

STATE RECOUPMENT OF PAYMENTS FOR SERVICES TO INMATES

Last year, the California Department of Health Care Services (DHCS) in conjunction with the California Department of Corrections and Rehabilitation (CDCR) identified approximately 1,900 approved claims for services rendered by Los Angeles County providers to individuals who were under CDCR jurisdiction. These claims cover services from Fiscal Year (FY) 2009/10 through 2017/18 and were paid inappropriately by Medi-Cal. A portion of the payment for these services included Federal Financial Participation (FFP). Services to individuals under the jurisdiction of CDCR are the responsibility of the State and are not eligible for federal dollars.

To correct this error, DHCS has asked counties to void all approved services identified by this review. DHCS will reimburse the counties for these claims out of State General Funds. Because these claims will be paid by DHCS, the Los Angeles County Department of Mental Health (DMH) has created and submitted voids for these claims on behalf of all impacted providers. Reimbursement for these claims will not be recouped and they are now considered approved non-Medi-Cal claims. The data and 701UP reports are being updated to reflect these claims as non-Medi-Cal. These claims are also included in the Void Report app (see [CBO Bulletin NGA 20-017 – New Access App Available for Reporting Overpayments](#)). Since DMH generated these void claims on your behalf, the records in the Access App do not have a Void Claim Submitter ID or Void Submit Dt. You should enter these voids in the Access App as O-Other in the FWAO column and Inmate Recoupment in the Void Reason column.

A complete list of claims voided as a result of the error in State processing will be placed in the Secure Internet File Transfer (SIFT) folder for each legal entity. The file name will be LE#####_Inmate_Recoupment_Claims_Voided. If there is no Inmate Recoupment file in the SIFT folder, then no claims for the legal entity were voided as a result of the CDCR review.