



## DEPARTMENT OF HEALTH SERVICES

14744 P STREET

SACRAMENTO, CA 95814

May 29, 1987

TO: All County Welfare Directors  
All County Administrative Officers

Letter: 87-27

SUBJECT: UPDATING OTHER HEALTH COVERAGE INDICATOR CODES

All County Welfare Directors Letter (ACWDL) 86-40, dated August 4, 1986, informed counties that Federal Regulation, 42 CFR 433.139, requires California to use Cost Avoidance as the method for processing provider claims when potential third party liability exists. The Department of Health Services (DHS) is modifying the existing Medi-Cal claims payment system to bring California into compliance. DHS implemented Phase I of its three phase Cost Avoidance system on December 1, 1986.

Phase I, as stated in ACWDL 86-40 consists of cost avoiding services provided to Medi-Cal beneficiaries enrolled in Kaiser (K), Champus (C), Ross Loos (R), and specific private prepaid health plans or health maintenance organizations (P). These beneficiaries were identified from responses to insurance questionnaires sent to beneficiaries by DHS. Counties were sent listings of these beneficiaries in December 1986 and February 1987, and asked to update the beneficiaries' other health coverage.

Attached are summary reports showing the number of records that were not coded from the December 1986 and February 1987 listings sent to counties. Based on these counts, it appears that some counties may not have entered the "P", "K", "C" or "R" other coverage information in their county systems and on MEDS. An informal survey of counties was conducted to determine why the codes do not appear on MEDS. Possible reasons include: (1) Counties did not use the lists to update, (2) Counties updated MEDS, but did not update their county system, allowing subsequent transactions or reconciliation to overlay the other health coverage code on MEDS, (3) Reports were distributed to workers for update, but there was no follow up to ensure that all changes were submitted, and (4) the beneficiary no longer has the other health coverage.

We are requesting that counties review the December 1986 and February 1987 listings, verify whether the data is correct, and

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update the county file and MEDS accordingly. If the reports are no longer available, and you require another listing, please contact Jack Byrd at (916) 739-3262.

Sincerely,

Original signed by

Frank S. Martucci, Chief  
Medi-Cal Eligibility Branch

Attachment

Expiration Date: November 30, 1987

COUNTY	FREQUENCY	PERCENT
01	54	11.6
03	1	0.2
04	1	0.2
07	12	2.6
10	4	0.9
11	2	0.4
15	1	0.2
16	1	0.2
19	59	12.7
21	2	0.4
27	1	0.2
28	13	2.8
30	11	2.4
31	2	0.4
33	10	2.2
34	67	14.4
36	21	4.5
37	56	12.0
38	23	4.9
39	5	1.1
41	12	2.6
43	47	10.1
45	3	0.6
48	23	4.9
49	8	1.7
50	9	1.9
51	1	0.2
54	2	0.4
56	4	0.9
57	10	2.2

This is a count of the number of codes that have not been updated as of March 16, 1987.

COUNTY	FREQUENCY	PERCENT
01	6	5.9
04	2	1.5
07	1	0.7
10	11	8.1
12	1	0.7
13	2	1.5
15	1	0.7
16	4	2.9
18	1	0.7
19	3	2.2
23	2	1.5
24	9	5.9
27	5	3.7
29	2	1.5
30	5	3.7
31	1	0.7
33	3	2.2
34	9	6.6
36	5	3.7
37	25	18.4
38	2	1.5
39	2	1.5
43	6	4.4
45	2	1.5
47	1	0.7
48	2	1.5
50	4	2.9
51	3	2.2
52	1	0.7
54	3	2.2
56	7	5.1
58	4	2.9

This is a count of the number of codes that have not been updated as of March 16, 1987.

COUNTY	FREQUENCY	PERCENT
19	4	44.4
30	3	33.3
33	1	11.1
36	1	11.1

This is a count of the number of codes that have not been updated as of March 16, 1987.

COUNTY CODES FROM 2ND PRODUCTION CHANGE-DHC FILES (CODE = P) \*

COUNTY	FREQUENCY	PERCENT
01	135	9.1
03	5	0.3
04	5	0.3
05	5	0.3
07	37	2.5
09	2	0.1
10	52	3.5
11	6	0.4
12	4	0.3
13	10	0.7
15	17	1.1
16	7	0.5
17	6	0.4
18	2	0.1
19	229	15.4
20	4	0.3
22	1	0.1
23	6	0.4
24	14	0.9
25	2	0.1
26	3	0.2
27	12	0.8
28	6	0.4
29	2	0.1
30	104	7.0
31	7	0.5
32	1	0.1
33	105	7.1
34	52	3.5
35	3	0.2
36	72	4.9
37	196	13.2
38	30	2.0
39	18	1.2
40	4	0.3
41	8	0.5
42	4	0.3
43	115	7.7
44	2	0.1
45	8	0.5
46	1	0.1
47	1	0.1
48	39	2.6
49	4	0.3
50	40	3.3
51	4	0.3
52	2	0.1
54	10	0.7
56	56	3.8
57	14	0.9
58	3	0.2

\* This is a count of the number of codes that have not been updated as of March 16, 1987.