

COUNTY OF LOS ANGELES/DEPARTMENT OF HEALTH SERVICES (DHS)
PHYSICIAN REIMBURSEMENT PROGRAM
 Information Bulletin

DHS IMPLEMENTS MEDI-CAL MATCH PROCEDURE

Background

As described in the CHIP billing procedures, the CHIP program is intended for those patients who have no source of medical insurance and no other method of paying for medical care. These funds are used to reimburse physicians and hospitals for truly **indigent patients**. Physicians are required to make reasonable efforts to obtain reimbursement. Because of the reduction in program funding, DHS is investigating new methods of ensuring proper utilization of the CHIP funds. Another contributing factor is that on spot auditing, it has been determined that some payments are going for patients who have other health coverage.

New Procedure

Procedures have been developed to run all FY1993-94 claims against the State's Medi-Cal Eligibility Tape. Claims which match both patient and month of service will not be paid by the CHIP program. The physician will be provided with the patient's Medi-Cal number so that the physician can bill Medi-Cal.

Since Medi-Cal will only accept billings within 13 months of the date of service, it is imperative that the CHIP program be billed as soon as possible after any service provided. This will allow adequate time to run the Medi-Cal eligibility match and allow the physician adequate time to bill Medi-Cal. If Medi-Cal denies the claim because it is submitted past the deadline, the claim cannot be resubmitted to the CHIP program.

(continued on page 2)

ATTENTION!!!

Where are your FY 93-94 claims???
The number of claims received by AIA to date is below the expected amount as compared to past years.

Avoid the rush and submit ASAP.

TO:

American Insurance Administrators

Box 34759

Los Angeles, CA 90034-0759

EMS AGENCY RELOCATES TO CITY OF COMMERCE

This is to announce the relocation of the Los Angeles County EMS Agency to the Department of Health Services--Ferguson Complex at the following address:

Los Angeles County EMS Agency

5555 Ferguson Drive, Suite 220

Commerce, California 90022

Initially, the telephone calls will be forwarded using the same numbers. In late September, the telephones will be switched to a new system. At that time, the main EMS Agency number will be (213) 890-7500. New telephone numbers for Larry Smith and Carol Gunter will be announced in the next Physician Bulletin.

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(continued from page 1)

Expected Results

Based upon preliminary runs conducted on FY1992-93 claims, it is estimated that up to 20% of the claims paid may have been eligible for Medi-Cal. The good news about this new procedure is that CHIP funds can be reserved for intended patients. With these savings, it is possible the physician reimbursement rate could be raised in the future.

PHYSICIAN CHIP PROGRAM AUDITS

The Department of Health Services has begun randomly auditing individual physician billing practices. If it is determined that a physician is inappropriately billing the CHIP program, the physician may be excluded from future participation. Inappropriate billing may include such practices as failure to seek 3rd party payment prior to billing the CHIP program or failure to refund CHIP payment to the County following 3rd party payment.

In a recent audit, it was determined that a physician provider submitted multiple billings of insurance, Medi-Cal, and other sources at the same time as billing the CHIP program. Such practices are not in keeping with the program's Conditions of Participation and Billing Instructions and could jeopardize the provider's future participation.

In addition to the onsite audits described above, DHS and the Physician Reimbursement Advisory Committee (PRAC) are randomly auditing individual claims. The PRAC meets on a quarterly basis; therefore, payment for those claims pulled for individual audit may be delayed.

As a result of an internal audit, it was discovered that some providers received duplicate payments for the same claim. Letters have been sent to providers requesting they reimburse the program for any duplicate payment. Although some providers have made refunds, others have not. Failure to respond to the refund request letters could result in a delay in processing FY 1993-94 claims until resolved.

SIGNED LEGISLATION FOR TOBACCO TAX PROGRAM ENSURES PROGRAM CONTINUATION

In early July, Governor Wilson signed AB 816 authored by Assemblyman Isenberg which ensures the continuation of the Tobacco Tax program through June 1996. Although many other interest groups attempted to tap into the funds for other purposes, the legislation generally maintains similar funding with no substantial changes in reporting requirements.

FOR YOUR INFORMATION

■ Electronic Billing: The submitted diskettes must include a label indicating the sender's name and address. Diskettes must also be accompanied with a control sheet. Please contact Manaz Billimoria or Barbara Rabinowitz from AIA at (310) 390-7900 to obtain this form.

■ Frequent Errors on Claims Resulting in Rejection:

1. Place of service and service settings do not coincide.
2. Hospital admit and discharge dates cannot be equal (i.e., 01-01-94 to 01-01-94) unless the patient has expired.
3. Inpatient bills missing admission and discharge dates on the HCFA 1500.

REMINDER!!!

*The deadline for submission of
Fiscal Year 1993-94 claims is
December 31, 1994 at 5:00 P.M.*

There are no exceptions to this cut off date.