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Department of Health Care Services

Despite the COVID-19 Public Health Emergency, the Department Can Do More to Address Chronic Medi-Cal Eligibility Problems

Background

The Department of Health Care Services (Health Care Services) administers the California Medical Assistance Program (Medi-Cal) which provides health care coverage to individuals and families who meet federal and state eligibility requirements. Counties generally determine eligibility and record the information in county eligibility systems that update the State's eligibility system, which providers use to verify who is eligible for Medi-Cal. During the COVID-19 public health emergency, the federal government is providing additional funds to states, like California, that agree to temporarily provide continuous coverage to validly enrolled beneficiaries.

Key Recommendations

Health Care Services should do the following:

- Plan, monitor, and work with counties to resolve eligibility discrepancies to reduce inappropriate payments to health care providers and ensure eligible individuals have access to care.
- Address weaknesses in the counties' eligibility processes by following up on data collected from prior county reviews and ensuring corrective actions or needed improvements are made.

Health Care Services Performed Focus Reviews of Counties but Has Not Issued Reports or Followed Up on That Work

YEAR	FOCUS REVIEWS PERFORMED	FOCUS REVIEW REPORTS COMPLETED	CORRECTIVE ACTION PLANS COUNTIES HAVE DEVELOPED
2018	21	3	2
2019	18	0	0
2020	0	0	0

Key Findings

- Health Care Services exacerbated a long-standing problem by halting its efforts to resolve hundreds of thousands of known eligibility discrepancies that indicate some beneficiaries may not be eligible for Medi-Cal.
 - » The number of eligibility discrepancies grew by 22 percent over a one-year period and continues to grow each month Health Care Services delays resolving issues, which increases the risk the State will need to reimburse the federal government for any improper payments.
- Although federal and state laws temporarily changed Medi-Cal eligibility requirements during the public health emergency, Health Care Services and counties can resolve certain eligibility issues.
 - » In March 2021, nearly 2,400 beneficiaries had received temporary eligibility for more than two months based on preliminary information, but counties had not made final determinations.
 - » More than 37,000 individuals are listed eligible for Medi-Cal in a county data system, but not in the state system, and likely face obstacles obtaining medical care.
 - » Counties need to perform detailed reviews of 364,000 high-risk eligibility discrepancies to determine whether beneficiaries should continue to receive benefits or have their benefits removed immediately or at the end of the emergency.
 - » More than 133,000 beneficiaries require a formal review—redetermination—to ensure they continue to be eligible. However, if beneficiaries are not eligible, Health Care Services may not terminate their coverage until after the end of the emergency.
- Health Care Services performed reviews of county eligibility processes at several counties in 2018 and 2019, but has not issued reports or followed up on that work.