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

TOBY DOUGLAS
DIRECTOR

EDMUND G. BROWN JR.
GOVERNOR

February 11, 2014

MHSUDS INFORMATION NOTICE NO.: 14-003

TO: COUNTY ALCOHOL AND DRUG PROGRAM ADMINISTRATORS
COUNTY MENTAL HEALTH DIRECTORS
ALL DRUG MEDI-CAL PROVIDERS

SUBJECT: DRUG MEDI-CAL BILLING DATE

This letter conveys important information regarding the date providers can bill for Drug Medi-Cal (DMC) services, including the new expanded benefits.

Prospective DMC providers must apply for and receive DMC certification, have an executed contract with the county, or state, and agree to conditions of participation before the provider is eligible to submit claims or be paid for services furnished to DMC patients. If an applicant provides services to DMC patients before its application is approved, the provider does so at its own risk. If a prospective provider does not become eligible to submit claims or be paid for DMC services, neither the county nor the Department of Health Care Services (DHCS) will reimburse the provider for services rendered to DMC beneficiaries with Federal Medicaid funds or State General Funds allocated for DMC services.

Several counties are assisting DHCS with the process to certify DMC providers. Through this county hybrid model, participating counties will conduct the DMC application screening and initial site visit. For counties participating in the county hybrid model, the application submittal date is when the application passes the initial screen by the county. For applications sent directly to DHCS, the application submittal date is when the application passes the initial screen by DHCS. Incomplete applications will be returned to prospective providers and will not be considered submitted to the counties or DHCS.

In order to submit billing to DHCS, all four requirements must be met:

1. The DMC provider must have an executed contract with the county or state;
2. The DMC application must pass the initial screening process and be considered submitted as explained above;

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3. If the provider is applying for DMC certification for residential or Narcotic Treatment Program services, the provider must first obtain the DHCS license for these services prior to applying for DMC certification; and
4. Billed services must comply with the DMC requirements outlined in Title 22, California Code of Regulations, Section 51490.1.

Once these requirements have been met, the DMC provider can bill back services to the date of application submittal.

The DMC Billing Manual and DMC application will be updated to reflect this policy guidance. For additional billing questions, please contact your DHCS Fiscal Management and Accountability analyst or call (916) 323-2043.

Sincerely,

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