

DEPARTMENT OF BENEFIT PAYMENTS



March 27, 1974

ALL-COUNTY LETTER NO. 74-53

TO: ALL COUNTY DIRECTORS

SUBJECT: QUALITY CONTROL PROGRAMS

REFERENCE:

The purpose of this letter is to clarify the Department of Benefit Payment's position concerning county quality control systems. As you are all aware, the Department of Health, Education, and Welfare is in the process of imposing fiscal sanctions in California based upon statewide error rates. It is essential to the Department of Benefit Payments that we independently develop statistically reliable error rates for each individual county in order to concentrate our corrective actions in those areas where they will yield the greatest benefit. At the same time, the Department is encouraging all counties to establish their own quality control programs. The purpose of this is twofold:

1. Errors discovered, causes determined, and immediate corrective actions taken at the local level have the most immediate impact, and when considered in the aggregate, should lower the statewide error rates.
2. Should fiscal sanctions become necessary as a result of excessive error rates, we believe that a county which is continuously aware of its developing error trends is in a much better position to either reduce its errors or plan for a fiscal reduction than a county which depends upon the State to determine its error rate.

During the course of case reviews by the Department's quality control analysts, a secondary benefit will be that of monitoring county quality control efforts, if possible. State staff have been instructed, where possible, to select the sample cases from a sample already completed by a county. For instance, if a State quality control analyst needs to select 12 cases for the month of March in a given county and that county has completed its reviews of March cases, the State analyst will randomly select his cases from the county sample. In addition to determining the county's error rate, he will be in a position to give feedback to the county on the effectiveness of its quality control program.

OBSOLETE

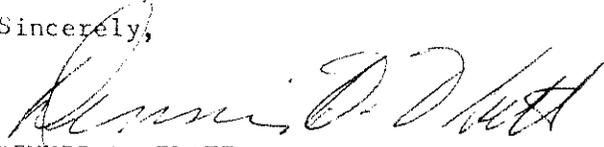
GEN 654 (2/74)

Superseded by ACL # 77-45

1974 3-17-77

I trust this clarifies the Department's position. I believe that through the combined efforts of both the State staff and County quality control efforts, we can lower California's error rates within the tolerances mandated by HEW.

Sincerely,



DENNIS O. FLATT
Deputy Director
Welfare Program Operations

cc: CWDA