- Documentation showing that the transplant and/or any benefits related to the transplant are in a period of exclusion.
- Documentation showing the beneficiary has exhausted his/her lifetime limit on all benefits under the plan.

- Documentation showing his/her coverage or his/her yearly benefits for treatment of the organ transplant has been exhausted.
- Any other documentation from the insurance company that states that anti-rejection medications are not covered.

Aid code 77 will show on the secondary screens on Medi-Cal Eligibility Data System (MEDS). If all the secondary screens are in use, the county will receive an alert. In order to put the beneficiary in the program, the county shall call the MEDS helpdesk and put in a help ticket.

If the beneficiary is found eligible for the program the county shall do a MEDS transaction to show eligibility on MEDS. A Notice of Action (NOA) MC 0378, approving eligibility for this special program, must be sent to the beneficiary (Enclosure 1). The NOA must include the time period for which the beneficiary is eligible.

Redeterminations

Neither an annual redetermination, nor a Mid-Year Status Report is required, since all income and assets are waived. A beneficiary must stay on the special program for up to two years from date of the most recent organ transplant, unless they obtain Medicare or private health insurance that includes anti-rejection medications as a benefit.

Redeterminations due to change of circumstances shall be required. A change of circumstance will include obtaining Medicare, private health insurance, moving out of state, information that may make the beneficiary eligible for another Medi-Cal program, or death.

The county may find that the beneficiary has Medicare or private health insurance from the beneficiary or because they receive a MEDS alert (see alerts under section II "MEDS transactions"). As soon as the county finds that there is private health insurance available to the beneficiary, the county shall determine if the insurance covers anti-rejection medications. The county shall follow the guidelines on page three to determine if the insurance covers the medication.

If the beneficiary has eligibility for Medicare, the beneficiary is no longer eligible for this program.

When a beneficiary is no longer eligible for this program the county shall follow the SB 87 process to determine if the beneficiary is eligible for another Medi-Cal program. If the beneficiary is found eligible for another Medi-Cal program, the county shall follow the current procedures to transfer the beneficiary into another Medi-Cal program. If the beneficiary is terminated from aid code 77, the individual shall receive a ten-day written NOA MC 0379 (Enclosure 2).

Potentially a beneficiary could be on this program more than once if they receive multiple organ transplants. For each organ transplant, he/she would be eligible for up to two years from the date of their most recent transplant.

II. MEDS Transaction

The county must follow current MEDS procedures to put a beneficiary in a new aid code. A termination date will be required in the MEDS transaction for aid code 77. The termination date will be two years from the most recent transplant date, regardless of when they become eligible for the program. See examples below.

Scenario #1

Beneficiary had an organ transplant on January 1, 2010.
Found eligible for aid code 77 on March 1, 2011.
Termination date will be December 31, 2012.

Scenario #2

Beneficiary had an organ transplant on April 1, 2009.
Found eligible for aid code 77 on March 1, 2011.
Termination date will be March 31, 2011.

PLEASE NOTE: Counties will need to send a EW20 with an ESAC for closed eligibility to limit the services up to 24 months.

If the transaction covers more than 24 months, the worker will receive the following MEDS alert:

1094 Displayed Data Elements Contain Conflicting Information Pri-Rej*

New County Alerts

There are two new county alerts that will be generated when other health insurance or Medicare is obtained by the individual.

1. Medicare Alert

If Medicare eligibility is pending in aid code 77, a county alert will be generated to allow the county to reevaluate eligibility in this aid code. The criteria for generating this alert will be any establishment of pending eligibility in the Medicare status Part A/B and any pending eligibility in the Medicare Status – Part D.

ALERT 9061 - MEDICARE ELIGIBLE – COUNTY AID CODE
TERMINATION NEEDED - URGENT

2. Other Health Coverage Alert

If the MEDS record has the Other Health Coverage code added after the beneficiary is added to the program, an alert will be generated to allow the county to reevaluate eligibility in this aid code. The criteria for generating this alert will be the establishment of other health coverage on the MEDS record in current OHC field.

ALERT 9062 - POSITIVE OHC REPORTED – COUNTY AID
REEVALUATION NEEDED - URGENT

Aid Code Quick Reference Guide

In the Aid Codes Quick Reference Guide, aid code 77 will have the following description:

77# Anti-Rejection Medicine-State Only
#uses aid code message to limit scope of coverage

New AEVS Message

“Medi-Cal Eligible for organ transplant anti-rejection medications only with no SOC/spend-down.”

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Eligibility Message

“Medi-Cal eligible for anti-rejection medication only with no share of cost.”

If you have any questions about the policy or the benefits for this program, please contact the Benefits Phone Line at (916) 552-9797. For questions regarding Medi-Cal eligibility, please contact Ms. Lea Latsis at (916) 323-2141.

Original signed by:

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Medi-Cal Eligibility Division

Enclosures

