

## DEPARTMENT OF HEALTH SERVICES

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SACRAMENTO, CA 94234-7320



May 16, 1990

TO: All County Welfare Directors  
All County Administrative Officers

Letter No; 90-45

SUBJECT: HUNT V. KIZER

In the course of implementing the U. S. District Court Order in the case of Hunt v. Kizer several questions have arisen. The purpose of this letter is to provide answers and clarification on these issues.

Question 1:

What is an original bill?

Answer 1:

An original bill is one that is prepared by the provider of medical services. It may not be a photocopy of a bill sent by the provider. An original bill does not have to be the first bill for a service. It may be any subsequent bill or bills so long as it contains the required information and is not a photocopy.

Question 2:

What type of secondary evidence is acceptable if the bill lacks the required information necessary for it to be used to reduce a share of cost (SOC)?

Answer 2:

Any supplemental bill or statement from the health care provider or the representative of the health care provider (i.e., an attorney or collection agency) that supplies the necessary information may be used. A sworn statement from the beneficiary is acceptable so long as the the person can knowledgeably attest to the accuracy of the required information. Example: A beneficiary has adequate knowledge to provide a sworn statement as to date of service, name of the person who received the service, the provider's name and address; he/she does not have sufficient knowledge to swear to the provider's identification number, the RVS code, the type of service or the amount for which he/she is still legally liable.

Question 3:

Must the county welfare office provide the beneficiary with a Notice of Action (NOA) for each bill that is not acceptable to offset a SOC?

Answer 3:

A NOA is not necessary initially unless the bill is totally denied for any reason. In the case of bills that are not totally denied, counties must provide beneficiaries with a written explanation of why the bill is unacceptable (i.e., lacking provider's identification number, not original bill, unable to identify who received the service), and what would be necessary to make the bill acceptable (i.e., obtain provider's identification number, submit original bill, provide sworn statement attesting to who received the service). In the eventuality that the bill cannot be used, a NOA is required.

Question 4:

Is an IHSS SOC an acceptable medical expense to be used to offset a Medi-Cal SOC?

Answer 4:

No. An IHSS SOC is not considered to be a medical expense. Only medical expenses may be used to meet a Medi-Cal SOC.

Question 5:

Example:

A beneficiary who is eligible with a \$750 Medi-Cal SOC has a \$1,400 unpaid medical bill. In December 1988, the Medi-Cal beneficiary agreed to pay the provider \$750 and, as a result, used this amount to meet his December 1988 SOC. Nothing has been actually paid on the outstanding balance of \$1,400. Can the entire amount of \$1,400 be used again to meet a SOC?

Answer 5:

No. Only the amount that was not used to meet a previous month's SOC may be applied under the Hunt v. Kizer provisions. In this example, the unused amount is \$650.

All County Welfare Directors  
All County Administrative Officers  
Page 3

Question 6:

Providers charge interest on accounts that are not paid in full on a monthly basis. Can this interest be used to offset a SOC?

Answer 6:

No. Only medical expenses can be used to meet a SOC.

As we continue to implement the Hunt v. Kizer Preliminary Injunction questions will continue to arise and the Department of Health Services will be providing additional question and answer letters.

If you have questions concerning this letter or the Hunt v. Kizer lawsuit, please call Kristi Allen at (916) 445-6855.

Sincerely,

ORIGINAL SIGNED BY

Frank S. Martucci, Chief  
Medi-Cal Eligibility Branch

cc: Medi-Cal Liaisons  
Medi-Cal Program Consultants

Expiration Date: May 31, 1991