

State of California HEALTH AND HUMAN SERVICES AGENCY



DIANA S. DOOLEY
SECRETARY

Sent via email

July 24, 2014

The Health Consumer Alliance
1764 San Diego Avenue, Suite 200
San Diego, CA 92110

RE: Health Consumer Alliance's Recommendations on Pending Medi-Cal Applications

Aging

Child Support
Services

Community Services
and Development

Developmental
Services

Emergency Medical
Services Authority

Health Care Services

Managed Health Care

Public Health

Rehabilitation

Social Services

State Hospitals

Statewide Health
Planning and
Development

Dear Health Consumer Alliance members,

The Administration received your letter dated July 2, 2014, which requested a status update and offered recommendations to resolve the Medi-Cal enrollment delays. We also appreciate your engagement with us during the weekly consumer-focused stakeholder workgroup meetings that the Department of Health Care Services (DHCS) hosts where we have discussed these issues.

I know you have already received DHCS's response to the Centers for Medicare and Medicaid Services's June 27, 2014, letter that details our strategy to process pending applications; I have attached a copy of that response for your convenience. Below, we also provide specific responses to your recommendations.

Additionally, for instances where our normal county eligibility processes cannot resolve specific situations, DHCS has established a dedicated contact within the department's eligibility division that will serve as a liaison with consumer advocates to respond when an advocate indicates that a consumer needs assistance with an eligibility related issue. Pat Dannecker can be reached at Patricia.Dannecker@dhcs.ca.gov or at 714-703-2623.

Thank you again for your partnership and support of California's implementation of the Affordable Care Act.

Sincerely,

A handwritten signature in black ink that reads "Diana S. Dooley".

Diana S. Dooley
Secretary

Enclosure

c: Michael Cohen, Director, Department of Finance
Toby Douglas, Director, Department of Health Care Services
Center for Medicare and Medicaid Services

DHCS Responses to Your Recommendations

1) Grant Presumptive Eligibility for Applications Pending Longer than 45 Days.

While we understand your intent and share your concern about applicants pending longer than 45 days, we have serious concerns about how this would impact our program integrity efforts. At this point, we do not know how many of these individuals are eligible for Medi-Cal, which means that granting every person beyond 45 days automatic Medi-Cal eligibility would be inappropriate given the reasons for pending applications, such as cases that: should be denied (we are in the process of sending guidance to instruct counties on how to deny those applications); are duplicate cases; or, have failed to respond to incomplete information. As described in the attached Mitigation Plan, our automation teams are focused on batch processes that specifically target the reasons for why an application may be pending. DHCS will begin executing batch processes in the next several days that will result in a significant number of consumers being issued Medi-Cal cards.

Additionally, DHCS will issue a letter only to those pending consumers, who are not provided a Medi-Cal card in the batch process, to avoid consumer confusion. In recent weeks these batch processes have helped over 140,000 individual applicants get into coverage. Finally, DHCS plans to deploy Negative Action functionality in August; this will allow counties to fully process and deny applications.

2) Provide Accelerated Eligibility to all children regardless of the application channel by which the application was submitted.

DHCS continues to assess the possibility of assigning Accelerated Eligibility (AE) to all children in pending status. As noted above, and in our attached Mitigation Plan, DHCS has been working on a number of batch processes to address pending applications.

3) Instruct counties to approve pending applications if income is "reasonably compatible."

DHCS released the Medi-Cal Eligibility Informational Letter 14-23, which included guidance specific to reasonable compatibility standards for income verifications. Counties are directed on the use of ex parte processes and steps to take when income information is not reasonably compatible.

4) Increase IT access for county workers.

We will provide access to CalHEERS for more eligibility workers to the extent that counties would like more of their workers to access the system. We have previously facilitated discussions with Los Angeles County, CalHEERS, and MEDS regarding the number of eligibility workers with access to these systems, and in response to your letter we reached out again to ensure that all requests have been met. We have and will continue to reach out and have these discussions with all counties.

5) Acknowledge and communicate directly with all pending applicants.

DHCS will issue a letter to individuals with pending applications that will provide guidance on accessing necessary health care, and to describe options for expedited enrollment while awaiting a final eligibility determination. DHCS appreciates the 'sample' letter provided by The Health Consumer Alliance, has utilized some of the proposed consumer messaging in the DHCS developed letter, and shared the draft letter with consumer advocates. DHCS has finalized the letter and attached it as an enclosure.

6) Immediately stop Medi-Cal renewals for existing beneficiaries.

DHCS has delayed annual renewals for a total of five months and has developed a revised policy for renewals that will maintain coverage for consumers who respond to counties. The responses that consumers provide in their 2014 renewal packets will provide counties with important information for the streamlined renewal process that will begin in 2015. DHCS is working with stakeholders to finalize that policy, and plans to release guidance to county workers once the policy has been finalized with the federal Centers for Medicare and Medicaid Services.

7) Provide more education to Medi-Cal providers.

A provider bulletin is under development and will be released as soon as possible. DHCS will work closely with stakeholders, provider associations, and managed care plans before finalizing. In addition to the provider bulletin, DHCS will include appropriate FAQs for providers and health plans on the DHCS website.