

DEPARTMENT OF HEALTH SERVICES

714/744 P STREET
SACRAMENTO, CA 95814

June 9, 1989

Letter No.: 89-24

TO: All County Welfare Directors
All County Administrative Officers

SUBJECT: OVERPAYMENT REFERRAL PROCESS

Due to ongoing discussions with the Department of Health Services (DHS) Recovery Branch, a recent overpayment policy decision was made which will require several changes to All County Welfare Directors Letter (ACWDL) No. 89-23.

Because of enhanced collection capabilities, the Recovery Branch requested that the thresholds for reporting wage/earnings based potential overpayments be lowered from \$1,000 to \$100 for cases where the county is not able to verify IEVS match information because of loss of contact.

Also, ACWDL No. 89-23 contained an error regarding fraud referrals by counties. Counties will not be required to determine if fraud is involved in an overpayment case. The determination of fraud will be the responsibility of DHS Recovery or Investigations Branch. The counties only are required to make the appropriate referrals.

Following are the correct procedures counties shall follow when working Medi-Cal-Only potential overpayment cases:

I. Potential Overpayments - Excess PropertyA. Potential Overpayments - \$1 to \$100

No referral is required.

B. Potential Overpayments - \$100 or More

All asset-based potential overpayments of \$100 or more will be sent to the appropriate DHS Investigations field office. (See Attachment I)

II. Potential Overpayments - Wages/EarningsA. Potential Overpayments - \$1 to \$100

No referral is required.

B. Potential Overpayments - \$100 to \$5,000

All wage/earning-based potential overpayments of \$100 to \$5,000 will be referred directly to DHS Recovery Branch. (See Attachment I for address.)

C. Potential Overpayments - \$5,000 or More

All wage/earning-based potential overpayments of \$5,000 or more will be referred directly to the appropriate Investigations field office.

III. Suspected Fraud - Property and Wage/Earning Referrals

- A. If the Recovery Branch determines fraud exists in any referral received from the county, the case will be referred to the appropriate Investigations Branch field office for action. The county will be notified of the case status. (For IEVS referrals, DHS Recovery Branch will notify the county if a collection case is not established.)
- B. If the Investigations field office determines fraud does not exist in any referral received from the county, the case will be forwarded to DHS Recovery Branch. The county will be notified of the case status.

IV. Referral Package

Attached for your use and distribution (Attachment II) is a list of the required forms to be included in the overpayment referral package. It is suggested that counties use this document as a checklist for their referrals.

Note: After several meetings with Recovery Branch, it has been decided there will be no change in the Referral package to Recovery.

V. Revised MC 609, MC 224A/B

Also attached for your information are copies of the revised MC 609 (Confidential Medi-Cal Complaint Report), MC 224A (Potential Overpayment Reporting Worksheet - Income) and MC 224B (Potential Overpayment Reporting Worksheet - Property). (See Attachments III, IV, and V.) The MC 224A and MC 224B replace the MC 239E (Medi-Cal Notice of Action, Overpayment and Repayment Instructions). The MC 224A/B are now available in the warehouse. The revised MC 609 is not currently available. Counties may use the current MC 609 until the revised form is available. Instructions for completion will be contained in a follow-up Medi-Cal Eligibility Manual letter.

All County Welfare Directors
All County Administrative Officers
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If you have any questions regarding the information contained in this letter,
please contact Maggie Roggero of my staff at (916) 324-4966.

Sincerely,

Original signed by

Frank S. Martucci, Chief
Medi-Cal Eligibility Branch

Attachments

cc: Medi-Cal Liaisons
Medi-Cal Program Consultants

Expiration Date: June 9, 1990

COUNTY REFERRALS TO DHS, INVESTIGATIONS

- 1) Sacramento
1250 Sutterville Rd., Rm. 130
Sacramento, CA 95822
(916) 324-8447
- Alpine Amador
Butte Calaveras
Colusa El Dorado
Glenn Lassen
Modoc Nevada
Placer Plumas
Sacto. Shasta
Sierra Siskiyou
Sutter Tehama
Trinity Tuolumne
Yolo Yuba
- 2) Fresno
3374 E. Shields Ave., Rm. E-1
Fresno, CA 93726
(209) 445-5516
- Fresno Kings
Madera Mariposa
Merced Tulare
- 3) San Francisco
939 Market Street, Ste. 204
San Francisco, CA 94103
(415) 557-2330
- Alameda Contra Costa
Del Norte Humboldt
Lake Marin
Napa San Francisco
San Mateo Solano
Sonoma Mendocino
- 4) San Jose
111 N. Market Street, Rm. 420
San Jose, CA
(408) 277-1749
- Monterey San Benito
San Joaquin Santa Cruz
Santa Clara
Stanislaus
- 5) Bakersfield
4800 Stockdale Hwy.
Bakersfield, CA 93309
(805) 395-2705
- Inyo Kern
Mono San Luis Obispo
- 6) Santa Ana
28 Civic Center Plaza, Rm. 840
Santa Ana, CA 92701
(714) 558-4503
- So. Los Angeles Orange
- 7) Los Angeles
1449 W. Temple Street, Rm. 225
Los Angeles, CA 90026
(213) 620-2335
- Los Angeles Santa Barbara
Ventura
- 8) San Bernardino
1840 Commercecenter Circle
San Bernardino, CA 92408
(714) 383-4667
- Riverside San Bernardino
- 9) San Diego
1350 Front Street, Rm. 4021
San Diego, CA 93101
(619) 237-1947
- Imperial San Diego
- 10) Toll Free Numbers
- Northern Region Investigations:
(for #'s 1,2,3 and 4)
1-800-822-6223
- Southern Region Investigations:
(for #'s 5 thru 9)
1-800-822-6222
- 11) COUNTY REFERRALS TO DHS, RECOVERY
- Department of Health Services
General Collections Section
1250 Sutterville Road, Room 206
Sacramento, CA 95822
(916) 322-2280
1-800-238-3377

REQUIRED FORMS FOR REFERRAL PACKAGES

For both Resources/Assets and Wages/Earnings potential overpayments, the referral package to DHS shall include:

(DO NOT SEND ORIGINAL COUNTY RECORDS)

1. MC 609
1 Copy
Confidential Medi-Cal Complaint Report
(Attachment III)
 - Note in upper right hand corner:
 - o "IEVS" in red ink (if applicable)
 - o Case status (note whether case is open or closed and the date case was opened or closed).

2. MC 224 A/B
Medi-Cal Potential Overpayment Reporting
Worksheet - Income/Property
(Attachment IV & V)
 - Note in upper right hand corner:
 - o "IEVS" in red ink (if applicable)
 - o Case status (note whether case is open or closed and the date was opened or closed).

- Note:
If the county is unable to establish an overpayment period or potential overpayment amount, complete the MC 224 A/B with all available information.

3. MC 210
1 Copy (or State approved county form)
Medi-Cal Statement of Facts
 - Include all MC 210's covering the potential overpayment period.

4. MC 217
1 Copy
Medi-Cal Responsibility Checklist
 - Include all MC 217's covering the potential overpayment period.

5. MC 176R
1 Copy (or State approved county form)
- Resource Verification Questionnaire

6. IEVS Abstract
1 Copy
 - Assets/Earnings clearance

7. Bank Records
 - Copies of all statements provided by client

8. Earnings Statements
 - Copy from EDD, and copies of all client's pertinent pay stubs.
 - Copy of employer's report

9. Case Narrative
1 Copy
 - Copy of case narrative relating to the potential overpayment period.

CONFIDENTIAL
MEDI-CAL
COMPLAINT REPORT

IEVS non-IEVS

FOR DHS STAFF USE ONLY
Case No. _____
Date _____

CASE STATUS	
<input type="checkbox"/> Active	Effective Date _____
<input type="checkbox"/> Closed	Effective Date _____

1. Who is complaint against:

Provider (Give Medi-Cal Provider No. if known) Provider No.: _____

Recipient (Give SSN and Date of Birth Below) County Case No.: _____

Name (Recipient/Provider) _____ SSN _____ DOB (M/D/Y) _____

Address _____ City _____ ZIP _____ Telephone _____

2. Name of Person Reporting Complaint

Address _____ City _____ ZIP _____ Telephone _____

Synopsis of Complaint (If client has an authorized representative, provide name, telephone number and address here. If additional space is required, attach a second sheet.)

Complaint taken by (if different than No. 2) _____ Date _____

Address _____ Telephone _____

FOR DHS STAFF USE ONLY

Initial/Date

Action Taken

MEDS

Unfounded Allegation

CDR

Case Opened

Other _____

Referred to _____

Signed to: _____ Date _____

MEDI-CAL POTENTIAL OVERPAYMENT REPORTING WORK SHEET -PROPERTY

SECTION I IEVs non-IEVs

County ID:	County	Aid	Serial	FBU	Case Status <input type="checkbox"/> Active—effective date: _____ <input type="checkbox"/> Closed—effective date: _____
Recipients Included In Potential Overpayment					Social Security Number
					Recipient Phone Number ()

SECTION II

Recipient should have been ineligible for Medi-Cal for _____ [month(s)/year(s)]
 because property was above the allowable property limit.

The potential overpayment is computed as follows: (County completes boxes 1–4.)

1 Month/Year	2 Value of Property Held By Recipient	3 Medi-Cal Property Value Limits	4 Potential Overpayment (2–3)	DHS Investigations/Recovery use only	
				5 Amount Paid By Medi-Cal	6 Overpayment lower of 4 or 5)
	\$	\$	\$	\$	\$
	\$	\$	\$	\$	\$
	\$	\$	\$	\$	\$
	\$	\$	\$	\$	\$
	\$	\$	\$	\$	\$
	\$	\$	\$	\$	\$
	\$	\$	\$	\$	\$
	\$	\$	\$	\$	\$
	\$	\$	\$	\$	\$
	\$	\$	\$	\$	\$
	\$	\$	\$	\$	\$
	\$	\$	\$	\$	\$
	\$	\$	\$	\$	\$
	\$	\$	\$	\$	\$
	\$	\$	\$	\$	\$
Total Actual Overpayment					\$

If additional space is required, attach a second sheet.

SECTION III—COUNTY WORKER COMPLETING FORM

Name (PLEASE PRINT)		County	
Signature	EW No.	Phone Number ()	