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ADP BULLETIN

Title Drug Medi-Cal Reimbursement		Issue Date: 7-20-05 Expiration Date:	Issue No. 05-04
Deputy Director Approval *(Original signed by C.Delgado)* MICHAEL S. CUNNINGHAM Program Services Division	Function: (Check one.) [ ]Information Management [ ]Quality Assurance [ ]Service Delivery [X]Fiscal [ ]Administration	Supersedes Bulletin/ADP Letter No.	

PURPOSE

This is to provide information on changes to the reimbursement process for Drug Medi-Cal (DMC) services.

POLICY

Effective with July 2005 DMC services, reimbursement will be issued only on approved services. This includes reimbursement for those services such as minor consent that are reimbursed with 100 percent of State General Funds (SGF). Therefore, ADP will discontinue issuing a separate warrant for SGF reimbursement and a separate warrant for Federal Financial Participation (FFP) reimbursement.

Besides a payment being tied directly to an approved DMC claim, it is anticipated that DMC payments will be issued faster to counties and direct contract providers due to the discontinuance of issuing separate SGF and FFP warrants and the discontinuation of processing SGF payments separately.

The new reimbursement process is as follows:

- Both the SGF and the FFP funding will be issued at the same time on each approved batch of claims
- One warrant will be issued to include both the SGF and FFP
- A separate warrant will be issued for Non-Perinatal and Perinatal services
- For services that were provided prior to the end of the fiscal year that were processed and approved after September, payments will be issued during the cost report settlement process.

QUESTIONS/MAINTENANCE

If you have questions regarding this bulletin, please contact your assigned Fiscal Management and Accountability Branch analyst. An additional copy of this document may be requested through the Department's Resource Center at (800) 879-2772. This bulletin is also available on the Department's web site at www.adp.ca.gov.

EXHIBITS

None

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