



JENNIFER KENT  
Director

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



EDMUND G. BROWN JR.  
Governor

**DATE:** March 11, 2015

DUALS PLAN LETTER 15-002

**TO:** CAL MEDICCONNECT MEDICARE-MEDICAID PLANS

**SUBJECT:** REPORTING REQUIREMENTS RELATED TO PROVIDER  
PREVENTABLE CONDITIONS

**PURPOSE:**

The purpose of this Duals Plan Letter (DPL) is to notify all Medicare-Medicaid Plans (MMPs) participating in the Duals Demonstration Project (Cal MediConnect) that they must identify encounter data resulting from Provider Preventable Conditions (PPCs) by completing the attached revised form: “Medi-Cal Provider-Preventable (PPC) Reporting Form” (DHCS 7107 Reporting Form Revised 2/15). MMPs must submit the revised form to the Audits and Investigations (A&I) Division pursuant to the form’s instructions.<sup>1</sup> MMPs must also gather PPC Reporting Forms from their providers.

This DPL mirrors the requirements found in All Plan Letter (APL) 15-006.<sup>2</sup> While APL 15-006 is addressed to Medi-Cal managed care health plans, the Department of Health Care Services (DHCS) found that these reporting requirements also apply to MMPs.

**BACKGROUND:**

In January 2012, Governor Brown announced his intent to enhance health outcomes and beneficiary satisfaction for low-income Seniors and Persons with Disabilities by shifting service delivery away from institutional care to home- and community-based settings. To implement that goal, Governor Brown enacted the Coordinated Care Initiative (CCI) by signing Senate Bill (SB) 1008 (Chapter 33, Statutes of 2012), SB 1036 (Chapter 45, Statutes of 2012) and SB 94 (Chapter 37, Statutes of 2013).

One component of CCI is Cal MediConnect. Cal MediConnect is a voluntary program, which serves beneficiaries who are both Medi-Cal and Medicare eligible (dual-eligible beneficiaries) and combines the full continuum of acute, primary, institutional, and home

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<sup>1</sup> DHCS 7107 (enclosed) is available at: [http://files.medi-cal.ca.gov/pubsdoco/Forms/dhcs\\_7107.pdf](http://files.medi-cal.ca.gov/pubsdoco/Forms/dhcs_7107.pdf).

<sup>2</sup> APL 15-006 is available at:

<http://www.dhcs.ca.gov/formsandpubs/Documents/MMCDAPLsandPolicyLetters/APL2015/APL15-006.pdf>.

and community-based Medicare and Medi-Cal services into a single benefit package delivered through an organized service delivery system administered by MMPs.

Enrollment into Cal MediConnect is being implemented in the counties of Los Angeles, Orange, Riverside, San Bernardino, San Diego, San Mateo, and Santa Clara according to the implementation schedule contained in the document titled, "CCI Enrollment Timeline by Population and County" that can be found at the following link: <http://www.calduals.org/implementation/cci-documents/enrollment-charts-timelines/> under the heading Enrollment Chart.

Pursuant to Title 42 of the Code of Federal Regulations, Section 447.26, states are prohibited from permitting payment to Medicaid providers for treatment of PPCs. Furthermore, the federal Centers for Medicare & Medicaid Services (CMS) specified that managed care organizations must participate in reporting PPC-related encounters.

PPCs include both "Health Care Acquired Conditions" (HCACs) and "Other Provider Preventable Conditions" (OPPCs) listed in the below mentioned announcements. Starting July 1, 2012, CMS will not pay for HCACs that occur in an inpatient setting or for OPPCs that occur in any health care setting.

DHCS has not established a method for recovering payment for treatment of PPCs and will notify MMPs when it has finalized a payment recovery method for PPCs. Initially, MMPs must only report PPC encounters. The revised Form DHCS 7107 lists all of the PPC data elements that must be reported.

DHCS informed Medi-Cal fee-for-service (FFS) providers of these requirements in August 2012 by publishing announcements on its website newsroom<sup>3</sup> and through a Provider Bulletin on its website for Medi-Cal Providers.<sup>4</sup> This information is available on the following webpages:

- DHCS guidelines are available on DHCS's website at: [http://www.dhcs.ca.gov/individuals/Pages/AI\\_PPC.aspx](http://www.dhcs.ca.gov/individuals/Pages/AI_PPC.aspx).
- DHCS Frequently Asked Questions are available at: <http://www.dhcs.ca.gov/individuals/Pages/PPCFAQ.aspx>.

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<sup>3</sup> DHCS Medi-Cal newsroom: [http://files.medi-cal.ca.gov/pubsdoco/newsroom/newsroom\\_20473\\_1.asp](http://files.medi-cal.ca.gov/pubsdoco/newsroom/newsroom_20473_1.asp).

<sup>4</sup> Under Inpatient Services, Provider Bulletin 455 at: <http://files.medi-cal.ca.gov/pubsdoco/bulletins/artfull/ips201208.asp>

**REQUIREMENTS:**

MMPs must:

1. Review encounter data submitted by network providers for evidence of PPCs that must be reported using the revised form beginning on the date of the issuance of this DPL;
2. Complete the revised Form DHCS 7107 for each PPC and mail or FAX it to the appropriate DHCS address listed at the bottom of the form;
3. Issue a special notice throughout their provider networks to inform their providers that they must report PPCs using Form DHCS 7107 to A&I;
4. Require their providers to send them a copy of the Form DHCS 7107 they send to A&I; and
5. Retain copies of all Forms DHCS 7107 for later reconciliation of allowable payments.

MMPs must screen the encounter data received from their network providers for the presence of the HCACs and OPPCs listed on Form DHCS 7107. DHCS recommends that each MMP designate a staff member to identify PPCs among the MMP's encounter data and ensure that a Form DHCS 7107 is completed and submitted to A&I. When A&I receives the PPC reporting forms, its staff sorts the information between Medi-Cal FFS data and Medi-Cal managed care data, as indicated on Line 11a of the form. A&I then reports the Medi-Cal managed care data to the Managed Care Operations Division (MCOB).

Each MMP's designated PPC screener can help identify PPCs among encounter data from MMP network providers who are not enrolled as Medi-Cal providers. Medi-Cal enrolled providers have already been informed of these requirements and are more likely to be reporting their PPCs to A&I. In other cases, this designated screener might identify PPCs in encounter data that network providers may have inadvertently overlooked. Therefore, MMPs must screen their encounter data for PPCs and issue a special notice throughout their provider networks to inform all of their providers of this reporting requirement.

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If you have any questions regarding this DPL, please contact your MCO Contract Manager.

Sincerely,

*Original Signed by Sarah C. Brooks*

Sarah Brooks, Chief  
Managed Care Quality and Monitoring Division  
Department of Health Care Services

## Medi-Cal Provider-Preventable Conditions (PPC) Reporting Form

By law, providers must identify provider-preventable conditions that are associated with claims for Medi-Cal payment or with courses of treatment furnished to Medi-Cal patients for which Medi-Cal payments would otherwise be available. See instructions for a more detailed description of PPCs.

1. Name of facility where PPC occurred:			
2. National Provider Identifier (NPI):			
3. Billing NPI if different from No. 2:			
4. Facility Address where PPC occurred:			
City:		State:	Zip code:
<b>5. PPC – Other Provider-Preventable Condition (OPPC) in any health care setting:</b>			
Date OPPC occurred:		Admission date:	
<input type="checkbox"/> Wrong surgery/invasive procedure			
<input type="checkbox"/> Surgery/invasive procedure on the wrong body part			
<input type="checkbox"/> Surgery/invasive procedure on the wrong patient			
<b>6. PPC – Health Care-Acquired Condition (HCAC) in an acute inpatient setting:</b>			
Date HCAC occurred:		Admission date:	
<input type="checkbox"/> Air embolism		<input type="checkbox"/> Blood incompatibility	
<input type="checkbox"/> Catheter-associated urinary tract infection		<input type="checkbox"/> Deep vein thrombosis/pulmonary embolism	
<input type="checkbox"/> Falls/trauma		<input type="checkbox"/> Foreign object retained after surgery	
<input type="checkbox"/> Iatrogenic pneumothorax with venous catheterization			
<input type="checkbox"/> Manifestations of poor glycemic control		<input type="checkbox"/> Stage III or IV pressure ulcers	
<input type="checkbox"/> Surgical site infection		<input type="checkbox"/> Vascular catheter-associated infection	
7. Patient's name:			
8. Client Index Number (CIN):			
9. Patient's birthdate:			
10. Patient's address:			
City:		State:	Zip Code:
			Apt. No.:
11a. Is the patient enrolled in a Medi-Cal Managed Care Plan? <input type="checkbox"/> Yes <input type="checkbox"/> No (Fee-for Service)			
11b. If "yes" to question No. 11a, what is the plan's three-digit <a href="#">Health Care Plan Code</a> ?			
11c. Name of Health Care Plan:			HCP County:
12a. Do you intend to submit a claim? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Unknown			
12b. If "yes," what is the claim control number?			
13. Name of person completing report:			
14. Title of person completing report:			
15. Submitted by: <input type="checkbox"/> Medi-Cal Managed Care Plan <input type="checkbox"/> Provider			
16. Phone (including ext.):		Email:	
17. Signature of person completing form:			

**Please note:** When applicable, both Medi-Cal Managed Care Plans (MCP) and Medicare-Medicaid Plans (MMP) are required to report PPCs using this form.

## INSTRUCTIONS

Providers must complete and send one form (front page only) for each provider-preventable condition (PPC). **Please note that reporting PPCs to the Department of Health Care Services for a Medi-Cal beneficiary does not preclude the reporting of adverse events and [healthcare associated infections \(HAIs\)](#), pursuant to the Health and Safety Code sections 1279.1 and 1288.55, to the California Department of Public Health for the same beneficiary. Providers must report any PPC to DHCS that did not exist prior to the provider initiating treatment for a Medi-Cal beneficiary, even if the provider does not intend to bill Medi-Cal.**

Mark “PROTECTED HEALTH INFORMATION: CONFIDENTIAL” and send completed first page only of the report related to a Medi-Cal beneficiary to:

*Via Secure Fax*  
Department of Health Care Services  
Audits and Investigations Division  
Occurrence of Provider-Preventable Conditions  
(916) 327-2835

*Via U.S. Post Office*  
Department of Health Care Services  
Occurrence of Provider-Preventable Condition  
Audits and Investigations Division, MS 2100  
P.O. Box 997413  
Sacramento, CA 95899-7413

*Via UPS, FedEx, or Golden State Overnight*  
Department of Health Care Services  
Occurrence of Provider-Preventable Condition  
Audits and Investigations Division, MS 2100  
1500 Capitol Ave., Suite 72.624  
Sacramento, CA 95814-5006

Providers must send this form to the Department of Health Care Services (DHCS), Audits and Investigations Division, via fax, U.S. Post Office, UPS, or FedEx. Providers must submit the form after discovery of the event and confirmation that the patient is a Medi-Cal beneficiary. The preferred methods of sending the reports for confidentiality are No. 1, overnight courier with appropriate marking; No. 2, secure fax machine with appropriate marking; and No. 3, U.S. mail with appropriate marking. Providers must comply with HIPAA and any other relevant privacy laws to ensure the confidentiality of patient information. Providers may email questions about PPCs to [PPCHCAC@dhcs.ca.gov](mailto:PPCHCAC@dhcs.ca.gov).

### **Facility information (boxes 1-4)**

1. Enter name of the facility where the PPC occurred.
2. Enter the National Provider Identifier (NPI) of the facility where the PPC occurred.
3. Enter the billing NPI if it is different from the NPI for the facility where the PPC occurred.
4. Enter the street address, city, state, and zip code of the facility where the beneficiary was being treated when the PPC occurred.

### **Other Provider-Preventable Condition in any health care setting (box 5)**

5. If you are reporting an OPPC, enter the date (mm/dd/yyyy) that the PPC occurred and the admission date if the beneficiary was admitted to an inpatient hospital.

Select one of the following if:

- Provider performed the wrong surgical or other invasive procedure on a patient.
- Provider performed a surgical or other invasive procedure on the wrong body part.
- Provider performed a surgical or other invasive procedure on the wrong patient.

**Health Care-Acquired Condition (HCAC) in an acute inpatient setting (box 6)**

(HCACs are the same conditions as [hospital-acquired conditions](#) (HACs) that are reportable for Medicare, with the exception of reporting deep vein thrombosis/pulmonary embolism for pregnant women and children under 21 years of age, as noted below.)

6. Enter the date (mm/dd/yyyy) that the HCAC occurred and the admission date the beneficiary was admitted to an inpatient hospital.

Select one of the following if the beneficiary experienced:

- A clinically significant air embolism
- An incidence of blood incompatibility
- A catheter-associated urinary tract infection
- Deep vein thrombosis (DVT)/pulmonary embolism (PE) following total knee replacement or hip replacement in an inpatient setting. Do **not** check the box if the beneficiary was under 21 or pregnant at time of PPC.
- A significant fall or trauma that resulted in fracture, dislocation, intracranial injury, crushing injury, burn, or electric shock
- Any unintended foreign object retained after surgery
- Iatrogenic pneumothorax with venous catheterization
- Any of the following manifestations of poor glycemic control: diabetic ketoacidosis, nonketotic hyperosmolar coma, hypoglycemic coma, secondary diabetes with ketoacidosis, or secondary diabetes with hyperosmolarity
- A stage III or stage IV pressure ulcer
- One of the following surgical site infections:
  - Mediastinitis following coronary artery bypass graft (CABG)
  - Following bariatric surgery for obesity: laparoscopic gastric bypass, gastroenterostomy, or laparoscopic gastric restrictive surgery
  - Certain orthopedic procedures: Spine, neck, shoulder, and elbow
  - Following cardiac implantable electronic device (CIED) procedures
- A vascular catheter-associated infection

**Beneficiary information (boxes 7-11c)**

7. Enter beneficiary's name (first, middle, last) as listed on the Beneficiary Identification Card.
8. Enter beneficiary's Client Index Number (CIN) from the Beneficiary Identification Card.
9. Enter the beneficiary's birthdate (mm/dd/yyyy).
10. Enter the beneficiary's home street address, including city, state, zip code, and apartment number, if applicable.
- 11a. Check "yes" if the beneficiary is enrolled in a Medi-Cal Managed Care Plan or "no" if the beneficiary has Fee-For-Service (FFS) Medi-Cal.
- 11b. If the beneficiary has Medi-Cal Managed Care, the beneficiary's Managed Care Plan should enter the [Health Care Plan's \(HCP\) three-digit plan code](#).
- 11c. If the beneficiary has Medi-Cal Managed Care, enter the name of the Managed Care HCP and the county of the HCP where the PPC occurred.

**Claim information (boxes 12a-12b)**

- 12a. Click "yes" if you intend to submit a claim to Medi-Cal for the course of treatment associated with the PPC, "no" if you do not, or "unknown" if you do not know at this time.
- 12b. Enter the Claim Control Number (CCN) if you have already submitted a claim for the course of treatment.

***Provider Contact information (boxes 13-17)***

13. Enter the name of the person completing this report.
14. Enter the title of the person completing this report.
15. Check the appropriate box to indicate whether the person completing this report is a representative for a Medi-Cal Managed Care Plan or a provider.
16. Enter a work phone number, including extension if necessary, and email address where DHCS can contact the person who completed this report.
17. Sign and date the form. Adobe “digital signatures” are accepted.

***THE INFORMATION CONTAINED IN THE COMPLETED FORMS IS PROTECTED HEALTH INFORMATION AND PERSONALLY IDENTIFIABLE INFORMATION, UNDER FEDERAL (HIPAA) LAWS AND CA STATE PRIVACY LAWS. THE PROVIDER IS RESPONSIBLE FOR ENSURING THE CONFIDENTIALITY OF THIS INFORMATION.***