



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



GAVIN NEWSOM
GOVERNOR

DATE: July 8, 2021

Behavioral Health Information Notice No: 21-032

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 Programs
California Association of Social Rehabilitation Agencies
California Consortium of Addiction Programs and Professionals
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: County of Responsibility and Reimbursement for Drug Medi-Cal (DMC) and Drug Medi-Cal Organized Delivery Systems (DMC-ODS)

PURPOSE To ensure beneficiaries moving to new counties are able to access timely SUD treatment during the period of time between Inter-County Transfer initiation and completion and to clarify existing county responsibility for out-of-county hospitalizations.

BACKGROUND:

The Department of Health Care Services (DHCS) uses the Short Doyle billing system for DMC and DMC-ODS. The Short Doyle billing system queries the DHCS Medi-Cal Eligibility Data System (MEDS) to determine eligibility before reimbursing claims. MEDS has a field labeled County of Residence, which can be changed by a County Eligibility Worker when a beneficiary indicates a change of address and initiates an Inter-County Transfer. The County of Residence field indicates the beneficiary's current residence. MEDS also has a field labeled County of Responsibility. This field determines which Medi-Cal Managed Care Plan the beneficiary is eligible to join, and which counties are

responsible for covering Substance Use Disorder Services. The County of Responsibility is changed at the end of an Inter-County Transfer process.

Differences in Residence County and County of Responsibility occur: 1) during the interim period between the time an Inter-County Transfer is initiated and the time it is completed; and 2) when a beneficiary lives in a county other than the County of Responsibility, e.g., foster children and college students. In all other circumstances, the Residence County and County of Responsibility should be the same.

In the Drug Medi-Cal Organized Delivery System, billing historically was tied to County of Responsibility. This means that claims were denied by the Short Doyle billing system when a beneficiary moved to a new county, initiated an Inter-County Transfer, and started receiving SUD treatment services, until the Inter-County Transfer was complete and the County of Residence was changed.

Definitions:

- *County of Responsibility*: the field in MEDS that indicates the county that has control of the case record in MEDS and is the county that can make eligibility and demographic information updates to the MEDS record. This county has financial responsibility for behavioral health services, consistent with the county contract with DHCS. Providers can verify Medi-Cal eligibility in three ways: POS system (BIC Card reader), Automated Eligibility Verification system (AEVS)¹ or the Medi-Cal website.
- *County of Residence*: the field in MEDS and MEDSLITE indicating the county in which the beneficiary resides.
- *County of Service*: the county where the behavioral health provider is physically located.

POLICY:

The County of Responsibility field in MEDS and MEDSLITE is the official source for determining which payer is responsible to pay claims for medically necessary substance use disorder services provided to eligible beneficiaries, no matter where the beneficiary is located or residing, unless or until an Inter-County Transfer has been initiated to change the residence.

Counties and providers should use the County of Responsibility to determine which county is responsible to provide authorizations for substance use disorder services

¹ For more information, see EVS [Medi-Cal: FAQs](#), [Medi-Cal: Transaction Services Available](#) or [Medi-Cal: Transaction Enrollment Requirements](#)

(whenever authorizations are needed to approve care) and to pay claims for medically necessary services for eligible beneficiaries. The only exception to this policy is when a beneficiary has initiated an Inter-County Transfer to confirm a change of residence. In that case, the County of Residence is responsible for authorizations and claims.

If a provider requests an authorization for service of a county DMC-ODS or DMC State Plan County for a beneficiary that has initiated an Inter-County Transfer to another county, the County of Responsibility must notify the provider that an Inter-County Transfer has been initiated, and the provider must then request the authorization from the County of Residence. The beneficiary's County of Residence must be updated in MEDS prior to the provider requesting authorization.

Short-Doyle has been modified so claims from DMC and DMC-ODS counties are no longer denied, as long as the beneficiary's County of Responsibility or County of Residence matches the submitting county. Previously denied claims may be resubmitted if they meet the following criteria:

- The original claim was submitted within twelve months of the service provision and denied by Short-Doyle, and;
- At the time of resubmission, the claim is no older than 24 months from the date of service provision.

Claims that do not meet this criteria, such as those that were not submitted previously due to anticipated denial, or claims for services rendered more than 24 months ago, may not be retroactively reimbursed.

As a reminder, providers should always check Medi-Cal eligibility and verify that the beneficiary is Medi-Cal eligible, and should verify which county is responsible for reimbursing for that beneficiary's care.

QUESTIONS

Questions regarding this BHIN may be directed to the County Monitoring Section at CountySupport@dhcs.ca.gov.

Sincerely,

Original signed by

Kelly Pfeifer, M.D.
Deputy Director
Behavioral Health