

DEPARTMENT OF HEALTH SERVICES

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P.O. BOX 942732

SACRAMENTO, CA 94234-7320



March 14, 1991

TO: All County Welfare Directors
All County Administrative Officers

Letter No.: 91-25

SUBJECT: FUNDING FOR OUTSTATIONING ELIGIBILITY WORKER (EW) PROGRAMS AND
OUTSTATIONED EW PROGRAM UPDATE

REFERENCE: ALL COUNTY LETTER 89-114

The purpose of this letter is to provide counties with instructions to petition the Department of Health Services (DHS) for incremental funding to outstation EWs at perinatal clinic sites, and to provide updated information regarding the Outstationed EW Program. As a reminder to counties who have not yet established an Outstationed EW Program, the intent of this program is to allow earlier access to the Medi-Cal application process by removing barriers to care for pregnant women who might otherwise not apply for Medi-Cal. Frequently, the Department is informed of the positive steps this program has taken in improving access to prenatal care. Additionally, many counties and clinics have found this program to be beneficial. EWs are able to determine eligibility earlier, workloads at county offices are relieved, and clinics report that due to women receiving Medi-Cal coverage sooner, they are able to receive reimbursement earlier. Overall, we are pleased to learn that counties' current efforts to outstation have been successful.

1. FUNDING FOR OUTSTATIONED EW PROGRAMS**REQUESTS FOR FY 90/91 FUNDING**

As stated in the February 28, 1991 E-Mail, limited additional funding for the remaining months of FY 90/91 is available to counties that already have implemented Outstationed EW Programs. This funding can be used to increase EW hours at established clinic sites where actual caseloads have exceeded the petition estimates, and/or to expand outstationed EWs to additional locations not included in the original petition. Since this funding is designated for FY 90/91, counties will need to implement any additions no later than June 1, 1991. To request additional funding, counties are required to submit a written plan to the Department describing the proposed additions by April 1, 1991. Based on the same criteria detailed in All County Welfare Directors Letter (ACWDL) 89-114, the Department will review county proposals and determine whether to approve the plan, and the level of funding. Counties will be notified of their approved funding levels for

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FY 90/91 by May 1, 1991. If your county is interested in additional funding, please contact Lisa Reagan at (916) 323-6454, ATSS 473-6454 immediately.

REQUESTS FOR FY 91/92 FUNDING

As mentioned at the California Welfare Directors' Association (CWDA) Medical Care Committee meeting in February 1991, the Governor's proposed budget for FY 91/92 includes continued funding for outstationing EWs in perinatal clinic sites. With the Governor's publicized emphasis on improving prenatal care, we anticipate that continued funding will be available. Therefore, as previously required, counties wishing to receive this funding to outstation EWs must petition the Department.

Counties which implemented the outstationing program during FY 90/91, should complete the enclosed petition for continuation of funding and submit it to the Department. As a result of the experience gained this past year, counties and clinics will have actual caseload figures to evaluate when submitting requests for FY 91/92 funding, and should be able to determine the most effective level of staffing required. Additionally, county programs which have caseloads meeting petition projections should consider increasing the expected number of applications taken by EWs each month. For counties which have not previously implemented an outstationed eligibility worker program, petitions for incremental funding should include a plan for the outstationing of EWs that addresses all of the criteria established in ACL 89-114. These petitions are due to the Department no later than April 8, 1991. Petitions should be sent to:

State Department of Health Services
Medi-Cal Eligibility Branch
Outstationed Eligibility Workers - Perinatal Coordinator
714 P Street, Room 1392
Sacramento, CA 95814

For counties unfamiliar with the incremental funding process, the following is a brief overview: The new applications taken by outstationed EWs will generate revenue in accordance with the regular target activity levels (i.e., increased caseload equals additional dollars). That portion of EW costs not covered by new caseload revenue will be reimbursed through incremental funding. All estimates of new caseload generated revenue and the corresponding incremental funding are based on the caseload estimates submitted by counties in their petitions. An example of incremental funding is presented below:

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EXAMPLE: County X has requested 3 outstationed EWs. The county estimates they will receive 135 additional cases per month. The county's intake target is 60 cases per EW. The 135 additional cases will generate revenue for an additional 2.25 EWs. This amount equals 75 percent of the cost ($3.00 - 2.25 = .75$). The remainder of the cost (25%) will be funded by incremental revenue.

In this example, 75 percent of the funding will be through the regular caseload driven process and 25 percent of the funding will be incremental. Caseload driven funding will be received through the normal allocation mechanism and incremental funding will be treated as a premise item.

Counties should follow this example in developing their request for incremental funding.

In determining approval of a county's plan and the level of funding for FY 91/92, the Department will review the petitions and base decisions on: 1) compliance with the guidelines set forth in ACWDL 89-114; 2) potential to increase access to Medi-Cal perinatal services by pregnant women; and 3) relationship between proposed plan and current caseload/funding levels. Upon completion of the reviews, counties will receive a written notice indicating whether their plan has been approved, and if so, what amount of incremental funding they will receive. Along with this information, counties will also be provided more detailed information regarding the funding process and the quarterly reports they must complete. Funding will be allocated to counties in the same manner as in previous years. If there are any questions regarding the fiscal presentation in your petition, please contact your county administrative expense analyst.

2. OUTSTATIONING PROGRAM UPDATE

With the recent mandate of the Omnibus Budget Reconciliation Act (OBRA) of 90, effective July 1, 1991, California will be required to expand its current outstationing efforts to include other sites, such as Disproportionate Share Hospitals and Federally Qualified Health Centers, and to include the processing of applications for children and infants. The Department is in the process of obtaining clarification from the Health Care Financing Administration (HCFA) to determine how California's current program meets the requirement of this provision. Once clarification is received, we will apprise counties of the implications of this mandate. No action is required of counties at this time. However, with this recent federal requirement to outstation EWs, now more than ever, we encourage counties that have not yet established an outstationed EW program to consider implementing such a program.

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In closing, the Department appreciates the counties' enthusiastic commitment to provide increased perinatal access. We encourage counties to continue and to expand their outstationed EW programs, and are available to provide any necessary assistance. Should you have any questions regarding the Outstationed EW Program and the information presented in this letter, please contact Lisa Reagan of my staff at (916) 323-6454, ATSS 473-6454.

Sincerely,

ORIGINAL SIGNED BY

Frank S. Martucci, Chief
Medi-Cal Eligibility Branch

Enclosure

cc: Medi-Cal Liaisons
Medi-Cal Program Consultants