State of California—Health and Human Services Agency
Department of Health Care Services

JENNIFER KENT
DIRECTOR

EDMUND G. BROWN JR.
GOVERNOR

DATE: February 16, 2016

MHSUDS INFORMATION NOTICE NO.: 16-008

TO: COUNTY BEHAVIORAL HEALTH PROGRAM DIRECTORS
COUNTY DRUG & ALCOHOL ADMINISTRATORS
COUNTY BEHAVIORAL HEALTH DIRECTORS' ASSOCIATION OF CALIFORNIA
CALIFORNIA COUNCIL OF COMMUNITY BEHAVIORAL HEALTH AGENCIES
COALITION OF ALCOHOL AND DRUG ASSOCIATIONS
DRUG MEDI-CAL DIRECT CONTRACT PROVIDERS

SUBJECT: ELIMINATION OF THE OTHER HEALTH COVERAGE EDIT IN THE SHORT DOYLE MEDI-CAL SYSTEM FOR NARCOTIC TREATMENT PROGRAM SERVICES

PURPOSE

The purpose of this notice is to inform its readers that providers are not required to provide proof to the Department of Health Care Services (DHCS) Drug Medi-Cal Treatment Program (DMC) that they have billed Other Health Coverage (OHC) for any rendered Narcotic Treatment Program (NTP) services prior to billing DMC for NTP services. NTP services include Methadone Dosing, Group Counseling, and Individual Counseling. Claims can be submitted to DMC for NTP-related services whether or not the provider has determined the client has OHC benefits available for the services rendered. The effective date will be the service date of April 1, 2015, and forward.

BACKGROUND

In the past, Federal Medicaid and California Medi-Cal laws and regulations required billing a recipient's OHC before billing Medi-Cal. As communicated in the Department of Alcohol and Drug Programs (ADP) Bulletin #11-01, for recipients identified by the Medi-Cal Eligibility Data System as having OHC, the Short Doyle Medi-Cal (SDMC) billing system would deny DMC claim payment if the service provider did not include an Explanation of Benefits (EOB), or if the EOB stated the claim was denied, because the services were not provided by an OHC plan provider, and/or because the services were not authorized according to OHC's requirements.

Per ADP Bulletin #12-03, Medi-Cal recipients must fully utilize benefits available through other programs before utilizing Medi-Cal covered benefits. Therefore, the responsibility to utilize OHC prior to billing Medi-Cal rests with providers and recipients. However, for Methadone Maintenance Treatment Services (MMTS), which includes NTP services, proof of OHC billing will no longer be required as part of the claim adjudication process. When the service provider determines that MMTS are not available through the recipient's OHC, then the service provider may bill DMC.

The OHC edit in the SDMC system will be eliminated for NTP services. This will allow trading partners to submit claims to DMC for NTP services without being required to show proof of billing OHC beforehand. As noted in the "Discussion" section, providers and recipients remain responsible for utilizing available OHC prior to billing DMC. Billers will no longer have to complete the Subscriber segment on their 837P's, which was previously used to indicate if the OHC had adjudicated and denied the claim.

Questions regarding the operational and claim processing details in this notification can be directed to your assigned Fiscal Management and Accountability Branch analyst.

Sincerely,

Original signed by

Karen Baylor, Ph.D., LMFT, Deputy Director
Mental Health & Substance Use Disorder Services