

## ***RMD Bulletin***

*Knowledge is power...*

# COVERED CALIFORNIA HEALTH INSURANCE



With Health Care Reform, Californians became eligible and have access to a wide range of private health insurance plans. Covered California is the marketplace used to assist individuals to apply for lower-cost coverage and a large number of our population now have private insurance.

Clients with private health insurance obtained through Covered California presenting at our clinics are no different from clients presenting with private health insurance obtained elsewhere, for example, through employment. The private health insurance coverage is also known as prepaid health care plans or other health coverage (OHC) and the procedures regarding treatment and billing are available by referencing the Department of Mental Health (DMH) Policy No. 401.8 Private Prepaid Health Care Treatment and Billing. Important policy information you should know is provided below:

**If private prepaid health plan members present themselves at a DMH directly operated clinic or contract agency, the members should be advised that their health care plan is responsible for managing their care. Except in cases deemed “medically necessary,” members should be referred back to their respective plans unless the prepaid health care plan or the client, as appropriate, is willing to pay for the full cost of their care.**

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The policy further states that in all cases, if a client with OHC chooses to receive their care through DMH, authorization **MUST** be obtained from the carrier before any services can be rendered. If the OHC does not provide authorization or if the claim is not paid in full, the client must be informed that he or she is responsible for the unpaid portion of the actual cost of care. If the client has **unrestricted** Medi-Cal in addition to OHC, Medi-Cal becomes responsible for the clients liability and the client is **not** to be billed. (Refer to RMD Bulletin No.: NGA 13-011, Cheat Sheet! Understanding Billing Medi-Cal and OHC for more detailed information.)

If a client insists on receiving treatment from a DMH directly operated or contract provider clinic AND the OHC does not authorize treatment and reimbursement, the client may be seen only if the client or responsible person agrees to pay for the full cost of care.

***Please note that the staff completing the financial screening is not to make the determination to turn away a client; this decision is between the client and the therapist.*** It is the responsibility of this financial staff to inform clients of their existing coverage under their OHC, and their responsibilities under our DMH policy. In addition, staff should not advise clients to drop their current Health Maintenance Organization (HMO) coverage. Doing so may jeopardize their physical healthcare coverage.

Ensuring that our clients receive the proper care is our first priority; providing the correct information will help DMH provide better service.

## **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](mailto:RevenueManagement@dmh.lacounty.gov).