

**DEPARTMENT OF HEALTH SERVICES**

714/744 P STREET  
P.O. BOX 942732  
SACRAMENTO, CA 94234-7320



(916) 657-1460

July 25, 1996

**PPL No. 96-014**

All County Medi-Cal Administrative Activities/  
Targeted Case Management Coordinators  
Advisory Committee Members

**TARGETED CASE MANAGEMENT (TCM) CLAIMS SUBMISSION REQUIREMENTS**

The purpose of this transmittal is to provide Local Governmental Agencies (LGAs) participating in the Targeted Case Management (TCM) program with the results of the TCM claims processing system test and to provide instructions to submit actual TCM encounter data for fiscal year (FY) 1995-96.

In Policy and Procedure Letter (PPL) No. 96-007, dated May 29, 1996, LGAs were provided with the programs and instructions to prepare TCM claims. LGAs were also notified that the Department was conducting a test of the TCM claims processing system and were encouraged to submit actual testing documentation. This testing process was necessary to not only evaluate the Department's ability to read and process TCM encounter data submitted by participating LGAs, but also to allow individual LGAs to test their internal system capability to prepare required TCM claiming documentation. The Department has evaluated and returned the results of all testing data submitted by participating LGAs. Our analysis of the aggregate testing results indicate that the system is processing the TCM claim documentation as designed. The system has the tested ability to edit the TCM claim for data completeness and to verify beneficiary eligibility against the fifteen (15) month Medi-Cal eligibility file. The testing process is now complete and the TCM claims processing system is now operational.

In PPL No. 96-012, dated July 25, 1996, LGAs were provided with updated TCM cost report instructions. LGAs were also instructed to submit the FY 1994-95 cost report to the Department by September 30, 1996. The FY 1994-95 cost report will be used by the Department to establish the TCM encounter rate for FY 1995-96. To avoid systemic problems with verifying Medi-Cal eligibility beyond the fifteen (15) file retention period, LGAs are hereby instructed to submit all FY 1995-96 TCM claims to the Department at this time without the TCM Summary Invoice.

TCM claims will be processed by the Department, and returned to the LGA for necessary correction. TCM claims approved for payment will be held in abeyance until the TCM cost report and FY 1995-96 encounter rate is approved by the Department. The Department shall notify each LGA to submit the TCM Summary Invoice upon approval of the TCM cost report and the FY 1995-96 encounter rate.

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LGAs are instructed to submit TCM encounter data for FY 1995-96 on a diskette with a cover transmittal to:

Department of Health Services  
Attention: Patricia Kinney  
Federal Liaison Unit  
Accounting Section  
714 P Street, Room 1140  
Sacramento, CA 95814

Please ensure each diskette is labeled with the LGA and file name. LGAs should refer to PPL No. 96-007 for additional TCM claims preparation and submission requirements.

In addition, LGAs are reminded that Section 51271(a)(1), Title 22 of the California Code of Regulations (CCR) requires participating LGAs to "contract with the department to provide TCM services as a condition of enrollment as a TCM provider in the Medi-Cal program." Section 51492(a), Title 22, CCR also states that "only LGAs meeting the eligibility criteria specified in Section 51271 shall submit TCM service claims to the department." LGAs who have not executed a TCM Provider Agreement for FY 1995-96 must do so immediately to ensure TCM claims are processed by the Department.

If you have any questions regarding this transmittal, please contact the Patient Access Unit Analyst assigned to your LGA.

Sincerely,



Darryl Nixon, Chief *for*  
Medi-Cal Benefits Branch

cc: See next page

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cc: Cathleen Gentry  
Host County Liaison  
455 Pine Avenue  
Half Moon Bay, CA 94019

Patricia Kinney, Chief  
Federal Liaison Unit  
Accounting Section  
Financial Management Branch  
Department of Health Services  
714 P Street, Room 840  
Sacramento, CA 95814

Targeted Case Management:	X
Medi-Cal Administrative Activities:	
Policy Effective Date:	N/A
Policy Reference:	Section 14132.44 Welfare and Institutions Code

Sections 51271(a)(1) and 51492(a),  
Title 22 of the California Code of Regulations