



California  
Department of  
Health Services

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State of California-Health and Human Services Agency  
**Department of Health Services**



ARNOLD SCHWARZENEGGER  
Governor

June 29, 2004

N.L.: 04-0604

Index: Enhancement 47 (E47)

**TO:** ALL COUNTY CALIFORNIA CHILDREN SERVICES (CCS)  
ADMINISTRATORS, MEDICAL CONSULTANTS, SUPERVISING  
THERAPISTS, STATE CHILDREN'S MEDICAL SERVICES (CMS)  
BRANCH STAFF, AND REGIONAL OFFICE STAFF

**SUBJECT:** CCS E47 SYSTEM TEMPORARY DUAL PROCEDURE

**Background:**

CCS Information Notice No.: 04-13 issued on June 14, 2004, announced that the new E47 system will begin July 1, 2004. The Information Notice also indicated that the current legacy system would continue to operate during a transition period to accommodate providers that may need extra time to modify their practice management systems to utilize the new Service Authorization Request (SAR) authorization process.

In order to accomplish this in a uniform manner and to avoid confusion, the state CCS office is conducting a survey to determine which tertiary hospital facilities and their associated provider groups will continue to use the legacy system after July 1. The CMS Branch will advise counties/Regional Offices which providers need to continue to participate in the legacy system through "This Computes" Bulletins and CCS Information Notices. This will enable county CCS programs and Regional Offices to continue to process authorizations and claims from these providers through the legacy system.

It is possible that other providers not affiliated with hospitals may need extra time to modify their practice management systems to utilize the new SAR numbers or obtain their Medi-Cal provider number. During the transition period the county/Regional Office can continue to authorize services to these individually identified providers using the legacy system at the county/Regional Office program's discretion. Counties are encouraged to issue authorizations to providers that have a Medi-Cal provider number or that indicate a willingness to obtain one, as once this transition period ends, providers without an active Medi-Cal provider number will not be issued authorizations.

**Policy:**

- Authorizations issued for medical services for dates of service **after** July 1, 2004, shall be issued in the new system only, with the exception of
  1. counties that are not currently on CMS Net (Los Angeles, Orange and Sacramento); or
  2. hospital facilities and associated provider groups approved by the CMS Branch to continue with the legacy system; or
  3. individual providers, determined by the county/Regional Office staff to require extra time to modify their practice management systems.
- Authorizations issued for dates of services **prior** to July 1, 2004, must be issued in the legacy system.
- Authorizations for medical services in the new system can only be issued to providers utilizing their Medi-Cal number.
- Authorizations for medical services issued in the legacy system for dates of service **after** July 1, 2004, should be issued with the appropriate Medi-Cal number if the provider has one, even if the child is not a Medi-Cal beneficiary. CGP numbers should only be used in the legacy system if a provider does not yet have a Medi-Cal number.

**Policy Implementation:**

- Authorizations issued for medical services for dates of service **after** July 1 shall be issued in the new system with the exception of counties not on CMS Net and provider/facilities who are approved to continue with the legacy system.
  1. A SAR number must be issued using the new process, unless a provider group or facility is specifically identified by the CMS Branch as temporarily requiring continued use of the legacy system.

2. If a provider group or facility has been identified by the CMS Branch as requiring continued use of the legacy system, **all** authorizations must be issued to that provider in the legacy system.
    - Authorizations for both inpatient and outpatient services shall be issued in the same system.
    - Providers must be informed that if using the legacy system, claims submission must continue to follow existing program policy.
  3. Individual providers identified by a county/Regional Office as having difficulty in utilizing the new authorization can have their services authorized utilizing the legacy system at the discretion of the county/Regional Office. County/Regional Offices should develop the processes necessary to ensure that this is handled consistently.
- Authorizations issued for medical services for dates of services prior to July 1, 2004, must be issued in the legacy system only.
    1. Claims associated with these authorizations **MUST** be processed according to the existing county/Regional Office processes.
    2. If the services being requested on the authorization extend beyond the July 1, 2004, date, two possible options are available to the county and provider:
      - The CCS program may issue the authorization using the legacy system for a period not to extend beyond the current eligibility period. In this case, claims will continue to be processed under the current requirements for the county or Regional Office; or
      - The county may issue one authorization via the legacy system to cover services through June 30, 2004, and then issue a second authorization with a SAR number for services July 1, 2004, forward. In this case, claims with dates of service before June 30 would be processed under the current requirements for the county or Regional Office. Claims with dates of service after July 1 can be processed electronically under the SAR number, if the provider is approved by the Medi-Cal program for electronic billing.

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- Authorizations for medical services issued in the legacy system after July 1, 2004, should be issued with the Medi-Cal number if they have it. CGP numbers should only be used if a provider does not yet have a Medi-Cal number.
- New CGP numbers will not be issued after July 1, 2004.

If you have any question please contact your Regional Office Consultant.

**Original Signed By Marian Dalsey, M.D., M.P.H.**

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