RMD Bulletin

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Direct Medi-Cal Billing of Some Non-Medicare Billable Procedure Codes Now Available for Medi/Medi Clients

HISTORY

Earlier this year, the Los Angeles County Department of Mental Health (LACDMH) implemented changes to the Integrated System (IS) to allow providers to submit claims in compliance with the billing rules for Short-Doyle/Medi-Cal Phase II (SDMC Phase II). Those billing rules required all claims for clients who have both Medicare and Medi-Cal (Medi/Medi) except Targeted Case Management (T1017) to be adjudicated by Medicare prior to submitting the claim to Medi-Cal. When the State Department of Mental Health (State DMH) indicated that this rule might be modified in relation to non-Medicare billable claims, LACDMH instructed directly operated and contract providers to hold their claims for Medi/Medi clients.

UPDATE

In the subsequent months, LACDMH and other California counties worked on a team with the California Mental Health Directors Association (CMHDA) to help State DMH find a way to implement direct billing to Medi-Cal of claims for services that do not meet the requirements for Medicare billing. As a result, providers will be able to bill certain procedure codes directly to Medi-Cal without having to submit the claims to Medicare for adjudication first. The table below lists the procedure codes that are now directly billable to Medi-Cal for Medi/Medi clients.

IS Procedure Code	Description
0101	Administrative Days for Local Psychiatric Hospitals (all ages)
H0018	Crisis Residential
H0019	Transitional Residential – Transitional, Long Term
H2011	Crisis Intervention
H2012	Day Rehabilitation, Day Treatment Intensive
H2013	Psychiatric Health Facility
H2019	Therapeutic Behavioral Service
S9484	Crisis Stabilization

Please note that this change applies to these procedure codes only for those clients who have Medicare and Medi-Cal. If the client has Other Health Care (OHC) coverage in addition to Medi-Cal, providers must submit claims for these services to the OHC prior to billing Medi-Cal. If OHC adjudication information for these clients is not included on the claim to Medi-Cal, the claim will be denied.

The State has also assigned a late code for those claims that providers held pending a decision on non-Medicare billable claims. Revenue Management Division (RMD) will issue an RMD Bulletin when this late code is available for providers to use.

PROVIDER ACTION

- **Direct Medi-Cal billing of eight (8) procedure codes:** Along with T1017, the procedure codes listed above are the only non-Medicare billable procedure codes that are directly billable to the State without Medicare information on the claims.
- **Remaining procedure codes must be adjudicated by Medicare first:** Claims for procedure codes not included on this list must still be adjudicated by Medicare before they can be billed to Medi-Cal.

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- **Late Medi/Medi claims still need to be held:** Medi/Medi claims for the procedure codes listed above that are more than six months but less than one year from the date of service should be held until the State designated late code is activated in the IS this summer.
- **Claims rejected by Medicare still need to be held:** In general, claims rejected by Medicare are not Medi-Cal billable under gross billing rules. Counties throughout California helped the State recognize that some of these claims are legitimate Medi-Cal claims even though they are not billable to Medicare. In consultation with the federal agency over Medicare and Medicaid, State DMH is considering ways to accept Medicare rejected claims in the SDMC Phase II system. *Medi/Medi claims should be held and not submitted to Medi-Cal if the Medicare portion has been rejected until State DMH issues further guidance on how to submit these claims.*
- **Eligible providers still need to be enrolled as Medicare providers:** While the State was able to make some progress on accepting direct billing of some non-Medicare billable claims, they continue to review the policies, rules, and regulations related to claims that are not billable to Medicare because the provider or the group practice is not eligible for Medicare provider enrollment. Claims for services other than those listed above to Medi/Medi clients must be adjudicated by Medicare before they are considered Medi-Cal billable regardless of whether the service was rendered by someone eligible to become a Medicare provider. This means that *providers should continue to pursue Medicare enrollment for eligible providers* pending a resolution to this issue on the State level. It also means that *providers need to hold off from submitting non-Medicare billable claims for Medi/Medi clients to Medi-Cal if the provider rendering the service is not eligible to become a Medicare provider and the service is for a procedure code other than the ones listed above*.

Here is an easy to read table summarizing the information above that will help you determine whether you should submit your claim to Medi-Cal.

If your Medi/Medi service is…	*Then you should…*
T1017 or one of the procedure codes listed above (101, H0018, H0019, H2011, H2012, H2013, H2019, or S9494) and does not need a late code,	Submit your claim directly to Medi-Cal without any Medicare information on the claim.
T1017 or one of the procedure codes listed above (101, H0018, H0019, H2011, H2012, H2013, H2019, or S9494) and needs a late code,	Hold your claim until the late code for Medi/Medi claims is available in the IS later this summer then submit your claim directly to Medi-Cal without any Medicare information on the claim.
Non-Medicare billable because the procedure code is not billable or the rendering provider is not eligible to become a Medicare provider,	Submit the claim to Medicare in order to receive the rejection, then hold the claim until the State provides further direction.
Rejected by Medicare,	Hold the claim until we receive further direction from the State.
A Medicare billable procedure code that was rendered by a Medicare enrolled provider,	Submit the claim to Medicare for adjudication then submit your claim to Medi-Cal with the Medicare adjudication information on the claim.

Remember, this Bulletin does not apply to clients with Medicare only.

We're here to help you…

If you have any questions or require further information, please do not hesitate to contact RMD at (213) 480-3444 or RevenueManagement@dmh.lacounty.gov.