STATE OF CALIFORNIA - HEALTH AND WELFARE AGENCY

EDMUND G. BROWN JR., Governor

\* PARTMENT OF HEALTH SERVICES

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October 26, 1978

To: County Welfare Directors

Letter No. 78-6

MODEL MEDI-CAL PROCEDURES

The Medi-Cal Eligibility Branch of the Department of Health Services is interested in the procedures which local welfare departments use to carry out state regulations. We know that local administrative procedures influence who receives Medi-Cal nearly as much as does state policy. In addition, we wish to assist welfare departments to conserve administrative funds, while maintaining high levels of accuracy and service. It has often been recommended in meetings with the County Welfare Directors Association that the State provide more "nuts and bolts" administrative assistance to county welfare departments.

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Accordingly, the Eligibility Branch is initiating a study of administrative procedures in welfare departments. We are interested in the effect of each administrative procedure upon level of service, upon administrative cost, and upon accuracy. For example, what is the effect of eligibility screening? Of the appointment system in intake? Of microfiche case records? Of clerical editing of the computer input document?

After we have reviewed procedures in welfare departments, we will draft a set of model Medi-Cal procedures which meet Medi-Cal program objectives in the areas of service, administrative cost, and accuracy of eligibility determination. We will then work jointly with counties to identify welfare offices where the model procedures can be tested.

County participation will be a welcome and integral part of this study. Each of the 58 California county welfare departments faces different problems and uses different procedures, and therefore has something to contribute. Although due to time constraints only a sample of welfare departments will be reviewed, we encourage any welfare department to participate in the development of model procedures by submitting unique or unusual ways of doing a better job. In addition, all welfare departments will have an opportunity to review and comment upon the model systems after they have been drafted.

The Department of Health Services intends to use model procedures in two ways, as follows:

- 1. To assist local welfare departments by demonstrating efficient procedures which result in accurate eligibility determination and high levels of service to the public.
- 2. To develop a basis for reimbursement of county Medi-Cal administrative costs which is more valid than the current historical standards.

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We intend to design <u>model</u> procedures which can be adapted or modified by individual counties to suit local conditions.

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We are currently in the process of selecting counties which will be requested to participate in the initial reviews; we plan to contact welfare directors of these counties sometime within the next month. We wish to emphasize that studying a particular county welfare department will not affect that welfare department's level of state funding for Medi-Cal administration. The study is intended solely for the purpose of devising model systems. Recommendations for changing the current operation in individual welfare departments will be made to county personnel only in unusual circumstances, and if they are requested by the welfare department.

If you desire further information about this project, please call Emily Fishman at 916/322-8451.

## Sincerely,

Original signed by

Doris Z. Soderberg, Chief Eligibility Branch Medical Care Standards

cc: County Fiscal Officers Medi-Cal Liaisons Medi-Cal Field Representatives

Expiration Date: April 30, 1979