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Computer glitch kicks poor babies off of Medi-Cal

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It's been eight months since Frida Villagran's parents noticed she wasn't responding to loud noises or clapping.

But her parents don't know whether the 11-month-old is deaf. Because of a state computer glitch, Frida has not had her hearing tested.

Under the law, Frida is entitled to receive Medi-Cal until she is 1 year old because she was born to poor parents. But the state's computer system does not recognize Frida as an eligible patient - despite two attempts to enroll her.

Thousands of babies in California are believed to have lost Medi-Cal coverage because the state's computer is kicking them off the system even after many attempts to register them.

It would cost the state \$196,000 to correct the software - money it has had since the state budget was signed in August. But the Department of Health Services is embroiled in a costly legal battle over when it will make the fix.

The state has already spent \$61,346 for attorneys and stands to spend more if it ends up having to pay the legal fees of the civil-rights lawyers who are suing it.

"The state had all the authority to resolve this matter earlier. It would appear that the state is simply delaying the resolution for some reason," said Sen. Joe Dunn, D-Santa Ana. "... All of a sudden, we've got a long list of fees and costs that are being incurred on this issue, when the fix has a relatively small price tag in the budget."

The state does not know exactly how many children have lost their coverage. In 2001, however, the latest year for which figures are available, 230,000 California babies were eligible for Medi-Cal.

Stan Rosenstein, an official with the health department, said he could not comment on the legal proceedings. He acknowledged, however, that in setting up the state's system, "how the computer treats newborns was not contemplated at all."

"The ultimate goal: to get every baby enrolled within the first two months of life. We're not there yet; we're working hard," he said.

In the meantime, though, advocates fear thousands of babies may be missing out on crucial doctor appointments, diagnoses and preventive care early on.

"That's outrageous," said Assemblywoman Judy Chu, D-Monterey Park, and chairwoman of the budget committee that oversees the Department of Health Services. "As we know, much of the basis for brain activity takes place in the first year."

Chu is sending the department a letter demanding to know how many babies have gone without care and when the software will be fixed.

Lucy Quacinella, a San Francisco attorney who is suing the state, says state workers can work quickly when necessary. For instance, the Department of Motor Vehicles last week crowed that "in an unprecedented burst of speed" it had reprogrammed its computers to bill vehicle owners at the new license-fee rates. The task took a week.

"There doesn't seem to be the political will here to help these babies," said Quacinella. The problem dates back to July, when the Department of Health Services got new computer software to help doctors tell immediately in their offices whether walk-in patients qualify for Medi-Cal.

To be eligible, a family of three must earn less than \$30,520 a year.

The computer system gives all children who show up at a doctor's office or clinic temporary health care for 60 days. Within that 60 days, however, parents must submit an application for permanent health care or the benefit expires.

Because of their increased vulnerability, however, newborns are the exception. Their parents are not supposed to have to reapply for permanent status. The babies are supposed to automatically be on Medi-Cal from the moment of their first visit to a doctor until they are a year old.

The new software, however, was not created to filter out children younger than 1 year old, and it automatically kicks babies off Medi-Cal as soon as the 60 days expire. The problem was recognized shortly after the system went online, and money was appropriated to fix it. But for reasons that are unclear, the state did not.

Civil-rights attorneys sued. The health department first argued that the changes were optional. The court disagreed and ordered the state to fix its computers by April 1.

The state is trying to appeal that order, although Rosenstein said the department is "trying hard" to complete the work by the April 1 deadline anyway. As an

interim fix, Rosenstein said, the state's computer will continuously extend the 60-day temporary benefit for babies until they are 1.

But even that extension isn't without its flaws, as Frida's story shows.

Her parents, Jesus Villagran and Leticia Diaz, first signed her up when she was 2 weeks old when they saw a doctor for immunizations and other newborn care. Her care went OK until her parents received a letter last month saying her Medi-Cal had expired – even though she was only 10 months old.

Frida's parents are "frustrated and concerned" and feel they "haven't gotten the support they need and are unfamiliar with the programs and practices in this country," they told the Register through a translator last week.

"I fear my baby's hearing loss could have been diagnosed and treated earlier and not progressed," Diaz said. Diaz is now in the process of filling out Medi-Cal paperwork again.

"In this day and age, when you can do a lot with computers, it should be possible to continue this without parents having to stand on their heads and call phone numbers that aren't staffed," said Lynn Kersey, executive director of the Los Angeles-based Maternal and Child Health Access. "If any one of us had to do that to keep our health insurance coming, we wouldn't put up with it."

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