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| LOCAL COMMISSIONERS MEMORANDUM |  
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DSS-4037EL (Rev. 9/89)

Transmittal No: 96 LCM-10

Date: January 26, 1996

Division: Health and Long  
Term Care

TO: Local District Commissioners

SUBJECT: Twelve Month Medical Assistance (MA) Analysis Report with  
Statewide Case Detail for 10/1/93 - 9/30/94

ATTACHMENTS: Data Analysis Report: Final Report Statewide MA-Only QC  
Reviews (10/1/93 - 9/30/94)  
(Not Available On-line)

The statewide MA-Only error rate continues to be below the 3% tolerance level. Although the case error rates have remained almost unchanged with the last reporting period, the statewide payment error rate decreased from 3.13% to 1.56%. The annual MA error rate, based on the regressed statistical weighting of MA-Only payment errors and MA payment errors determined in ADC Cash cases, decreased from 1.89% to 1.47%.

In the Upstate districts, the MA-Only payment error rate decreased from 3.13% to 2.06%. In New York City this rate decreased from 3.07% to 2.44%.

HCFA has completed their review and found no differences with our findings. Therefore, this report can be used as a reliable indicator of problem areas and used for Corrective Action.

The attached report for the review period 10/93-9/94 continues to show the same errors as found in previous sample periods. Bank Accounts and Other Resources remained the primary type of payment errors in both Upstate and NYC, representing over three-fourths of all misspent dollars. The primary agency error for resources was the failure to verify required information. Client caused resource errors were primarily due to clients failure to inform the agency of the existence of, or increases in available resources.

In order to address these errors, H&LTC has emphasized the availability, and refinement of the Resource File Integration (RFI) system. The Department will continue to improve this system in an effort to enhance its usefulness to the local districts.

Payment errors that resulted from the existence of Other Resources generally occurred due to a combination of such elements as life insurance, burial funds, financial instruments, or lump-sum payments. Often these resources existed in combination with known bank accounts. Eighty-nine percent of error payments resulted from the agency's failure to either properly address their availability or to combine them with other known resources. Client errors accounted for 11% of such errors. As in Bank Accounts, the clients failed to inform the agency of the existence of these resources.

H&LTC will continue to work with the Buffalo State College (SUNY) to include appropriate training for assets and resources. The Department will continue its efforts in corrective action for a broad spectrum of eligibility issues. The New Worker training provided by Buffalo State College, in addition to the annual regional meetings, will ensure that policy interpretations and directives are quickly distributed.

A refined question set for the Electronic Eligibility Decision Support System (EEDSS) project will benefit the districts with the ability to quickly modify the eligibility process to conform with policy changes or operational procedures.

In addition, Administrative Directive Memos (ADMs) are nearing completion on the clarification and treatment of trusts and transfers. General Information System (GIS) instructions have been issued regarding the restriction of MA eligibility for clients with excess non-liquid resources; an ADM is expected to follow. An ADM was issued on October 21, 1995 clarifying the policy mandating continuous coverage for infants through one year of age. Training is also planned for residency issues and the automated SDX process.

If you have any questions please contact Mr. Dennis DiMuria at 1-800-343-8859, extension 3-5614.

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Richard T. Cody, Deputy Commissioner  
Division of Health and Long Term Care