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ARNOLD SCHWARZENEGGER
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December 11, 2007

TO: ALL COUNTY WELFARE DIRECTORS Letter No.: 07-33
ALL COUNTY ADMINISTRATIVE OFFICERS
ALL COUNTY MEDI-CAL PROGRAM SPECIALIST/LIAISONS
ALL COUNTY HEALTH EXECUTIVES
ALL COUNTY MENTAL HEALTH DIRECTORS

SUBJECT: COUNTY PERFORMANCE STANDARDS INSTRUCTIONS FOR
ELIGIBILITY DETERMINATIONS AND ANNUAL REDETERMINATIONS
(Reference All County Welfare Directors Letters No. 02-52, 03-42, 03-48,
03-59 and 05-22E)

This letter is to advise counties that January 1, 2008, will begin a new review cycle pursuant to Senate Bill X1 26 (Chapter 9, Statutes of 2003, 1st Extraordinary Session) that established standards for eligibility determinations and annual redeterminations (RV). By March 15, 2008, each county designated below is required to submit a report to the Department of Health Care Services (DHCS) on the county's results in meeting the performance standards and submit a corrective action plan (CAP) if DHCS finds that the county is not in compliance with one or more of the standards. The county may be subject to a reduction in county administration funds by two percent in the next fiscal year if the county does not meet the performance standards.

Reporting Counties:

The 25 counties with the largest Medi-Cal population, as identified in All County Welfare Directors Letter (ACWDL) 07-05 dated February 21, 2007, are to sample and report on five performance standards. The reporting counties excerpted from ACWDL 07-05 dated February 21, 2007, are as follows:

Alameda	San Bernardino
Butte	San Diego
Contra Costa	San Francisco
Fresno	San Joaquin

Imperial	San Mateo
Kern	Santa Barbara
Los Angeles	Santa Clara
Merced	Santa Cruz
Monterey	Sonoma
Orange	Solano
Riverside	Stanislaus
Sacramento	Tulare
	Ventura

Performance Standards:

ACWDL 03-48, dated September 5, 2003, referenced applicable federal and state laws and conveyed instructions on performance standards to counties. These performance standards are unchanged and excerpted from ACWDL 03-48, dated September 5, 2003, as follows:

Pursuant to Welfare and Institutions (W&I) Code, Section 14154(c)(1), counties must complete eligibility determinations as follows:

- (A) Ninety percent of the general applications without applicant errors and are complete shall be completed within 45 days.
- (B) Ninety percent of applications for Medi-Cal based on disability shall be completed within 90 days, excluding delays by the State.

Pursuant to W&I Code, Section 14154(c) (3), counties must perform timely RVs as follows:

- (A) Ninety percent of the annual RV forms shall be mailed to the recipient by the anniversary date.
- (B) Ninety percent of the annual RVs shall be completed within 60 days of the recipient's annual RV date for those RVs based on forms that are complete and have been returned to the county by the recipient in a timely manner.
- (C) Ninety percent of those annual RVs where the RV form has not been returned to the county by the recipient shall be completed by sending a Notice of Action (NOA) to the recipient within 45 days after the date the form was due to the county.

Sampling Methodology and Procedures:

The methodology and procedures contained in ACWDL 03-48 dated September 5, 2003, have been modified only to the extent that a new report period is accommodated. The sampling methodology and procedures are as follows:

Counties must select a specific month for review of eligibility determinations and RVs, with the sample month determined based upon whether the county is doing a retrospective or prospective review for eligibility determinations. Counties may select the appropriate month based upon whether the county's RV process is automated or manual, and the extent to which a county is automated. Counties must select a sample month in order to be able to submit the Report by March 14, 2008. The county must use either a retrospective or prospective methodology for analysis of the performance standards for eligibility determinations, but must use the same methodology every year. Under a retrospective analysis, counties will look at the universe of cases, or a State-determined sample of cases, for a county designated month, to determine if 90 percent of the eligibility determinations were completed within the prior 45 days or 90 days, as appropriate.

Under a prospective analysis, counties will look at the universe of cases, or a State-determined sample of cases, for a county designated month, to determine if 90 percent of the eligibility determinations were completed within the following 45 or 90 days, as appropriate. Because the prospective sample month may not allow for completion of the Report by March 15, 2008, for the performance standard requiring 90 percent of disability-based eligibility determinations to be completed within 90 days, those counties using prospective methodology may submit an addendum to the March 15, 2008, report no later than April 18, 2008, with that performance standard.

For annual RVs, counties will look at the universe of cases, or a State-determined sample of cases, that were due in the designated month and determine if 90 percent were mailed to the recipient by the anniversary date, 90 percent were completed within 60 days of the recipient's annual RV date for those RVs based on forms that are complete and have been returned by the recipient in a timely manner, and 90 percent of the RVs that were not returned to the county were sent a NOA within 45 days after the RV form was due.

For the purpose of these instructions:

“Completed” means that there has been a disposition of the case by the eligibility worker certifying initial eligibility or eligibility for another 12-month period or notifying the applicant of ineligibility with a timely denial or termination NOA.

“Complete” means that all questions on the application or RV form were answered and that no further action is required from the recipient and only county action is required because the county has the information necessary to make a disposition of initial or ongoing eligibility or ineligibility.

“In a timely manner” means that the recipient has returned the RV form by the due date specified on the RV notice or by the last date of the month that the RV is to be completed by the recipient.

“Delay by the State” is when the agency cannot reach a decision within 90 days because the applicant or an examining physician delays or fails to take a required action or the Department of Social Services fails to make a determination of disability within the 90 days.

If a county is unable to analyze the universe of eligibility determination cases or RVs, the county must notify DHCS by the tenth day of the month preceding the sample month so that DHCS may generate a sample listing.

Please note, the reporting process enables counties to identify factors that had an adverse impact on a county’s ability to meet their performance standards for general Medi-Cal applications. Two of those factors include the timely processing of applications forwarded from Single Point of Entry and applications forwarded by the California Work Opportunity and Responsibility to Kids (CalWORKS) program after CalWORKS has been denied. For reporting purposes, counties have been instructed to include these applications in their universe of cases. DHCS will consider factors such as the shortened timeframe they have to complete the eligibility determinations when determining any remedy.

The sampling methodology and the aid codes subject to review that were transmitted to counties informally in the previous review cycle are unchanged as follows:

Statistically valid sample of all general application cases (nondisability) that were determined eligible in the sample month.

- General applications exclude applications based on disability, which are identified as:

Noncash based Medi-Cal only applications requiring the applicant to complete a new statement of facts form. The aid codes are:

02, 13, 14, 17, 1H, 1U, 34, 37, 3N, 3V, 44, 47, 48, 53, 55, 58, 5F, 69, 6P, 6V, 6W, 6X, 6Y, 71, 72, 74, 7A, 7C, 7H, 7M, 7N, 7P, 7R, 80, 82, 83, 86, 87, 8A, 8C, 8D, 8G, 8N, 8P, 8R, 8T, 9N.

Statistically valid sample of all disability application cases that were determined eligible in the sample month.

- Disability applications include applications based on disability, which are identified as:

Noncash based Medi-Cal only applications requiring the applicant to complete a new statement of facts form and a disability evaluation packet. The disability and blind aid codes are: 23, 24, 27, 63, 64, 67, 6A, 6C, 6G, 6H, 6U.

Redeterminations:

Statistically valid sample of all cases where the RV due date was within the sample month.

- The aid codes to be included in the sample of cases are identified below:

02, 13, 14, 16, 17, 1H, 1U, 23, 24, 26, 27, 34, 36, 37, 3N, 3V, 44, 47, 48, 53, 55, 58, 5F, 63, 64, 66, 67, 69, 6A, 6C, 6G, 6H, 6P, 6U, 6V, 6W, 6X, 6Y, 71, 72, 74, 7A, 7C, 7H, 80, 82, 83, 86, 87, 8A, 8C, 8D, 8G, 8N, 8P, 8R, 8T, 9N.

Data Reporting:

Data reporting requirements described in ACWDL 03-59 dated December 11, 2003, will apply to Cycle 3. The Performance Standards Report on Performance requirements excerpted from ACWDL 03-59 are in Enclosure I.

Performance Monitoring:

Upon receipt of the March 15, 2008, report, DHCS will review and verify county conformance with the performance standards, including selecting counties for case reviews based upon the self-reports; selecting counties for case reviews based upon trend data or other information that indicates that counties may not be in compliance with the performance standards; and selecting counties for case reviews on a random selection basis to determine if counties are meeting the performance standards.

If DHCS finds that a county is not in compliance with one or more of the performance standards, the county shall, within 60 days of written notice, submit a Corrective Action Plan (CAP) to DHCS for approval. If the county's report indicates that the county has failed to comply with any one or more of the performance standards, the submission of that report shall constitute the determination that a CAP is required to be submitted within 60 days of the submission of the report.

If it is determined that a county must submit a CAP, the plan must include, for each of the performance standards that the county has not met, steps the county will take to improve its performance. The plan shall establish interim benchmarks for improvement that will be expected to be met by the county in order to avoid a reduction, in the following year, of two percent of their county administrative funds. The plan must enable DHCS to measure the extent of any improvement by the county every three months. DHCS and the applicable county will negotiate the CAP, interim steps, and interim reporting on a county-by-county basis. The final review of the benchmarks by DHCS will be during the month of June 2009, or such earlier time as may be determined in the CAP.

If the county does not meet the performance standards, DHCS, at its sole discretion, may reduce the allocation of county administrative funds, effective July 2009. Any funds reduced may be restored by DHCS if, in the determination of DHCS, sufficient improvement has been made by the county in meeting the performance standards during the year for which the funds were reduced. The county may use the report submitted on January 1, 2010, to claim that sufficient improvement has been made. That report will be reviewed and validated by DHCS to determine if sufficient improvement has been made. If the county continues not to meet the performance standards, DHCS may reduce the county administrative fee allocation by an additional two percent for each year, thereafter, in which sufficient improvement has not been made to meet the performance standards.

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If you have questions regarding this letter, please contact Ms. Amrit Singh at (916) 552-9514 or by email at Amrit.Singh@dhcs.ca.gov.

Original Signed By

Vivian Auble, Chief
Medi-Cal Eligibility Division

Enclosure

Enclosure I
Performance Standards Report

Section I: General

1. Which method of analysis was selected for eligibility determinations, retrospective or prospective?
2. Name the month selected for retrospective or prospective analysis for eligibility determinations.
3. Explain whether a universe of cases was analyzed, or a State-determined sample was analyzed. Will the county change automated systems that will affect the sample month or sample methodology in the future?

Section II: Ninety percent of the general applications without applicant errors and are complete shall be completed within 45 days.

4. For retrospective eligibility determinations – nondisability:
 - a. Number of nondisability applications completed in the report month that were completed within 45 days: _____
 - b. Number of nondisability applications completed in report month:

 - c. Percent 4a is of 4b, above: _____
 - d. If 90 percent of the performance standard was not achieved, provide an explanation as to the reasons or factors that may have caused or contributed to not meeting the performance standard.
5. For prospective eligibility determinations – nondisability:
 - a. Number of nondisability applications taken in the report month that were completed within 45 days: _____
 - b. Number of nondisability applications that were taken in the report month:

 - c. Percent 5a is of 5b, above: _____
 - d. If 90 percent of performance standard was not achieved, provide an explanation as to the reasons or factors that may have caused or contributed to not meeting the performance standard.

Section III: Ninety percent of the applications for Medi-Cal based on disability shall be completed within 90 days, excluding delays by the state.

6. For retrospective eligibility determinations - disability:
- a. Number of disability applications completed in the report month that were completed within 90 days, excluding delay caused by the State.

 - b. Number of disability applications completed in report month, excluding delay caused by the State: _____
 - c. Percent 6a is of 6b: _____
 - d. If 90 percent of the performance standard was not achieved, provide an explanation as to the reasons or factors that may have caused or contributed to not meeting the performance standard.
7. For prospective eligibility determinations-disability:
- a. Number of disability applications taken in the report month that were completed within 90 days, excluding delay caused by the State.
 - b. Number of disability applications completed in a report month, excluding delay caused by the State: _____
 - c. Percent 7a is of 7b, above: _____
 - d. If 90 percent of the performance standard is not achieved, provide an explanation as to the reasons or factors that may have caused or contributed to not meeting the performance standard.

Section IV: Ninety percent of the annual RV forms shall be mailed to the recipient by the anniversary date.

8. RV forms mailed to applicant by anniversary date:
- a. Number of RVs due in the review month that were mailed to the recipient by anniversary date: _____
 - b. Number of RVs due in the report month: _____
 - c. Percent 8a is of 8b, above: _____

- d. If 90 percent of the performance standard was not achieved, provide an explanation as to the reasons or factors that may have caused or contributed to not meeting the performance standard.

Section V: Ninety percent of the annual RVs shall be completed within 60 days of the recipient's annual RV date for those RVs based on forms that are complete and have been returned to the county by the recipient in a timely manner.

- 9. RVs completed within 60 days of the recipient's annual RV date for those RVs based on forms that are complete and have been returned to the county by the recipient in a timely manner.
 - a. Number of RVs due in report month and returned complete in a timely manner that are completed within 60 days: _____
 - b. Number of RVs due in report month and returned complete in a timely manner: _____
 - c. Percent 9a is of 9b, above: _____
 - d. If 90 percent of the performance standard was not achieved, provide an explanation as to the reasons or factors that may have caused or contributed to not meeting the performance standard.

Section VI: Ninety percent of those annual RVs where the RV form has not been returned to the county by the recipient shall be terminated by sending a NOA to the recipient within 45 days after the date the form was due to the county.

- 10. RVs completed by sending a NOA to the recipient within 45 days after the date the RV form was due to the county and the RV form was not returned to the county by the recipient:
 - a. Number of RVs completed in the report month by sending a NOA within 45 days after the form was due to the county when the RV form was not returned to the county: _____
 - b. Number of RVs due in the report month that the recipient did not return to the county by the date the RV was due to the county: _____
 - c. Percent 10a is of 10b, above: _____
 - d. If 90 percent of the performance standard was not achieved, provide an explanation as to the reasons or factors that may have caused or contributed to not meeting the performance standard.