

DEPARTMENT OF HEALTH SERVICES

714/744 P STREET
SACRAMENTO, CA 95814



March 6, 1986

To: All County Welfare Directors
County Administrative Officers

Letter No. 85-8

JACKSON VERSUS RANK COURT CASE SETTLEMENT

The enclosed beneficiary notice (English and Spanish versions) is being sent out with all April 1986 -Cal cards. The notice is self-explanatory. It describes the proposed final settlement regarding the above mentioned court case which required the Department of Health Services to send a Notice of Action (NOA) to the affected beneficiary when the Department denied or, in certain select situations, modified or deferred a Treatment Authorization Request (TAR).

The notice describes proposed future situations under which the Department will send out an NOA to a beneficiary. It further notifies all beneficiaries of the contact persons for obtaining details of the proposed settlement, the address to send written disagreements to the proposed settlement, and the date, time, and place for a public hearing on the proposed settlement.

Any questions should be directed to Wayne Hoshiko, Department of Health Services, Field Services Branch, at (916) 445-9166.

Original signed by

Doris Z. Soderberg, Chief
Medi-Cal Eligibility Branch

Enclosure

cc: Medi-Cal Liaisons
Medi-Cal Program Consultants

Expiration Date: June 1986

NOTICE TO ALL MEDI-CAL RECIPIENTS

Sometimes your doctor has to ask Medi-Cal for approval before you if the doctor wants Medi-Cal to pay. A group of Medi-Cal recipients has brought a court case to make Medi-Cal notify you when Medi-Cal turns down your doctor's request.

The case is now being settled. If you don't like the way it is being settled, you can let the Court know. This paper tells you how the case is being settled and what you can do if you don't like the way the case is being settled.

The court case is called *Jackson v. Rank*, filed in Federal District Court, Eastern District, case number CIV 83-1451 LKK. Plaintiffs represent all Medi-Cal recipients in California. The defendant is the Department of Health Services, which runs the Medi-Cal program. Plaintiff Medi-Cal recipients want the Department of Health Services to send notice to recipients when the Department acts on medical provider requests for prior approval for medical services. The defendant Department has, in the past, opposed such notice as unnecessary.

Plaintiffs and defendants have agreed on a final settlement of the case. The settlement would give recipients notice of almost all instances in which requests for services are denied. The main exception to notice

would be when a drug is denied, and an identical drug is available without requiring prior approval. The settlement would delay notice to you 30 days when your doctor's request for approval is returned to the doctor for more information. The settlement would give notice in many instances when your doctor's request is changed in some way, generally never the change is medically significant. Details of when notice will be provided can be obtained by reviewing the Court's file at Clerk's Office, U.S. District Court, 650 Capitol Mall, Sacramento, CA 95814. Details can also be obtained by writing the lawyer for the plaintiffs, Ed Barnes, at 409 - 13th Street, Suite 544, Oakland, CA 94612.

The Court expresses no opinion on the merit of the settlement.

If you do not agree with the proposed settlement, you may write Ed Barnes at the address above. You may also file a written objection with the Clerk of the Court at 650 Capitol Mall, Sacramento, CA 95814. Finally, there will be a hearing on the settlement on the 9th day of February, 1986, at 10:00 A.M. at the Federal Building, 650 Capitol Mall, Sacramento. You may appear at the hearing and state your objection at that time as well. Any settlement approved after that hearing will become the law for all Medi-Cal recipients, including you.

FED: February 27, 1986 LAWRENCE K. KARLTON
UNITED STATES DISTRICT JUDGE

AVISO A TODOS LOS RECIPIENTES DE MEDI-CAL

Algunas veces su médico tiene que solicitar aprobación de Medi-Cal antes de atenderlo, si es que él desea que Medi-Cal le pague. Un grupo de recipientes de Medi-Cal ha presentado ante la corte un caso para hacer que Medi-Cal lo notifique a Ud. cuando Medi-Cal rehuse atender el pedido de su médico.

El caso está casi resuelto. Si Ud. no está de acuerdo con la manera cómo va a ser resuelto, Ud. puede hacérselo saber a la corte. Este aviso le informa a Ud. cómo se está resolviendo el caso y lo que Ud. puede hacer si no está conforme con la manera como esto se está llevando a cabo.

El caso llamado *Jackson v. Rank*, ha sido presentado ante la Corte del Distrito Federal, Distrito Este (Federal District Court, Eastern District), y su número es CIV 83-1451 LKK. Los demandantes representan a todos los recipientes de Medi-Cal en California. El demandado es el Departamento de Servicios de Salud (Department of Health Services) que tiene a su cargo el programa de Medi-Cal. Los demandantes, recipientes de Medi-Cal, quieren que el Departamento de Servicios de Salud envíe aviso a los recipientes cuando el Departamento intervenga en las solicitudes de los proveedores médicos que piden autorización previa por sus servicios. El Departamento demandado se ha opuesto, en el pasado, a enviar este aviso por considerarlo innecesario.

Los demandantes y demandado han llegado a un acuerdo en el caso mencionado. Según este acuerdo, se daría a los recipientes aviso de casi todas las peticiones por servicios que se han negado. La excepción

principal para enviar este aviso será cuando se niegue un medicamento y otro medicamento idéntico está disponible sin que se requiera una autorización previa. Según el acuerdo se demoraría el aviso por 30 días cuando el pedido de aprobación de su médico es devuelto a éste para que dé mayor información. El acuerdo le daría aviso en muchos casos cuando se cambie el pedido de su médico en alguna forma, generalmente cada vez que el cambio sea médicamente importante. Detalles de cuando el aviso será dado también pueden obtenerse revisando el archivo en la Oficina del Secretario, Corte del Distrito Federal (Clerk's Office, U. S. District Court), 650 Capitol Mall, Sacramento, CA 95814. También pueden obtenerse más detalles escribiendo al abogado de los demandantes, Ed Barnes, 408 - 13th Street, Suite 544, Oakland, CA 94612. La corte no manifiesta su opinión sobre los merecimientos del acuerdo.

Si a Ud. no le parece bien el acuerdo propuesto, Ud. puede escribir a Ed Barnes, a la dirección arriba indicada. Usted también puede presentar su objeción por escrito al Secretario de la Corte (Clerk of the Court), 650 Capitol Mall, Sacramento, CA 95814. Finalmente, habrá una audiencia para tratar sobre este acuerdo el día 9 de junio de 1986 a las 10:00 a.m. en el Edificio del Distrito Federal (Federal Building), 650 Capitol Mall, Sacramento. Usted puede acudir a la audiencia y también presentar su objeción en ese momento. Cualquier acuerdo que se apruebe después de la audiencia se convertirá en ley para todos los recipientes de Medi-Cal, incluyendo a usted.

FECHA: February 27, 1986 LAWRENCE K. KARLTON
UNITED STATES DISTRICT JUDGE