

August 2009

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

**EMSA Elimination**  
**FY 09-10 PSIP Reimbursement Rate**  
**Reduction**

In recent severe budget cuts, the State eliminated a funding source for the PSIP program called the Emergency Medical Services Allocation (EMSA), which has been a line item in the State budget for the past nine years to specifically offset ongoing cuts in Tobacco Tax (AB99) funds. Due to actions by the State, both Tobacco Tax and EMSA funds have been eliminated. The total EMSA allocation was \$24.8M statewide, of which \$8.8M was allocated to the Los Angeles County Physician Reimbursement Program. The EMSA was a major source of funding for the PSIP program, making up nearly 30% of the program's funding.

As a result of this State cut and the growing number of claims the Department of Health Services (DHS) has no alternative but to seek Board of Supervisors' approval to lower the reimbursement rate for FY 09-10. It is likely that this will be a significant reduction. As you know, this program is almost exclusively funded through State legislation (the EMS/Maddy Fund) or the State budget. DHS does not have other sources of revenue to replace this funding.

The EMS commission will be discussing this issue at its next quarterly meeting on September 16, 2009. Providers can attend the meeting to express their concerns or submit comments via mail to the address below:

**Date:** September 16, 2009

**Time:** 1:00 pm

**Location:** L.A. County EMS Agency  
10100 Pioneer Blvd., Suite 200  
Santa Fe Springs, CA 90670

**Clarification of**  
**Reimbursement Policies**

E & M and Critical Care Codes for Same Date of Service

The Physician Reimbursement Advisory Committee (PRAC) has recently reviewed and continues its stance on E & M and Critical Care Codes for same date of service.



The County has received claims with charges for both E & M codes (99281 to 99285) and Critical Care codes (99291 and 99292) for the same date of service. Only the code that pays the higher amount will be considered, i.e., the Critical Care Code (99291 at 5.84 units and 99292 at 2.92 units). The E & M code, "no benefits due", will not be considered.

Denied charges clearly documenting both services can be appealed through the PRAC by providing American Insurance Administrators (AIA) with medical records and documentation.

**Section 1011**

As indicated below, a provider can bill both PSIP and Section 1011.

CMS agrees to allow providers to request payment under Section 1011 concurrently with California Maddy (CA Maddy) claims. This allowance is based on CMS' 3 assumptions below:

1. CA Maddy is not considered a "payment in full" program and is eligible for supplemental payments
2. CA Maddy is patient-specific and such payments will be treated as an applicable third party payment.
3. Payments made by Section 1011, whether before or after CA Maddy, will be returned by the provider if Section 1011 payments plus CA Maddy payments are in excess of the allowable amount.

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### Section 1011 (cont)

This payback/overpayment recovery will occur regardless of when the Section 1011 and CA Maddy payments are made.

### Physician Audits

The EMS Agency will continue to audit PSIP providers. Providers must comply with all requests for medical and financial records for claims to be audited.



Physicians are ultimately responsible for all claims submitted for their services.

Providers should be aware of the following issues that have come up during recent audits:

- A pattern of inappropriate maximization of coding (up coding, unbundling) incorrect coding (such as billing for services not provided)
- Lack of documentation to show follow-up on possible third party coverage
- Billing the program for patients with known third party coverage (Insurance, Medi-Cal etc)
- Retaining PSIP payment for claims paid by another third party liability (i.e. insurance or Medi-Cal) etc.

### Fiscal Year (FY) 2008/09 Claims Submission Deadline

The deadline for submission of FY 2008/09 claims (service dates from July 1, 2008 through June 30, 2009) is:

- October 31, 2009 at 5:00 P.M.
- There are no exceptions to this deadline.



### PROGRAM STATISTICS

FY	# of Physicians enrolled	Funding (millions)
2006/07	4,395	\$28M
2007/08	4,833	\$31M
2008/09 (Estimate)	5,253	\$29.8M

## PSIP 2009/10 Enrollment Documents

PSIP and PSIP/Trauma documents will be available by October 2009. Providers and billing companies can obtain the documents from either the:



American Insurance Administrators (AIA) website

[www.aialapsip.com](http://www.aialapsip.com)

or the

Los Angeles County website [www.ladhs.org/ems](http://www.ladhs.org/ems)

Providers who need to request documents by mail should contact American Insurance Administrators (AIA) at (800) 303-5242. Electronic enrollment through the AIA website will be available only for current providers.

Enrollment forms and claims should be mailed directly to the County's Contracted Claims Adjudicator, AIA at:

American Insurance Administrators (AIA)  
P.O. BOX 2340  
Bassett, CA 91746-0340



### Do you have questions regarding your claims?

Physician Claims Hotline  
(800) 303-5242

