



California
Department of
Health Services

SANDRA SHEWRY
Director

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



ARNOLD SCHWARZENEGGER
Governor

May 19, 2004

TO: ALL COUNTY WELFARE DIRECTORS LETTER NO.: 04-19
ALL COUNTY ADMINISTRATIVE OFFICERS
ALL COUNTY MEDI-CAL PROGRAM SPECIALISTS/LIAISONS
ALL COUNTY HEALTH EXECUTIVES
ALL COUNTY MENTAL HEALTH DIRECTORS

SUBJECT: WORKERS' COMPENSATION— NOTICE OF NEW WORKERS'
COMPENSATION RECOVERY PROGRAM CONTRACTOR AND
REPORTING REQUIREMENTS

The purpose of this letter is to announce that effective March 16, 2004, Health Management Systems (HMS) is the new WCRP contractor. In addition, the Department of Health Services (DHS) wishes to clarify reporting requirements when it is determined that a Medi-Cal beneficiary has been involved in a work-related injury.

DEPARTMENT RECOVERY RIGHTS:

DHS has statutory lien/claim rights in Workers' Compensation (WC) matters involving a Medi-Cal beneficiary pursuant to Welfare and Institutions (W&I) Code Sections 14124.70-14124.791. DHS retains sole lien/claim rights in all third party actions.

DHS contracts out the identification and collection of WC cases, also known as the Medi-Cal Workers' Compensation Recovery Program (WCRP). The Contractor acts on behalf of DHS to recover Medi-Cal paid services from WC cases. Effective March 16, 2004, HMS became the Contractor for the WCRP.

WORK RELATED INJURIES:

When an injury occurs at work, a claim can be made with the WC insurance carrier. If the carrier disputes the injury, a claim can be filed with the Workers' Compensation Appeals Board (WCAB). DHS, through its Contractor, files a claim for reimbursement of Medi-Cal paid services relating to the injury.

COUNTY RESPONSIBILITIES REGARDING WORKERS' COMPENSATION CLAIMS:

Counties are required to notify DHS within 10 days of knowledge that a third party may be liable for payment of Medi-Cal paid services for a Medi-Cal beneficiary. For personal injury cases, the county is required to notify DHS directly. For Medi-Cal paid treatments that involve a **work-related injury**, the county should notify HMS directly at the following address:

Health Management Systems
9750 Business Park Drive, Suite 110
Sacramento, CA 95827-1716
Telephone No. (916) 760-5100
Facsimile No. (916) 854-1850

Notices shall include the following:

- 1) Member's Name, Address, and Telephone Number
- 2) Social Security Number
- 3) Date of Injury
- 4) Type of Injury
- 5) Attorney's Name, Address, and Telephone Number (if applicable)
- 6) Insurance Company's Name, Address, and Telephone Number (if applicable)
- 7) Employer's Name, Address, and Telephone Number
- 8) WCAB Number (if applicable and known)

Questions relating to the contents of this letter should be directed to Ms. Joy Cheah, WC Contract Specialist, at (916) 650-0564. If you have any other questions, or need additional information or clarification, please contact your contract manager.

Original signed by

Beth Fife, Chief
Medi-Cal Eligibility Branch