

**REPORT BY THE STATE AUDITOR  
OF CALIFORNIA**

---

**THE DEPARTMENT OF HEALTH SERVICES' INFORMATION  
ON DRUG TREATMENT AUTHORIZATION REQUESTS**

---

August 1, 1994

94012

The Governor of California  
President pro Tempore of the Senate  
Speaker of the Assembly  
State Capitol  
Sacramento, California 95814

Dear Governor and Legislative Leaders:

**Summary** The Bureau of State Audits (BSA) presents the seventh in a series of semiannual reports concerning the way the Department of Health Services (department) processes reimbursement requests for certain prescribed drugs under the California Medical Assistance Program (Medi-Cal). These requests are known as drug treatment authorization requests (TARs).

In response to Chapter 716, Statutes of 1992, we have obtained from the department statistical information, compiled each month, concerning the number of TARs received and processed from June 1990 through May 1994. This report focuses on the drug TARs processed during the six months from December 1993 through May 1994. The first four reports on this subject were prepared by the Office of the Auditor General (OAG). The fifth and sixth reports were prepared by the BSA, which assumed responsibility for this audit pursuant to Government Code Section 8546.8 in May 1993.

The department received approximately 156,600 drug TARs from December 1993 through May 1994. This represents an increase of approximately 78,100 (99 percent) drug TARs since June through November 1990, the first six months of the OAG's review. According to the chief of the department's Medi-Cal Operations Division Northern Field Operations Branch, the increase in the number of drug TARs received was partly due to a reduction in the number of drugs on the Medi-Cal list of contract drugs. Removing drugs from the list of contract drugs causes the number of drug TARs to increase, since any

drug not on the department's list of contract drugs requires a TAR. The increase in the number of drug TARs received may also have occurred because of the addition of 1,380,323 (a 38 percent increase since June 1990) Medi-Cal beneficiaries eligible to obtain drugs through Medi-Cal.

From December 1993 through May 1994, the department processed 152,114 drug TARs. This represents an increase of more than 75,000 (97 percent) drug TARs since the first six months of our review, and the highest level of activity since June through November 1990. However, the department also increased its total backlog of drug TARs from 1,452 TARs at the end of November 1993 to 5,970 TARs at the end of May 1994.

During the six-month period December 1993 through May 1994, the department generally did not meet the state requirement to process mailed-in drug TARs within five days. The Stockton drug unit met the requirement in four of the six months, while the Los Angeles drug unit met the five-day requirement in only two of the six months. The extended processing time in the Los Angeles drug unit was primarily caused by the effects of the Northridge earthquake on January 17, 1994.

Based on samples of drug TARs that we randomly selected at each drug unit, we found that the Stockton drug unit processed 80 percent of the TARs received by FAX within 24 hours of receipt. The Stockton drug unit processed the remaining 20 percent of the TARs in no more than two hours beyond the 24-hour requirement. We also found that the Los Angeles drug unit processed 81 percent of the drug TARs received by FAX within 24 hours of receipt, and processed 74 percent of the drug TARs received by the department's audio response telephone system—Voice Drug TAR System (VDTS) within 24 hours of receipt. The Los Angeles drug unit does not stamp drug TARs with the exact time of the day when they are returned to the provider. Consequently, we could not be as precise in our measurement of the time it took to process TARs received by FAX and VDTS at Los Angeles as we were for Stockton.

In response to Section 14105.42 of the Welfare and Institutions Code, the department provided us with information regarding the number of fair hearing requests beneficiaries made to appeal a denied drug TAR and the number of complaints received from providers. Thirty-three fair hearing requests were submitted to the Department of Social Services from December 1993 through May 1994. Of those, three were dismissed due to beneficiaries' failure to appear at the hearing. Nine of the remaining requests were withdrawn before the cases were heard, leaving 21 requests for fair hearings. Four of those requests were approved, one was denied, and decisions on the remaining 16 were still pending at the time of our review. The Los Angeles drug unit reported that it received multiple complaints about its processing of drug TARs for the six-month period of our review. The complaints were primarily caused by effects of the January 1994 Northridge earthquake.

## **Background**

Authorized in 1965 under Title XIX of the Social Security Act, Medi-Cal provides a wide array of health care services including payment for prescription drugs to public assistance recipients and low-income families. Under the provisions of Title 22 of the California Code of Regulations, the department administers Medi-Cal; the state and federal governments jointly fund it.

Under Medi-Cal, beneficiaries may receive prescription drugs from a list the department has established. This list is known as the Medi-Cal list of contract drugs and, according to the chief of the department's field services branch, includes drugs from most therapeutic categories. Therapeutic categories are classifications of drugs addressing specific medical problems. For example, the contract drugs are classified into such therapeutic categories as antibiotics, cardiac drugs, and gastrointestinal drugs. According to the chief of the field services branch, when a doctor prescribes a drug that is not on the list of contract drugs, the provider, generally a pharmacist, must receive authorization to seek reimbursement for the cost of the drug. The provider's request for authorization is known as a treatment authorization request (TAR).

Currently, the department has two Medi-Cal drug units that process drug TARs. These drug units are located in Los Angeles (with a satellite drug unit in San Bernardino) and Stockton. The role of the department's pharmacist consultants, who are licensed pharmacists, is to process drug TARs by either approving, denying, modifying, or

returning the TARs to the providers (to request additional information). Drug TARs can be submitted via FAX, the department's Voice Drug TAR System (VDTS), or mail. Drug TARs submitted by FAX and VDTS are restricted to initial supplies of prescribed drugs and drugs that are urgently needed. Drug TARs submitted by mail generally cover renewals or retroactive approvals of prescribed drugs. In both renewals and retroactive approvals, the beneficiary or patient, may have already received the drug.

Although the Stockton drug unit once processed VDTS drug TARs statewide, most of the VDTS drug TARs were reassigned to the Los Angeles drug unit as of April 1992. The Los Angeles drug unit employs more medical transcribers than the Stockton drug unit and is therefore better able to handle drug TARs received by VDTS. Although the majority of TARs submitted by mail were once processed by the Stockton drug unit, the processing of TARs submitted by FAX and mail was divided between the Los Angeles and Stockton drug units in May 1993.

Drug TARs received by FAX or mail are first reviewed by the department's medical transcribers for completeness. Mailed-in TARs are date stamped on the day they are received in the drug unit. The drug TARs are then forwarded to the department's pharmaceutical consultants, who are licensed pharmacists. The consultants process a drug TAR by either approving it, denying it, approving it with modifications, or returning it to request further information from the provider. After a decision is made on a drug TAR, the medical transcriber returns the TAR to the provider.

Drug TAR information received by VDTS is retrieved by medical transcribers. The medical transcribers type the information onto a TAR form and forward the form to the pharmaceutical consultants. The pharmaceutical consultants process the drug TAR by either approving it, denying it, approving it with modifications, or returning it to request further information from the provider. The decision is recorded on the VDTS, and the provider can determine the status of the request by

## **Scope and Methodology**

accessing the system via telephone. An office assistant also returns a copy of the TAR to the provider by mail.

Chapter 716, Statutes of 1992, required the OAG to prepare an analysis and summary of the department's data on drug TARs. Further, Section 14105.42 of the Welfare and Institutions Code mandated that the OAG submit a report on this data to the Legislature beginning February 1, 1991, and every six months thereafter until January 1, 1999. Chapter 12, Statutes of 1993 (Government Code Section 8546.8) directs the Bureau of State Audits to assume these responsibilities.

To fulfill these requirements, we obtained statistical data from the department regarding drug TARs received by telephone, VDTS, FAX, and mail. In this audit, which focused on the months of December 1993 through May 1994, we did not attempt to validate the drug units' processes for compiling monthly drug TAR data, although in our first five audit reports we did this. During this audit, we obtained data on the number of drug TARs approved, modified, denied, and returned. These data cover the six months from December 1993 through May 1994.

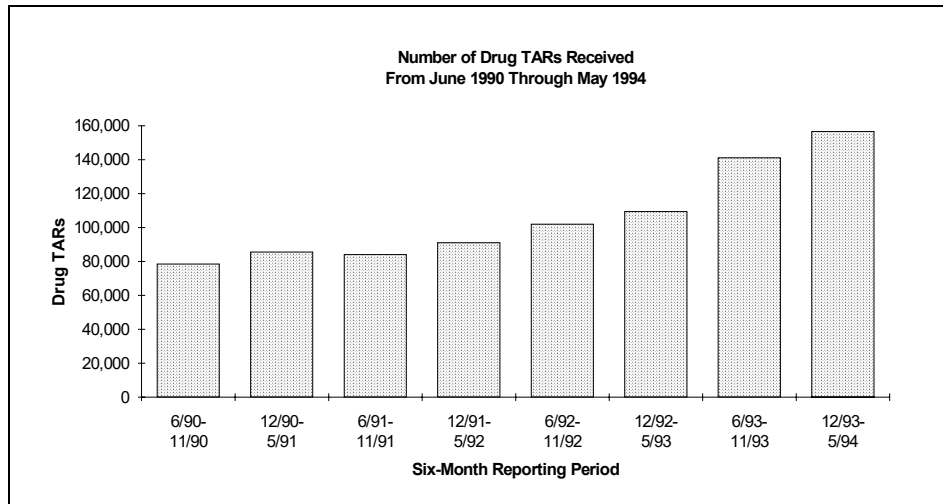
We also reviewed the methods the drug units used for measuring the time it takes them to respond to a drug TAR from the time it is received at the drug unit to the time the drug unit returns the completed drug TAR to the provider. In addition, we conducted tests to determine if the Los Angeles and Stockton drug units are processing initial and urgent drug TARs submitted via FAX and VDTS within 24 hours as required by federal law. We also conducted tests in the Stockton and Los Angeles drug units to determine if mailed-in drug TARs are processed within five days as state law requires.

To obtain data on the number of denied drug TARs that have been appealed to the Department of Social Services, we collected data from the drug units for December 1993 through May 1994. Similarly, to obtain data on the number of complaints the department has received about its processing of drug TARs, we collected data for December 1993 through May 1994.

**Drug TARs  
Received**

As shown in Figure 1, the number of drug TARs has gradually increased since June 1990. During the first six months of the OAG's review, from June through November 1990, the drug units received approximately 78,500 drug TARs. From December 1993 through May 1994, the drug units received approximately 156,600 drug TARs, representing an increase of more than 78,100 (99 percent) drug TARs since the first six months of this review. In addition, Figure 1 shows that the number of drug TARs increased significantly during the period June through November 1993. This significantly higher level of drug TAR activity was maintained during the period December 1993 through May 1994.

**Figure 1**



According to the chief of the department's Medi-Cal Operations Division Northern Field Operations Branch, changes in the Medi-Cal list of contract drugs have resulted in an increase in the number of drug TARs received. Specifically, Chapter 722, Statutes of 1992, amended Section 14105.33 of the Welfare and Institutions Code, to require the department to negotiate contracts or amendments with manufacturers of drugs on the contract list. These contracts or amendments are to be for the manufacturer's best price, which is the lowest price available to any entity. As of June 1, 1993, the department informed all drug manufacturers that if they did not sign the contracts, their product lines would be taken off the list of contract drugs. All drugs not on the department's list of contract drugs require a drug TAR for reimbursement. In addition, in July 1993, the department implemented the first of its therapeutic category reviews. As a result, several drugs

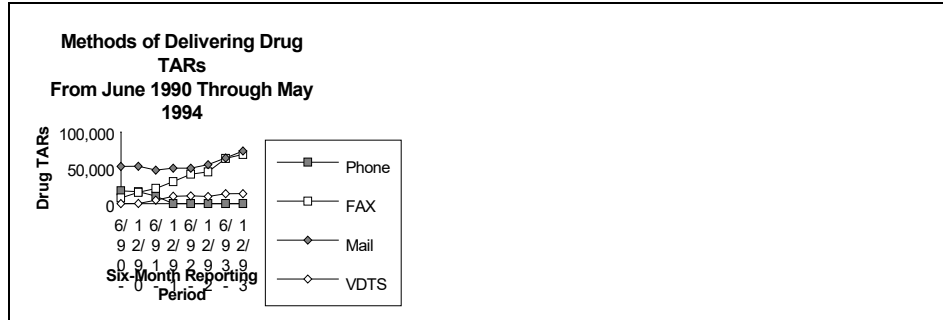
supplied by a single source in the two categories reviewed, the Ace-Inhibitor group (prescribed for high blood pressure) and H2-Blocker group (prescribed for stomach ulcers), were removed from the list of contract drugs. Finally, as mentioned in the BSA's prior reports, the increase in the number of drug TARs received may have occurred because of the increase in the number of Medi-Cal beneficiaries. In June 1990, the department reported 3,675,000 Medi-Cal beneficiaries. According to the department, by May 1994, the number of Medi-Cal beneficiaries had increased to 5,055,323, resulting in 1,380,323 (38 percent) more Medi-Cal beneficiaries eligible to obtain drugs through Medi-Cal than in June 1990.

**Drug TARs  
Received  
According to  
Methods of  
Delivery**

As Figure 2 shows, the most common method of submitting drug TARs is through the mail, followed by drug TARs submitted by FAX and VDTS. During the period December 1993 through May 1994, providers submitted 73,587 drug TARs through the mail, and 68,866 drug TARs by FAX to the department. In comparison, providers submitted 52,257 drug TARs through the mail from June through November 1990. During that same period, providers submitted 8,105 drug TARs to the department by FAX. While mailed-in TARs have represented the department's most stable workload, TARs submitted by FAX represent the department's greatest increase in workload since the first six months of this review.



**Figure 2**



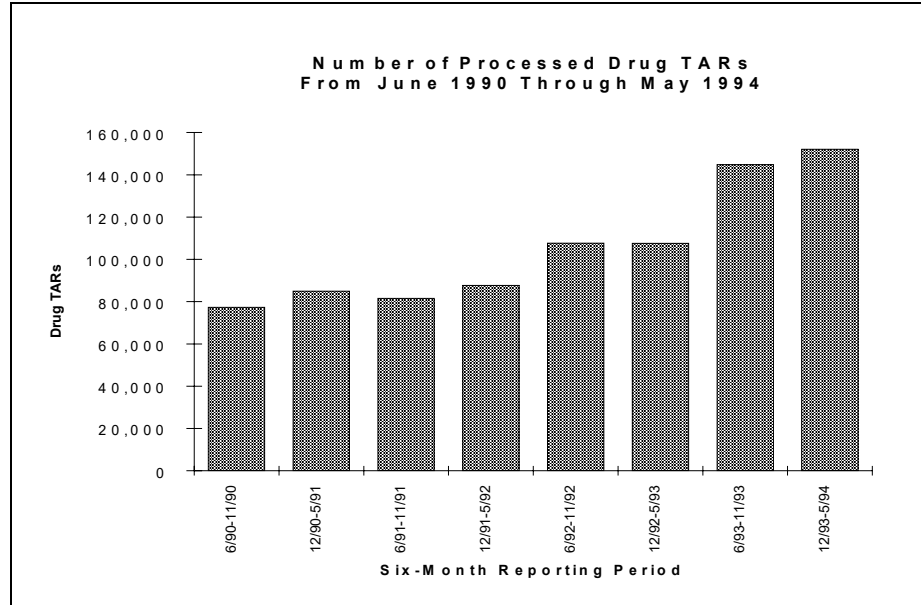
The department has also experienced an increase in the number of drug TARs submitted by VDTs. From June through November 1991, the first period when VDTs was operational for a full six months, 5,074 VDTs TARs were received at the department. From December 1993 through May 1994, providers submitted 14,179 drug TARs (a 179 percent increase) by VDTs to the department. Attachment A presents a comparison of drug TARs received by means of delivery during the periods June 1990 through May 1991 and June 1993 through May 1994.

Figure 3 shows the number of drug TARs processed at the drug units from June 1990 through May 1994. During the first six months of the OAG’s review, from June through November 1990, the drug units processed 77,282 drug TARs. In comparison, from December 1993 through May 1994, the drug units processed 152,114 drug TARs, an increase of more than 75,000 (97 percent) drug TARs. Attachment B presents a comparison of the number of drug TARs the department processed during the periods June 1990 through May 1991 and June 1993 through May 1994.

**Drug TARs Processed**

Similar to the increase in the number of drug TARs received, the number of drug TARs processed increased significantly during the last six months, from December 1993 through May 1994.

**Figure 3**



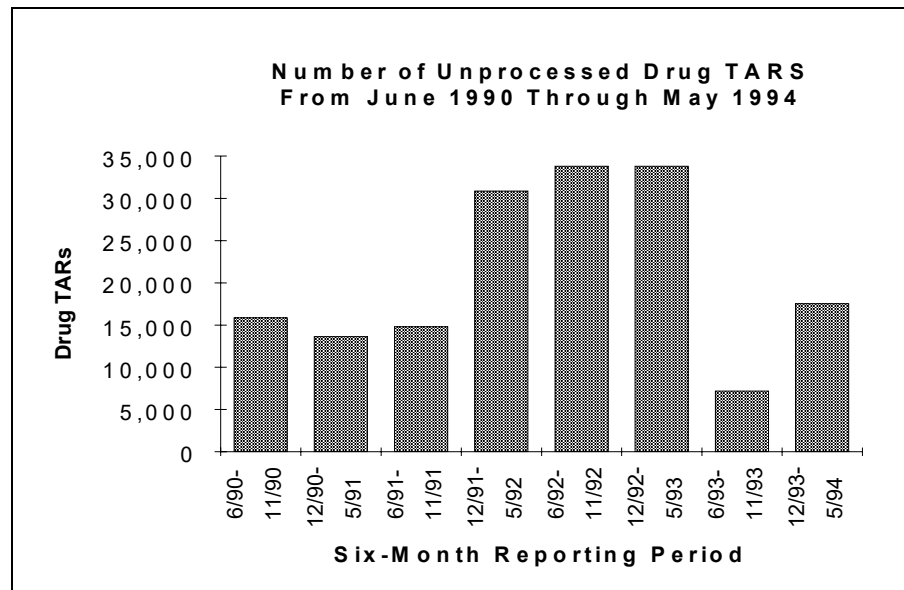
From June 1990 through May 1994, the drug units processed a total of 843,602 drug TARs. Of those, 68 percent were approved, 15 percent were modified, 12 percent were denied, and 5 percent were returned. Attachment C provides a comparison of the number of drug TARs approved, modified, denied, and returned by the drug units during the periods June 1990 through May 1991 and June 1993 through May 1994.

**Backlog of  
Unprocessed  
Drug TARs**

As Figure 4 shows, the department's backlog of drug TARs submitted through the mail has fluctuated during six-month reporting periods from June 1990 through May 1994. Each bar in Figure 4 represents the sum of the number of unprocessed drug TARs at the end of each month in the six-month reporting period. Figure 4 also shows that the department's lowest backlog of unprocessed drug TARs occurred during the six-month period from June 1993 through November 1993, which is the last six-month period that we reviewed. The department had 5,970 unprocessed drug TARs at the end of May 1994 as contrasted to 1,452 unprocessed drug TARs at the end of November 1993. According to the chief of the Los Angeles drug unit, this increase in the backlog of unprocessed TARs is primarily caused by the effects of the January 1994 Northridge earthquake. Although the damage to the Los Angeles drug unit was minor, staff spent several

days after the earthquake assessing damage and cleaning up debris. Once the unit was operational, the FAX and VDTS TARs were the first to be processed. According to the chief of the Los Angeles drug unit, all available staff were dedicated to processing the large backlog of those TARs, which took over a week to eliminate. During that same time, no mailed-in TARs were processed even though they continued to be received. Attachment B provides a comparison of the number of drug TARs processed and unprocessed during the periods June 1990 through May 1991 and June 1993 through May 1994.

Figure 4



**Disagreements  
Over Processing  
Time for  
Drug TARs**

Section 14103.6 of the Welfare and Institutions Code requires that pharmaceutical consultants process drug TARs in an average of five working days. This section also states that, if the pharmaceutical consultant does not make a decision on a drug TAR within 30 days of receiving it, the request shall be considered approved. Additionally, Section 1927(d)(5) of the federal Social Security Act of 1990 requires states to respond to all drug TARs within 24 hours of receipt. The federal Department of Health and Human Services' Health Care Financing Administration (HCFA) upholds this position, regardless of whether the TAR is for an initial or urgent prescription or for reauthorization of an existing prescription. It also upholds this position regardless of how the drug TARs are delivered to the department. The department, however, in interpreting these regulations, expects the drug units to process initial or urgent drug TARs (that is, drug TARs typically submitted via FAX or VDTS)

within 24 hours and to process reauthorization drug TARs (that is, drug TARs typically submitted through the mail) within five working days.

Although the state Welfare and Institutions Code and the federal Social Security Act seem to conflict in their requirements, the BSA's last report stated that the federal government was expected to issue regulations in April 1992 to resolve the difference. According to our discussions with the department's Medi-Cal Operations Division Northern Field Operations Branch, the department has heard nothing further about the status of these regulations. Although we made attempts to obtain clarification from the HCFA, we were unable to obtain an estimated date of issuance.

Previous OAG and BSA reports stated that the drug units were processing initial and urgent drug TARs submitted by VDTS and FAX within 24 hours as required by law. During this audit, we selected at random and reviewed a sample of 74 drug TARs submitted by FAX to the Stockton drug unit in April 1994. In 15 instances (20 percent), the Stockton drug unit did not process the drug TARs within 24 hours as required, although the excess time to process these FAX drug TARs did not exceed two hours. However, the remaining 59 drug TARs (80 percent) in the sample were all processed within 24 hours as required. The Stockton drug unit does not generally process drug TARs submitted by VDTS, except in rare instances when the Los Angeles drug unit needs back up. In January 1994, the Stockton drug unit aided the Los Angeles drug unit by processing 88 drug TARs submitted by VDTS. We reviewed 17 of these drug TARs processed by the Stockton drug unit and found that all were processed within the required 24 hours.

**Processing Time  
for Drug TARs  
Submitted Via  
VDTS and FAX**

We also reviewed a sample of 91 drug TARs submitted by VDTS to the Los Angeles drug unit in May 1994. The Los Angeles drug unit does not stamp drug TARs with the exact time of the day when they are returned to the provider. Consequently, we could not be as precise in our measurement of the time it took to process TARs submitted by FAX and VDTS at Los Angeles as we were for Stockton. In 17 instances (19 percent), the drug unit did not process the drug TARs within 24 hours as required by law. The delays ranged from 1 to 2 days. The 74 remaining drug TARs (81 percent) in the sample were processed within 24 hours as required by law. In addition, we reviewed a sample of 136 drug TARs submitted by FAX to the Los Angeles drug unit during the month of March 1994. In 36 instances

(26 percent), the drug unit did not process the drug TARs within the 24 hours required by law. The delays ranged from 1 to 3 days. The remaining 100 drug TARs (74 percent) in the sample were processed within 24 hours as required by law.

**Processing Time  
for Mailed-In  
Drug TARs**

According to the BSA's last report, the drug units reported processing their mailed-in drug TARs within the five working days as required by state law. Specifically, in November 1993 the average turnaround time for processing mailed-in drug TARs in the Stockton drug unit was three working days. In the Los Angeles drug unit, we calculated the turnaround time as five working days during the same month. Overall, in five of the six months, from June through November 1993, both of the drug units met the state requirement to process mailed-in drug TARs within five working days.

During the six-month period December 1993 through May 1994, the department generally did not meet the state requirement to process mailed-in drug TARs within five days. Although we found that in March 1994, the average turnaround time for processing mailed-in drug TARs in the Stockton drug unit was four working days, we calculated the turnaround time as seven working days in the Los Angeles drug unit during February 1994. As Figure 5 shows, in four of the six months, the Stockton drug unit met the state requirement to process mailed-in drug TARs within five days. However, the Los Angeles drug unit met the five-day requirement in only two of the six months. According to the chief of the Los Angeles drug unit, the extended processing time in the Los Angeles drug unit was primarily caused by the effects of the Northridge earthquake on January 17, 1994. As discussed earlier, the drug unit was temporarily out of service and when it became operational, the staff worked exclusively on the FAX and VDTs TARs until that backlog was eliminated.

**Number of Days to Process Mailed-In Drug TARs By Drug Unit  
December 1993 Through May 1994**

**Figure 5**

|             | December | January | February | March | April | May | 6-Month |
|-------------|----------|---------|----------|-------|-------|-----|---------|
| Los Angeles | 3        | 6       | 16       | 10    | 4     | 13  | 9       |
| Stockton    | 2        | 2       | 3        | 4     | 7     | 6   | 4       |

Source: California Department of Health Services

To validate the drug units' methodologies for calculating turnaround time, we selected a sample of mailed-in TARs received in February and March 1994. We found that the Stockton drug unit's method of calculating turnaround time was generally appropriate. We also found that the Los Angeles drug unit's process for calculating turnaround time in February 1994 overstated its average turnaround for that month by approximately nine days. The Los Angeles drug unit uses one day's activity to calculate the turnaround time for mailed-in drug TARs for the entire month. This would be an appropriate methodology if the month's processing was relatively steady. However, for a number of reasons that we discussed earlier, the processing of drug TARs in the Los Angeles drug unit fluctuated during the six-month period December 1993 through May 1994. Consequently, the Los Angeles drug unit should consider alternative methods of calculating its turnaround for mailed-in drug TARs.

**Information on  
Drug TAR Fair  
Hearings and  
Complaints**

For all denied drug TARs, Section 14105.42 of the Welfare and Institutions Code requires the department to report to the Legislature on the number of fair hearings requested, approved, denied, and pending. This code section also requires the department to report to the Legislature the number of complaints from beneficiaries and providers regarding the difficulty or inability of obtaining a response to a drug TAR.

Beneficiaries request fair hearings through the Department of Social Services to appeal denials of drug TARs. From December 1990 through May 1991, the second six months of our review, the department received only 2 requests for fair hearings. According to information the drug units provided, from December 1993 through May 1994, 33 requests for fair hearings were received. Three of those requests were dismissed due to the beneficiaries' failure to appear at the hearing. Of the remaining requests, 9 were withdrawn before the cases

were heard, 4 were approved, one was denied, and the remaining 16 cases are pending decision.

During the same period, December 1993 through May 1994, the Los Angeles drug unit reported that it received multiple complaints in April 1994 from providers regarding the difficulty or inability of obtaining a response to a drug TAR. These complaints were the result of FAXs sent by the providers not being received by the Los Angeles drug unit because of a telephone wiring problem that was most likely caused by the January 1994 earthquake. The Stockton drug unit reported no complaints for the period December 1993 through May 1994.

We conducted this review under the authority vested to the state auditor by Section 8543 et seq. of the California Government Code and according to generally accepted government auditing standards. We limited our review to those areas specified in the audit scope section of this letter report.

Sincerely,

KURT R. SJOBERG  
State Auditor

Audit Staff: Steven M. Hendrickson, Audit Principal  
Nancy C. Woodward, CPA  
Anthony Despart  
Dawn Tomita

Attachments

- A Comparison of Drug Treatment Authorization Requests Received by Means of Delivery  
June 1990 Through May 1991 and June 1993 Through May 1994
- B Comparison of Drug Treatment Authorization Requests Processed  
June 1990 Through May 1991 and June 1993 Through May 1994
- C Comparison of Drug Treatment Authorization Requests  
Approved, Modified, Denied, and Returned  
June 1990 Through May 1991 and June 1993 Through May 1994

Response to the Audit

Department of Health Services

**Attachment A Comparison of Drug Treatment Authorization Requests  
Received by Means of Delivery  
June 1990 Through May 1991 and  
June 1993 Through May 1994**

---

|  | Telephon<br>e | FAX | Mail | VDTS | Monthly<br>Total |
|--|---------------|-----|------|------|------------------|
|--|---------------|-----|------|------|------------------|

---



|                    |               |               |                |            |                |
|--------------------|---------------|---------------|----------------|------------|----------------|
| <b><u>1990</u></b> | 3,989         | 0             | 10,125         | 0          | 14,114         |
| June               |               |               |                |            |                |
| July               | 3,225         | 985           | 9,990          | 0          | 14,200         |
| August             | 3,126         | 1,561         | 8,679          | 0          | 13,366         |
| September          | 2,358         | 1,646         | 7,517          | 0          | 11,521         |
| October            | 2,955         | 2,064         | 8,340          | 0          | 13,359         |
| November           | 2,483         | 1,849         | 7,606          | 0          | 11,938         |
| December           | 2,282         | 1,661         | 8,009          | 0          | 11,952         |
| <b><u>1991</u></b> |               |               |                |            |                |
| January            | 2,748         | 2,379         | 8,951          | 0          | 14,078         |
| February           | 2,934         | 2,570         | 8,865          | 0          | 14,369         |
| March              | 2,966         | 2,816         | 8,912          | 0          | 14,694         |
| April              | 3,075         | 3,310         | 8,967          | 63         | 15,415         |
| May                | 2,835         | 3,293         | 8,658          | 338        | 15,124         |
| <b>Total</b>       | <b>34,976</b> | <b>24,143</b> | <b>104,619</b> | <b>401</b> | <b>164,130</b> |

|                    |          |                |                |               |                |
|--------------------|----------|----------------|----------------|---------------|----------------|
| <b><u>1993</u></b> |          |                |                |               |                |
| June               | 0        | 9,389          | 10,067         | 1,955         | 21,411         |
| July               | 0        | 10,738         | 10,282         | 2,545         | 23,565         |
| August             | 0        | 10,752         | 11,416         | 2,621         | 24,789         |
| September          | 0        | 10,339         | 11,090         | 2,149         | 23,578         |
| October            | 0        | 11,384         | 11,371         | 2,486         | 25,241         |
| November           | 0        | 10,665         | 9,767          | 2,202         | 22,634         |
| December           | 0        | 10,176         | 10,903         | 1,982         | 23,061         |
| <b><u>1994</u></b> |          |                |                |               |                |
| January            | 0        | 10,346         | 11,416         | 1,995         | 23,757         |
| February           | 0        | 11,891         | 10,788         | 2,437         | 25,116         |
| March              | 0        | 13,574         | 13,594         | 2,772         | 29,940         |
| April              | 0        | 10,702         | 13,055         | 2,476         | 26,233         |
| May                | 0        | 12,177         | 13,831         | 2,517         | 28,525         |
| <b>Total</b>       | <b>0</b> | <b>132,133</b> | <b>137,580</b> | <b>28,137</b> | <b>297,850</b> |

Source: California Department of Health  
Services

**Attachment B Comparison of Drug Treatment Authorization Requests Processed  
June 1990 Through May 1991 and June 1993 Through May 1994**

|                       | <b>Unprocessed<br/>TARs at<br/>Beginning<br/>of Month</b> | <b>TARs<br/>Received<br/>During<br/>Month</b> | <b>Total<br/>Available<br/>To Be<br/>Processed</b> | <b>Total<br/>Processed<br/>During<br/>Month</b> | <b>Unprocessed<br/>TARs</b> | <b>Percent<br/>of TARs<br/>Processed</b> |
|-----------------------|---|---|--|---|-----------------------------|--|
| <b><u>1990</u></b>    |   |   |  |   |                             |  |
| June                  | 2,160   | 14,114  | 16,274   | 13,015  | 3,259                       | 79.97                                    |
| July                  | 3,259   | 14,200  | 17,459   | 14,164  | 3,295                       | 81.13                                    |
| August                | 3,295   | 13,366  | 16,661   | 14,502  | 2,159                       | 87.04                                    |
| September             | 2,159   | 11,521  | 13,680   | 11,394  | 2,286                       | 83.29                                    |
| October               | 2,286   | 13,359  | 15,645   | 13,103  | 2,542                       | 83.75                                    |
| November <sup>a</sup> | 1,477   | 11,938  | 13,415   | 11,104  | 2,311                       | 82.77                                    |
| December              | 2,311   | 11,952  | 14,263   | 11,897  | 2,366                       | 83.41                                    |
| <b><u>1991</u></b>    |   |   |  |   |                             |  |
| January               | 2,366   | 14,078  | 16,444   | 15,242  | 1,202                       | 92.69                                    |
| February              | 1,202   | 14,369  | 15,571   | 13,206  | 2,365                       | 84.81                                    |
| March                 | 2,365   | 14,694  | 17,059   | 14,695  | 2,244                       | 86.14                                    |
| April                 | 2,244   | 15,415  | 17,659   | 15,115  | 2,544                       | 85.59                                    |
| May                   | 2,544   | 15,124  | 17,668   | 14,763  | 2,905                       | 83.56                                    |
| <b>Total</b>          | <b>27,668</b>   | <b>164,130</b>                                | <b>191,798</b>                                     | <b>162,200</b>                                  | <b>29,478</b>               |  |
| <b><u>1993</u></b>    |   |   |  |   |                             |  |
| June                  | 5,051   | 21,411  | 26,462   | 25,867  | 595                         | 97.75                                    |
| July                  | 595   | 23,565  | 24,160   | 23,477  | 683                         | 97.17                                    |
| August                | 683   | 24,789  | 25,472   | 24,932  | 540                         | 97.88                                    |
| September             | 540   | 23,578  | 24,118   | 22,039  | 2,079                       | 91.38                                    |
| October               | 2,079   | 25,241  | 27,320   | 25,475  | 1,845                       | 93.25                                    |
| November              | 4,024   | 22,634  | 26,658   | 23,027  | 1,452                       | 86.38                                    |
| December              | 1,452   | 23,061  | 24,513   | 24,268  | 245                         | 99.00                                    |
| <b><u>1994</u></b>    |   |   |  |   |                             |  |
| January               | 245   | 23,757  | 24,002   | 22,558  | 1,444                       | 93.98                                    |
| February              | 1,444   | 25,116  | 26,560   | 23,873  | 2,687                       | 89.88                                    |
| March                 | 2,687   | 29,940  | 32,627   | 28,186  | 4,441                       | 86.39                                    |
| April                 | 4,441   | 26,233  | 30,674   | 27,931  | 2,743                       | 91.06                                    |
| May                   | 2,743   | 28,525  | 31,268   | 25,298  | 5,970                       | 80.91                                    |
| <b>Total</b>          | <b>25,984</b>   | <b>297,850</b>                                | <b>323,834</b>                                     | <b>296,931</b>                                  | <b>24,724</b>               |  |

<sup>a</sup> The number of unprocessed drug TARs at the end of October 1990 does not agree with the number of unprocessed drug TARs at the beginning of November 1990. The manager of the San Francisco drug unit stated that unit staff did a hand count of the actual unprocessed drug TARs at the end of October 1990 and found the unit's accounting records overstated by 1,065, the number of unprocessed drug TARs for the end of the month. Because of this finding, unit staff adjusted the number of unprocessed drug TARs reported at the beginning of November.

---

Source: California Department of Health Services

---

**Attachment C Comparison of Drug Treatment Authorization Requests  
Approved, Modified, Denied, and Returned  
June 1990 Through May 1991 and June 1993 Through May 1994**

|                    | Approve<br>d <sup>a</sup> | Modified<br>a | Denied <sup>a</sup> | Returne<br>d <sup>a</sup> | Total<br>Processed<br>a |
|--------------------|---------------------------|---------------|---------------------|---------------------------|-------------------------|
| <b><u>1990</u></b> |                           |               |                     |                           |                         |
| June               | 9,350                     | 2,001         | 1,226               | 438                       | 13,015                  |
| July               | 9,169                     | 2,008         | 1,361               | 1,626                     | 14,164                  |
| August             | 8,980                     | 2,650         | 2,045               | 827                       | 14,502                  |
| September          | 7,222                     | 1,847         | 1,565               | 760                       | 11,394                  |
| October            | 8,377                     | 2,215         | 1,698               | 813                       | 13,103                  |
| November           | 7,033                     | 1,811         | 1,455               | 805                       | 11,104                  |
| December           | 7,800                     | 1,989         | 1,385               | 723                       | 11,897                  |
| <b><u>1991</u></b> |                           |               |                     |                           |                         |
| January            | 8,994                     | 3,457         | 1,667               | 1,124                     | 15,242                  |
| February           | 8,322                     | 2,533         | 1,536               | 815                       | 13,206                  |
| March              | 9,810                     | 2,308         | 1,741               | 836                       | 14,695                  |
| April              | 9,490                     | 2,940         | 1,697               | 988                       | 15,115                  |
| May                | 9,530                     | 2,531         | 1,864               | 838                       | 14,763                  |

| <b>Total</b>       | <b>104,077</b> | <b>28,290</b> | <b>19,240</b> | <b>10,593</b> | <b>162,200</b> |
|--------------------|----------------|---------------|---------------|---------------|----------------|
| <b><u>1993</u></b> |                |               |               |               |                |
| June               | 17,868         | 3,221         | 3,598         | 1,180         | 25,867         |
| July               | 16,282         | 3,486         | 2,817         | 892           | 23,477         |
| August             | 16,724         | 3,714         | 3,083         | 1,411         | 24,932         |
| September          | 14,682         | 3,078         | 3,210         | 1,069         | 22,039         |
| October            | 16,968         | 3,606         | 3,604         | 1,297         | 25,475         |
| November           | 15,386         | 3,301         | 3,181         | 1,159         | 23,027         |
| December           | 15,443         | 3,745         | 3,832         | 1,248         | 24,268         |
| <b><u>1994</u></b> |                |               |               |               |                |
| January            | 14,867         | 3,405         | 3,046         | 1,040         | 22,558         |
| February           | 15,796         | 3,739         | 3,209         | 1,129         | 23,873         |
| March              | 18,178         | 4,117         | 3,886         | 2,005         | 28,186         |
| April              | 17,784         | 4,104         | 3,596         | 2,447         | 27,931         |
| May                | 14,725         | 3,928         | 4,756         | 1,889         | 25,298         |
| <b>Total</b>       | <b>194,703</b> | <b>43,444</b> | <b>41,818</b> | <b>16,766</b> | <b>296,931</b> |

<sup>a</sup> An approved drug TAR has been authorized by the drug unit as submitted. A denied drug TAR has been rejected as submitted. A modified drug TAR has been changed by the drug unit in some way and then approved. Changes could include a change in the quantity of the drug requested, a change in the time for which the drug is approved, or the denial of or change to one drug request on a drug TAR with several requests. A returned drug TAR lacks sufficient information for the drug unit to make a decision. The drug unit returns the drug TAR to the provider for clarification.

---

Source: California Department of Health Services

---