CBO Dispatch No.: NGA 16-020, New Source for CO-177 Medi-Cal Denials, announced that the State Department of Health Care Services (DHCS) updated the Short-Doyle/Medi-Cal (SDMC) claiming system to check the gender and date of birth (DOB) of the client that is submitted on Medi-Cal claims against the sex and DOB that are recorded in the State’s Medi-Cal Eligibility Data System (MEDS). Claims that were denied based on this mismatch of data were assigned the claim adjustment group and reason code CO177 – Beneficiary not eligible.

Effective January 10, 2017, DHCS plans to begin using Claim Adjustment Reason Code (CARC)/Remittance Advice Remark Code (RARC) combination **CO16 MA39** for gender mismatches and **CO16 N327** for DOB mismatches instead of CO177. CARC CO177 will continue to be used for other eligibility denials including share of cost and no billable aid code found.

A denial code of CO16 associated with MA39 or N327 indicates the claim has been denied because either the client’s gender or DOB in your electronic health record (EHR) and the Integrated Behavioral Health Information System (IBHIS) or the Integrated System (IS) does not match the client’s gender or DOB in MEDS.

- If your EHR is correct, the client must go to his/her eligibility worker to correct the information in MEDS.
- If MEDS has the correct information, you must correct your EHR and IBHIS or the IS to match what is in MEDS.
- The DOB and gender as listed on the client’s official government issued identification (ID) should be considered as the correct information.
  - When the client reports that the government issued ID has incorrect information on it, refer the client to the issuing agency to have it corrected and reissued.
Denied Medi-Cal claims are reported to you via the **rpt_835ServiceDetail** database in your EFT folder:

- The denial code and remark code for the denied claim are listed in the Segment column of the 835ServiceDetail database.

IBHIS providers will also receive an 835 with the retro claim adjudication indicating that the claim was denied by the State. The 835 will include the CARC/RARC combination CO16 MA39 when there is a gender mismatch and the CO16 N327 combination when there is a date of birth mismatch.

The client’s DOB and sex as listed in MEDS can also be found in the **rpt_FinClaimList** database.

- The client’s DOB will appear in the MEDSDOB column in YYYYMMDD format, and the client’s sex will appear in the MEDSGENDE column as either M (Male), F (Female), or U (Unknown/Unborn).
- If the MEDSDOB and MEDSGENDE columns are blank, e-mail CBO to obtain the information.

If you have any questions or require further information, please contact CBO at (213) 480-3444 or RevenueManagement@dmh.lacounty.gov.