



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



EDMUND G. BROWN JR.
GOVERNOR

DATE: September 12, 2017

MHSUDS INFORMATION NOTICE NO.: 17-043

TO: COUNTY BEHAVIORAL HEALTH DIRECTORS
COUNTY DRUG & ALCOHOL ADMINISTRATORS
COUNTY BEHAVIORAL HEALTH DIRECTORS ASSOCIATION OF CALIFORNIA
CALIFORNIA COUNCIL OF COMMUNITY BEHAVIORAL HEALTH AGENCIES
COALITION OF ALCOHOL AND DRUG ASSOCIATIONS
CALIFORNIA ASSOCIATION OF ALCOHOL & DRUG PROGRAM EXECUTIVES, INC.
CALIFORNIA ALLIANCE OF CHILD AND FAMILY SERVICES
CALIFORNIA OPIOID MAINTENANCE PROVIDERS

SUBJECT: REJECTION OF UNCERTIFIED DRUG MEDI-CAL CLAIM FILES

PURPOSE

The purpose of this Information Notice is to remind Drug Medi-Cal (DMC) trading partners (counties and direct contract providers) of the requirement to certify the appropriateness of DMC claim files submitted to the Department of Health Care Services (DHCS), and to notify trading partners of action DHCS will implement regarding uncertified DMC claim files.

BACKGROUND

To be eligible to receive federal financial participation (FFP) funds for DMC claims submitted through the Information Technology Web Services (ITWS) system and adjudicated by the Short-Doyle Medi-Cal (SDMC) system, the trading partner must submit a signed Certified Public Expenditure (CPE) form to DHCS. The CPE verifies the claim file represents only expenditures eligible for FFP per Title 42 of the Code of Federal Regulations, Section 433.51. Without a signed CPE form from the trading partner, DHCS cannot release the claim file for payment and the SDMC system cannot generate an 835 transaction set for the trading partner's records. In addition, without an 835 transaction set, the trading partner cannot void any of the claims on the uncertified file.

DISCUSSION

Effective immediately, DHCS will notify trading partners (via U.S. mail) of uncertified DMC claim files that are 90 days or older. The trading partner will have 30 days from the date of the letter to submit a completed CPE or DHCS will reject the claim file. If DHCS rejects the claim file, an 835 transaction set will be generated reflecting a zero payment. If the claim file was valid and the trading partner wants to seek reimbursement, the trading partner will need to submit a new claim through ITWS.

Questions related to this Information Notice should be directed to the Fiscal Management and Accountability Branch analyst assigned to your county.

Sincerely,

Original signed by

Karen Baylor, Ph.D., LMFT, Deputy Director
Mental Health & Substance Use Disorder Services