

DATE: March 18, 2024

Behavioral Health Information Notice No: 24-010

TO: California Alliance of Child and Family Services
California Association for Alcohol/Drug Educators
California Association of Alcohol & Drug Program Executives, Inc.
California Association of DUI Treatment Program
California Association of Mental Health Peer Run Organizations
California Association of Social Rehabilitation Agencies
California Consortium of Addiction Programs and Professional
California Council of Community Behavioral Health Agencies
California Hospital Association
California Opioid Maintenance Providers
California State Association of Counties
Coalition of Alcohol and Drug Associations
County Behavioral Health Directors
County Behavioral Health Directors Association of California
County Drug & Alcohol Administrators

SUBJECT: Drug Medi-Cal (DMC) Claiming Timelines for Short Doyle Medi-Cal (SD/MC)

PURPOSE: To provide updated guidance to counties regarding claim timelines for DMC Counties and Drug Medi-Cal Organized Delivery System (DMC- ODS) Plans

REFERENCE: [Assembly Bill \(AB\) 118 \(Chapter 42, Statutes of 2023\); Welfare and Institutions Code \(W&I\) Section 14021.6\(g\)](#)

BACKGROUND:

Prior to July 1, 2023, W&I Section 14021.6(g) required counties to submit DMC claims for substance use disorder services within six months after the date of service. For claims submitted after the six-month requirement, a county was required to submit a request for and obtain approval to use a delay reason code (DRC) with the claim submission.

DMC claim timeliness requirements did not align with the Specialty Mental Health Services (SMHS) and Fee-For-Service (FFS) programs.

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POLICY:

Assembly Bill 118 (Chapter 42, Statutes of 2023) amended W&I Section 14021.6 to state that “bills for services under the Drug Medi-Cal Treatment Program shall be submitted no later than twelve months from the date of service.” The change from six to twelve months became effective on July 1, 2023, and aligns DMC claiming timelines with the SMHS and FFS programs.

For DMC and DMC-ODS claims, DHCS deployed a system change on December 5, 2023, in SD/MC to extend the claiming edit to 12 months from the date of service without a DRC. DHCS will also update the DMC-ODS and DMC billing manuals to reflect the new guidelines. Counties are still required to submit DRC requests using delay reason codes 1, 2, or 10 for claim submissions that are over 12 months for dates of service beginning July 1, 2023.

As a result of this extension, delay reason codes 4, 7, 8, and 11 will no longer be applicable for use with DMC and DMC-ODS claims for dates of service on or after July 1, 2023. These codes will continue to be available when the date of service of the claim was prior to July 1, 2023, and the submission date of the claim is six-months from the date of service.

The criteria for replacement claims in DMC will also be updated to align with Specialty Mental Health. Currently, replacements submitted for previously approved or denied DMC claims may be submitted up to 6 months from the date of initial payment or denial of the original claim. This will be updated to allow replacements to be submitted without a DRC for up to 15 months after the month of service of the original claim. The system change to align the criteria for replacement claims in DMC is tentatively scheduled to deploy in SD/MC on May 7, 2024.

Please direct questions regarding the policy or claiming in SD/MC to MEDCCC@dhcs.ca.gov.

Sincerely,

Original signed by

Brian Fitzgerald, Chief
Local Governmental Financing Division