State of California—Health and Human Services Agency
# Department of Health Services

California
Department of
Health Services
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February 21, 2003

TO: ALL COUNTY WELFARE DIRECTORS
ALL COUNTY ADMINISTRATIVE OFFICERS
ALL COUNTY MEDI-CAL PROGRAM SPECIALISTS/LIAISONS
ALL COUNTY MENTAL HEALTH DIRECTORS
ALL COUNTY HEALTH DIRECTORS
ALL COUNTY MEDS LIAISONS

Letter No.: 03-08

SUBJECT: APPLICATION TRACKING REQUIREMENTS
(Ref.: All County Welfare Directors Letter (ACWDL) Nos. 02-23 and 02-36)

This ACWDL is to instruct counties to establish an automated process for tracking the status of Medi-Cal applications for children. It is also to provide the Medi-Cal Eligibility Data System (MEDS) reference source (MEDS User Manual Letter 02-01) needed to begin building the consortium and county system interfaces, on or before July 1, 2003. At a later date, the second phase of this tracking project will eventually be expanded to include the applications for child-linked adults.

## Background

California Welfare and Institutions (W&I) Code, Section 14011.9, directed the California Department of Health Services (Department) to provide counties with instructions for implementing an automated system for tracking the status of Medi-Cal applications processed on or before October 1, 2002. These applications will originate at the centralized processing entity, Single Point of Entry (SPE), who accepts and screens applications for the Medi-Cal program and forwards them to the county.

The Department completed the MEDS changes necessary to establish the application tracking system in accordance with requirements identified in the operational protocol for California's §1115 State Children's Health Insurance Program (SCHIP) Waiver.

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CWDs can opt to track applications manually if they so chose, by submitting status updates to MEDS via online transactions. However, it is the intent of the California Legislature that the Statewide Automated Welfare System (SAWS) project managers, the Health and Human Services Data Center, and the counties complete the system automation changes necessary to implement the application tracking process on or before July 1, 2003.

Eventually the application information reported to MEDS will be used to produce ongoing management reports on processed and pending applications. In accordance with requirements identified in California's §1115 SCHIP Waiver, the Managed Risk Medical Insurance Board will publish these reports on their computer web-site and will include the status of applications originating at either SPE or the Healthy Families Program (HFP) or forwarded by the CWD to SPE or HFP.

In order to report the pending Medi-Cal applications, Medi-Cal eligibility approvals and denials, and HFP referrals to MEDS, county automation changes are necessary. Some CWDs are already phasing in system changes based on the MEDS application tracking requirement information discussed and distributed at recent County MEDS Advisory Group meetings. The MEDS Manual Letter 02-01 however, will cover the most up-to-date MEDS application tracking reporting and processing requirements.

**County Reporting Requirements**

The Department, in the interest of fulfilling the California's §1115 State SCHIP Waiver reporting requirements and having a complete picture of the Medi-Cal application process, is requesting that CWDs report the status of applications for Medi-Cal, after the required consortium system changes and the system interface changes have been implemented. Meanwhile, the CWDs are only required to report the denial of applications for the children enrolled in Medi-Cal accelerated program.

The county must submit a separate transaction to MEDS for each individual listed on an application. The MEDS AP18 and AP34 transactions were designed specifically for this purpose. The AP18, pending application transaction, reports the receipt of an application. The AP34, update pending application data transaction, will report the application denial and referral or update the status on an individual's pending application previously reported by the county to MEDS via an AP18. CWDs that have already modified their systems to send the MEDS AP20 transaction to report pending applications and the MEDS EW34 transaction to report application denials may continue to use these transactions instead of the MEDS AP18 and MEDS AP34 transactions. However, the AP20 and the EW34 transactions must be updated to include the newly required data elements and reporting requirements associated with AP18s and AP34s.

**Application Processing**

When the CWD as a courtesy accepts an HFP application from an individual applying at the county office, and the individual clearly indicates he or she does not want Medi-Cal benefits, the county does not need to report this application to MEDS. The CWD will be required however, to forward the application to the HFP using a Medi-Cal to Healthy Families Transmittal form, MC363.

If the CWD determines an individual to be Medi-Cal eligible with a share-of-cost and the application is subsequently referred to the HFP for an eligibility determination, the CWD must follow-up with a MEDS AP34 transaction to report the HFP referral. If the CWD reports an individual as having a Medi-Cal share-of-cost to MEDS, MEDS will automatically update the application status to indicate approval for Medi-Cal. If the CWD reports eligibility to a County Medical Services Program (CMSP) while a Medi-Cal determination is pending the result of a disability evaluation for example, MEDS will not automatically update the application status. If at a later time, the individual is determined to be ineligible for Medi-Cal or CMSP, the CWD must still update the pending application status by submitting an AP34 transaction to report the denial to Medi-Cal eligibility. If the CWD can determine the disposition of the application at the point of initial processing (e.g., denial due to duplicate application), the denial/referral information can be included on the AP18 in lieu of submitting an AP18 and an AP34. After the CWD reports full-scope Medi-Cal eligibility to MEDS on an AP34 transaction, no additional status application processing is required.

The CWD should refer to the previously referenced MEDS User Manual Letter 02-01 for more detailed information on specific transaction usage considerations and on the required/optional data elements for county automated system changes.

**Application Date Usage Requirements**

For the new applications and for the Add-A-Person application requests forwarded to the county from the Healthy Families Application Vendor (HFAV) site, the county must use the date the application was received at HFAV as the application date. This required date is located on the HFAV detail transmittal form (HF FM 80).

For HFP and for Add-A-Person application requests associated with the non-Annual Eligibility Review (AER) process, the county must use the date the HFAV referred the application to the CWD as the application date. This required date is also found on the HFP FM 80 form.

Should you have a policy question regarding the application tracking process, please contact Ms. Beverly Binkier by phone at (916) 651-8698 or by e-mail at bbinkier@dhs.ca.gov.

If you have questions regarding the MEDS User Manual Letter 02-01, please contact Ms. Maureen McCreary by phone at (916) 654-7564, or by e-mail at mmccrear@dhs.ca.gov.

Original signed by

Beth Fife, Chief
Medi-Cal Eligibility Branch