DEPARTMENT OF HEALTH SERVICES

714/744 P STREET
7. BOX 942732
CRAMENTO, CA 94234-7320



July 26, 1993

Letter No.: 93-51

All County Medi-Cal Program Managers All County Administrative Officers All County Policy Liaisons

UNUSUAL MEDICAL EXPENSES (UME)

This letter is intended to provide counties with the most recent developments in this subject area.

This All County letter is divided into three parts as follows:

- A) Summary of E-Mail #92-114 dated September 23, 1992
 - Counties were instructed to disregard any increase in needs-based VA pension or needs-based compensation, if increase was the direct result of Unusual Medical Expenses (UME).
 - Countles were asked to query the VA Administration when an individual has income in addition to VA and medical expenses exceeding five percent of the annual VA payment rate (see Enclosure A).
 - Until UME is verified by the VA, counties were instructed to assume that none of the VA
 payment is due to a UME situation and to include the entire VA payment when determining
 the share of cost.
 - 4. These instructions were effective October 10, 1991, and were to have been applied to Medi-Cal applications submitted December 1992 or later and at the time of the next reinvestigation for continuing cases. Furthermore, counties were asked to apply these instructions to any cases that were closed after October 10, 1991 and were now being reopened.
- Additions to E-Mail #92-114 related to the verification of veteran's benefits.
 - Our initial instructions asked counties to verify UME by means of correspondence with their VA regional office. Sacramento County called and advised us that the local Veterans Service Office was able to provide the needed information. We encourage counties who have good working relationships with their local Veteran's offices to utilize this resource. If your local VA office is uncooperative, you should continue to utilize your VA regional office.
 - 2. We have also developed, with assistance from Sacramento County, language for use on a CA 5 if counties decide to use their local offices to verify UME (see Enclosure B). For those counties wishing to use Veterans Administration Regional offices, I have included a suggested format that was acceptable for the regional Veterans office in San Francisco (see Enclosure C) and addresses for Veterans Regional offices (see Enclosure D).

All County Medi-Cal Program Managers All County Administrative Officers All County Policy Liaisons Page 2

C) Miscellaneous

- 1. If verifications confirm receipt of UME, share of cost adjustments should be made as provided by California Code of Regulations, Title 22, Section 50653.3.
- We have also been advised by Medicaid Regional Memorandum No. 93-68 that UME should not be treated as income under any circumstance. In addition, UME should not be reported to the Medi-Cai Third Party Liability Branch.

If you have any questions, please contact Armando Martinez of my staff at (916) 657-1487.

Sincerely,

ORIGINAL SIGNED BY

Frank S. Martucci, Chief Medi-Cal Eligibility Branch

Enclosures

ENCLOSURE A MAXIMUM VA PAYMENT RATE CHART

RATES EFFECTIVE DECEMBER 1, 1992 *1

Maximum VA Annual Rate for Aid and Attendance (A&A) Veteran = \$12,180 (\$634 base + \$381 A&A x 12)

Maximum VA Annual Rate for Housebound (HB) Veteran = \$9,312 (\$634 base + \$142 A&A x 12)

Maximum VA Annual Rate for Aid and Attendance (A&A) Widow = \$8,160 (\$425 + \$255 A&A x 12)

Maximum VA Annual Rate for Housebound (HB) Widow = \$6,240 (\$425 + \$95 HB x 12)

*1 Reflected in January 1993 payment

RATES EFFECTIVE DECEMBER 1, 1991 *1

Maximum VA Annual Rate for Aid and Attendance (A&A) Veteran = \$11,832 (\$616 base + \$370 A&A x 12)

Maximum VA Annual Rate for Housebound (HB) Veteran = \$9,036 (\$616 base + \$247 A&A x 12)

Maximum VA Annual Rate for Aid and Attendance (A&A) Widow = \$7,920 (\$413 base + \$247 A&A x 12)

Maximum VA Annual Rate for Housebound (HB)
Widow = \$6,060 (\$413 base + \$92 HB x 12)

*1 Reflected in January 1992 payment

RATES EFFECTIVE DECEMBER 1, 1990 *1

Maximum VA Annual Rate for Aid and Attendance (A&A) Veteran = \$11,400 (\$594 base + \$356 A&A x 12)

Maximum VA Annual Rate for Housebound (HB) Veteran = \$8,712 (\$594 base + \$132 HB x 12)

Maximum VA Annuai Rate for Ald and Attendance (A&A) Widow = \$7,644 (\$398 base + \$239 A&A x 12)

Maximum VA Annual Rate for Housebound (HB)
Widow = \$5,844 (\$398 base + \$89 HB x 12)

*1 Reflected in January 1991 payment

ITE: DO NOT COMPLETE THIS FORM UNLESS ONE OF THE FOLLOWING IS KNOWN VETERAN'S SOCIAL SECURITY NO AND DATE OF BIRTH, MILITARY SERIAL NO. OR VETERANS ADMINISTRATION IV A. CLAIM NO

Enter Name and Address of County Veterans Service Office

VETERAN'S SERVICE OFFICE 123 Main St. Anywhere, Ca. 91212 ATTENTION: John Smith

UME VERIF.

Original and three copies County Veterans Service Office

One conv | Case Fire

Social Security Number (SSN) - You must provide the veteran's SSN ill known in assist in the evidence gathering process and to explore potential benefits. The turnishing of the Bash of family members is a condition of eligibility required by Section 402(a)(25) (AFDC) and Section 1137(a)(Medi-Cal) of the Social Security Act | Failure to cooperate may result in denial or discontinuance of aid as required by MPP Sections 40 157 and 44-103 (AFDC) and Title 22 CAC Section 50168 (Medi-Cal)

#0 <u>*,</u> *
· TELEPHONE NUMBER
<u> 1978-0000 </u>
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456-1000

Please verify any VA benefits being received by veteran, dependant including Aid and Attendance (A and A), if applicable Please determine veteran's dependent's eligibility for veterans, benefits (see below if requesting A and A) BIRTHOATE ... MATHPLACE VETERAN'S HAME HAST FIRST MIDDLES V ves NO. Unusual, Med E 10-20-20 DATE OF DEATH VETERAN'S ADDRESS MUMBER, STREET, CITY, STATE, 21P CODE) FG/U ONLT PLACE OF DEATH исте, 10 MARK PLACE SAC. CA 95800 CLAMM NO SOCIAL SECURITY NUMBER MILITARY SERIAL NUMBER DATE DISCHARGED I BRANCH OF SERVICE NAME OF CLAIMANT RELATIONSHIP STACHTRIS SOCIAL SECURITY NUMBER ADDRESS SAME Unusual, Wife 11-20-20 Wife 732-32-3232 I SHARE OF COST EFFECTIVE DATE REQUEST FOR AID AND ATTENDANCE DETERMINATION FOR MEDI-CAL IMAI ONLY CASES | MEDI CAL I D. NUMBER VETERAN PARENT WDOW ... CIVIL SERVICE OTHER CIVIL SERVICE OTHER WIDOW'S PARENT'S 3 MONTHLY INCOME GROSS INCOME 2 INDEPENDENT LIVING SITUATION INURSING FACILITY LIVING IN NAME AND ADDRESS OF HURSING FATOUR **AUTHORIZATION FOR RELEASE OF INFORMATION** I hereby authorize the welfare department to release the above information to the County Vaterans Service Office and the Vateran's Administration for purposes of identifying or obtaining bandiffs available to the persons identified above I also authorize the County vaterans Service Officer and Vateran's Administration to release their findings (to be noted below) SIGNATURE FOR MARKS OF VETERAN DEPENDENT FC REP SIGNATURE OF WITNESS TO MARK DATE 12/17/92 Signature -TO BE COMPLETED BY COUNTY VETERANS SERVICE OFFICE-Remarks: 1-Veteran | 2-Claimant 3-Claimant NEED VERIF. EFF. ŝ \$ ŝ inthly Benefit MO/YR pinning Date onth/Day/Year) ding Date onth/Day/Year) THE VA BENEFIT WITHOUT UME WOULD 2. mo Sum Pavment BE \$ EFF st 6 Months amount MO/YR Monthly Benefit is being **Elicibility Status** ed, please check: (Please check) Compensation No Basic Eligibility Pension Claim Initiated Other (see Remarks section) Claim Being Reviewed Claim Denied includes A and A benefits of \$... Enter Name and Address of County Welfare Department

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To be used in computing the Medi-Cal Budget.

ENCLOSURE D

Addresses for Department of Veterans Affairs
Regional Offices (VARO)
Department of Veterans Affairs
Regional Office
211 Main Street
San Francisco, CA 94105

Department of Veterans Affairs Regional Office - Federal Building 11000 Wilshiçe Boulevard Los Angeles, CA 90024

Department of Veterans Affairs Regional Office 2022 Camino Del Rio North San Diego, CA 92108

DRAFT PROCEDURES MEDI-CAL ELIGIBILITY MANUAL

10. Treatment of Veteran's Unusual Medical Expenses

This section contains information regarding the treatment of Unusual Medical Expense (UME).

BACKGROUND

Health Care Financing Administration issued new instructions concerning the treatment of Unusual Medical Expenses pursuant to an injunction arising from the <u>Sherman v. Griepentrog</u> case. This lawsuit prohibits Nevada and other Ninth District states from considering increases due to UME as income when determining a beneficiary's share of cost.

PROCEDURES

- Counties must disregard that portion of a needs-based VA pension or needs-based compensation
 that is the direct result of an Unusual Medi-Cal Expense. Eligibility workers should query the
 Veterans Administration when an individual has income in addition to veteran's benefits and when
 beneficiaries have medical expenses exceeding five percent of certain veteran payment rates. The
 veteran payment rate information is contained in All County Letter No.: ______, and will be updated
 annually.
- Counties have the option of verifying Unusual Medi-Cal Expenses by mailing a CA 5 to their local
 Veteran's Service office or by contacting one of the Veterans Affairs Regional offices using the
 suggested format. Example of a completed CA 5, format of a letter for use in contacting a Veterans
 Affairs Regional office and addresses of the Veterans Affair Regional offices are provided.

NOTE: If verifications confirm receipt of UME; share of cost adjustments should be made pursuant to California Code of Regulations, Title 22, Section 50653.3.

Original and three copies - County Veterans /ERIFICATION AND REFERRAL Service Office IOTE: DO NOT COMPLETE THIS FORM UNLESS ONE OF THE One conv. Case Fire FOLLOWING IS KNOWN VETERAN'S SOCIAL SECURITY Social Security Number (SSN) - You must provide NO AND DATE OF BIRTH, MILITARY SERIAL NO. the veteran's SSN it known to assist in the evidence OR VETERANS ADMINISTRATION IV A: CLAIM NO gathering process and to explore potential benefits The furnishing of the Solv of family members is a condition of eligibility required by Section 402(a)(25) (AFDC) and Section 1137(a)(Medi-Cal) of the Social Security Act. Failure to cooperate may result in denial or discontinuance of aid as required by MPP Enter Name and Address of County Veterans Service Office Sections 40 157 ann 44-103 (AFDC) and Title 22. CAC Section 50168 (Medi-Cal) M. SAMPLE VETERAN'S SERVICE OFFICE WORKER NUMBER I FLEPHUM NUMBER 123 Main St. H000 978-0000 Anywhere, Ca. 91212 ASE NAME UNUSUAL, MED. ATTENTION: John Smith CASE NUMBER APPLICANT RECIMENT PHONE NO UME VERIF. 34-67-0123456 456-1000 Please verify any VA benefits being received by veteran, dependant including Aid and Attendance (A and A), if applicable Please determine veteranis, dependent sieligibility for veterans' benefits (see below if requesting A and A) VETERAN'S NAME ILAST FIRST MIDDLE! BIRTHPLACE ... BIRTHDATE i rivivič, VES. □ № Unusual. Med E 10-20-20 VETERAN'S ADDRESS INUMBER, STREET, CITY, STATE, ZIP CODE! DATE OF DEATH OR FG/U ONLY PLACE OF DEATH 10 MARK PLACE SAC CA 95800 OCIAL SECURITY NUMBER MILITARY SERIAL NUMBER IN HOME? A CLAMA NO SOCIAL SECURITY NUMBER DATE ENTERED SERVICE DATE DISCHARGED BRANCH OF SERVICE NAME OF CLAIMANT RELATIONSHIP BIRTHDATE SOCIAL SECURITY NUMBER ADDRESS Unusual, Wife Wife SAME 1-20-20 732=32-3232 INTIQUEST FOR AID AND ATTENDANCE DETERMINATION FOR MEDI-CAL (MA) ONLY CASES | MEDI-CAL ID NUMBER SHARE OF COST EFFECTIVE DATE VETERAN - woow PARENT CIVIL SERVICE CIVIL SERVICE OTHER DTHER WIDOW'S PARENT'S Y'S MONTHLY MONTHLY
GROSS INCOME S INCOME ☐ INDEPENDENT LIVING SITUATION LIVING IN NURSING FACILITY NAME AND ADDRESS OF NURSING FA: **AUTHORIZATION FOR RELEASE OF INFORMATION** I hereby authorize the wellare department to release the above information to the County Veterans Service Office and the veteran's Administration for purposes of identifying or obtaining benefits available to the persons identified above I also authorize the County veteran's Service Officer and Veteran's Administration to release their findings ito be noted below). SIGNATURE (OR MARKI OF VETERAN DEPENDENT FC REP SIGNATURE OF WITNESS TO MARK 12/17/92 Signature -TO BE COMPLETED BY COUNTY VETERANS SERVICE OFFICE-Remarks: 1-Veteran | 2-Claimant | 3-Claimant | 4-Claimant NEED VERIF. EFF. s lonthly Benefit MO/YR eginning Date Aonth/Day/Year) nding Date Aonth/Day/Yearl THE VA BENEFIT WITHOUT UME WOULD ump Sum Payment BE \$ _ EFF est 6 Months MO/YR amount Monthly Benefit is being Eligibility Status. aid, please check: (Please check) Compensation No Basic Eligibility Pension Claim Installed Other (see Remerks section) Claim Being Reviewed Claim Denied Includes A and A benefits of \$ _ Enter Name and Address of County Welfare Department VETERANS SERVICE REPRESENTATIVE (PRINT)

4:

DATE

TELEPHONE NO

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To be used in computing the Medi-Cal Budget.

Addresses for Department of Veterans Affairs
Regional Offices (VARO)
Department of Veterans Affairs
Regional Office
211 Main Street
San Francisco, CA 94105

Department of Veterans Affairs Regional Office - Federal Building 11000 Wilshire Boulevard Los Angeles, CA 90024

Department of Veterans Affairs Regional Office 2022 Camino Del Rio North San Diego, CA 92108

DEPARTMENT OF HEALTH SERVICES

714/744 P STREET P.O. BOX 942732 SACRAMENTO, CA 94234-7320



July 26, 1993

Letter No.: 93-53

TO: All County Welfare Directors

All MEDS Coordinators

All Medi-Cal Program Specialists/Liaisons

The purpose of this letter is to summarize the status of activities related to the design of the California Eligibility Verification and Claims Management System (CA-EV/CMS). This automated verification system will eliminate the current paper Medi-Cal cards for most categories of Medi-Cal beneficiaries and allow Medi-Cal providers access to Medi-Cal Eligibility verification by using the plastic State of California Benefits Identification Card* which looks like a credit card or by entering client identifiers into an on-line system. Many providers will use a Point-of-Service (POS) device. As part of the overall enhancement, the State is automating the existing manual Share of Cost (SOC) process.

CALIFORNIA ELIGIBILITY VERIFICATION AND CLAIMS MANAGEMENT SYSTEM (CA-EY/CMS)

The State has been meeting regularly with counties during the past year to help establish the approach for implementing CA-EV/CMS and the SOC enhancement. Although some of these developments have been discussed at California Welfare Directors Association (CWDA) and County MEDS Advisory Group (CMAG) meetings, we want to inform you in a more comprehensive manner to ensure that all counties have the same information. This letter will summarize the general components of CA-EV/CMS and the implications of its use by the counties. A separate All County Welfare Directors Letter has addressed the SOC enhancement.

ON-LINE ELIGIBILITY VERIFICATION PHASE-IN

The use of the State of California Benefits Identification Card for on-line verification will be phased in over a period of six months. The five counties of Butte, Napa, Orange, Santa Clara, and Yuba, which represent ten percent of the statewide Medi-Cal population have agreed to be the phase-in counties and will be the first to implement the new process in January 1994. For implementation, the remaining counties have been divided into the following three groups, each of which represents approximately 30 percent of the Medi-Cal population:

^{*} generic reference term

All County Welfare Directors All MEDS Coordinators All Medi-Cal Program Specialists/Liaisons Page 2

The order of the implementation will occur as follows:

January 1994

Phase-In Counties:

Butte

Napa

Orange

Santa Clara

Yuba

April 1994

Los Angeles County

May 1994

Southern California

Fresno

San Bernardino

Imperial

San Diego

Inyo Kern San Luis Obispo Santa Barbara

Kings

Tulare

Riverside

Ventura

June 1994

Northern California

Alameda

Nevada

Alpine

Placer

Amador Calaveras Plumas

Colusa

Sacramento San Benito

Contra Costa

San Francisco

Del Norte El Dorado San Joaquin San Mateo

Glenn

Humboldt

Santa Cruz Shasta

Lake

Sierra

Lassen Madera

Siskiyou Solano

Marin

Mariposa

Sonoma

Mendocino

Stanislaus Sutter

Merced

Tehama

Modoc

Trinity

Mono Monterey **Tuolumne** Yolo

STATE OF CALIFORNIA BENEFITS IDENTIFICATION CARD AND CARD CARRIER

The card will be mailed to the Medi-Cal/County Medical Services (CMSP) program client in a "card carrier" (similar to those used for mailing credit cards) with some basic beneficiary information. The front of the card will contain limited information such as name, gender, date of birth, issue date, and a client identifier (the

All County Welfare Directors
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Social Security Number (SSN) or a unique Client Identification number (CIN) if the beneficiary has a pseudo number. A "check digit" will be added at the end of the SSN and CIN. A "check digit" is created by a computer program using an algorithm and is used by EDS and some billing software programs to verify accurate input of the Medi-Cal identification number.

LINKING STATE OF CALIFORNIA BENEFITS IDENTIFICATION CARD AND CALIFORNIA DRIVERS LICENSE/IDENTIFICATION CARD

At a time yet to be determined, Department of Health Services (DHS) plans to link the State of California Benefits Identification Card with the California Drivers License/Identification Card. This will not happen until additional research has been completed and appropriate legislative authority established.

PAPER MEDI-CAL CARDS

In order to meet the needs of the minor consent Medi-Cal clients and others who require "immediate need" Medi-Cal cards, a paper Medi-Cal card will continue to be generated by the counties. The paper Medi-Cal card format is unchanged except for "x-ing" or "*-ing" out the MEDI and POE labels.

BENEFICIARY NOTIFICATION

DHS will send informational stuffers in English and Spanish about the forthcoming State of California Benefits Identification Card and the new share of cost system to Medi-Cal and CMSP eligibles beginning in November 1993, two months before they receive their first State of California Benefits Identification Card and new SOC instructions. This will ensure that each Medi-Cal and CMSP eligible in the phase-in will receive two informational stuffers before the paper card and/or MC 177 SOC form is eliminated. Medi-Cal and CMSP eligibles will also receive a stuffer during the phase-in month.

LOST/DESTROYED MEDI-CAL CARDS

The process will be similar to the present process. The only difference would occur if someone later "finds" their "lost" State of California Benefits Identification Card. Should that occur, the "lost" card should be destroyed and the new card with its new issue date should be used. If a replacement card is issued, the previous card will be deactivated.

RETURNED (UNDELIVERABLE) CARDS

The returned (undeliverable) State of California Benefits Identification Card will be sent to the State. DHS will report occurrences of returned plastic ID cards to the counties.

MEDI SERVICE RESERVATION SYSTEM

CA-EV/CMS will establish a MEDI reservation system which allows the provider to "reserve" a MEDI service when making an appointment for (1) the current month, and (2) for the future month AFTER renewal (near the end of the month), when the MEDI-CAL beneficiary shows eligibility for the future month as "current month".

All County Welfare Directors
All MEDS Coordinators
All Medi-Cal Program Specialists/Liaisons
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POINT-OF-SERVICE DEVICES (POS)

We are not planning to provide county welfare departments point-of-service devices for the plastic card. Counties can continue to use screen prints off MEDS.

MEDI-CAL PAMPHLET

Publication No. 102, the Medi-Cal pamphlet entitled "MEDI-CAL - What it Means to You" will be updated with information about CA-EV/CMS and will be available in early 1994.

FORMS

Currently, the only forms which require changes are the Notice of Action forms which relate to SOC.

MEDS MANUAL REVISION

If there are system changes that affect screens, transactions, or any activities that the counties perform, DHS will issue a MEDS Manual update.

PROVIDER TRAINING

DHS, Electronic Data Systems, Delta Dental and various provider groups have formed a provider training work group and are developing provider bulletins and provider training sessions. We will ensure that counties receive Medi-cal eligibility information that was sent to providers.

COUNTY TRAINING

Training will be a "train the trainer" level training and will be conducted regionally in conjunction with the State of California Benefits Identification Card implementation schedule.

DHS views the On-Line Eligibility Verification project as another step toward automating the welfare system. We appreciate your participation in the discussions concerning the design of CA-EV/CMS. If you have any questions about CA-EV/CMS, please contact Sue Miller of my staff at (916) 657-3184.

Sincerely,

ORIGINAL SIGNED BY Angeline Mrva for

Frank S. Martucci, Chief Medi-Cal Eligibility Branch