November 18, 2010

DMH INFORMATION NOTICE NO.: 10-23

TO: LOCAL MENTAL HEALTH DIRECTORS
LOCAL MENTAL HEALTH ADMINISTRATORS
COUNTY ADMINISTRATIVE OFFICERS
CHAIRPERSONS, LOCAL MENTAL HEALTH BOARDS

SUBJECT: DUAL ELIGIBLE (MEDICARE / MEDI-CAL) CLAIMING IN SHORT
DOYLE MEDI-CAL PHASE II

REFERENCE: DMH INFORMATION NOTICE NO. 10-11

This Department of Mental Health (DMH) Information Notice provides an update and clarification regarding additional changes that will be implemented as described in DMH Information Notice Number 10-11 dated May 6, 2010 affecting claiming for services to beneficiaries with both Medicare and Medi-Cal (Medi-Medi) coverage. DMH has identified situations in which procedure codes claimed under Mental Health Services are not eligible for reimbursement under Medicare due to one or more of the three key components associated with service provision (service activity, provider type, or place of service/setting) not meeting Medicare requirements. DMH has determined that based on one or more of these components the following should be claimed directly to Medi-Cal without claiming Medicare first:

1. **Services provided by a Marriage and Family Therapist (MFT).** Specialty mental health services provided by an MFT are not Medicare reimbursable and should be claimed directly to Medi-Cal. Claims for services provided by an MFT must include the taxonomy code 106H00000X or the claim will be denied as requiring coordination of benefits.

2. **The service activity “Rehabilitation” (Title 9, California Code of Regulations (CCR), Section 1810.243) under Mental Health Services.** Currently all Mental Health Services are claimed under procedure code H2015. This procedure code will be split into two codes, H2015 and H2017. When claiming rehabilitation under Mental Health Services, MHPs will now use procedure code H2017. Rehabilitation is a service activity under Mental Health Services that is not Medicare reimbursable regardless of where it is provided or who provides it.
Please note that some “Rehabilitation Option” services under California’s Medicaid State Plan are Medicare reimbursable. The service activity “Rehabilitation” (Title 9, CCR, Section 1810.243) should not be confused with all services included under the rehabilitation option.

3. **Place of service 03 (school) or 15 (mobile).** Specialty mental health services provided at a school or in a mobile unit are not Medicare reimbursable and should be billed directly to Medi-Cal.

4. **Place of service: Community.** Specialty mental health services provided in the community are not Medicare reimbursable and should be claimed directly to Medi-Cal. When a service is provided in the “community” and no other appropriate place of service code applies, the place of service code should be indicated as 99 (other) and the modifier “HQ” should be used with procedure codes H2010 and H2015 to specify that the service was provided in the community. Medi-Medi claims with place of service code 99, but no modifier will be denied as requiring coordination of benefits. Similarly, Medi-Medi claims for procedure codes H2010 or H2015 services with the procedure modifier “HQ” that do not include place of service 99 will be denied.

5. **Services provided by telephone.** Specialty mental health services provided over the telephone are not Medicare reimbursable and should be billed directly to Medi-Cal. When a service is delivered by telephone, the appropriate place of service code should be indicated and the modifier “SC” should be used with procedure codes H2010 and H2015 to specify that the service was provided by telephone. For example, if a telephone service is provided in an office use modifier “SC” with place of service code 11 (office). Claimed services provided over the telephone must be actual, Medi-Cal reimbursable services. Leaving a telephone message, scheduling an appointment, or other clerical functions are not Medicare or Medi-Cal reimbursable activities.

Services provided by telephone differ from telemedicine services. Telemedicine benefits are Medicare reimbursable when provided from a clinic through interactive voice and visual interface between the provider and the client and when provided in specific, eligible geographic regions. Services provided via telemedicine should be claimed to Medicare prior to Medi-Cal unless another exception to prior Medicare claiming exists.

DMH implemented the necessary edits to the Short-Doyle/Medi-Cal (SD/MC) Phase II system to allow direct billing to Medi-Cal for the edits described in 1 through 3 above on October 11, 2010. DMH anticipates that implementation of the edits described in 4 and
5 will occur in November 2010. DMH will post the exact dates associated with testing and implementation of the edits described in 4 and 5 on the DMH MedCCC website at: http://www.dmh.ca.gov/MedCCC/SD2.asp.

DMH continues to review and analyze if, and under what circumstances, Medication Support Services (H2010) may be ineligible for Medicare reimbursement.

The Department of Health Care Services (DHCS) and DMH are still in the process of determining if a provider enrolled in the Medi-Cal program must be certified for participation in the Medicare program. DMH expects this determination to be completed shortly and will issue guidance as soon as a decision is reached.

DMH continues to work to resolve remaining challenges that exist for claiming specialty mental health services for Medi-Medi beneficiaries and may determine additional situations in which direct Medi-Cal billing is appropriate. We know this issue is important and we thank you for your understanding and input in resolving these issues.

Sincerely,

Original Signed by

STEPHEN W. MAYBERG, Ph.D.
Director

Enclosure

cc: Dina Kokkos-Gonzales, Chief, Waiver Analysis Branch, DHCS