

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

## GOOD NEWS!

### FY 92/93 RAISE UP

Due to unexpended funds in the PSIP program's Trauma fund as well as interest generated from the Trauma and EMS funds, the reimbursement rate for the EMS fund (PSIP) has been raised from 30% to 39%. A single payment will be made to each provider based on previous claims submitted and paid. Final resolution of all claims, including appeals, was completed by May 1, 1994. The raise up amounts for each provider are being determined and payments will be mailed in the latter part of May 1994.

### Status of FY 93/94 Funding

The 1993/94 allocations for physicians services are as follows:

<u>EMS</u>	<u>TRAUMA</u>	<u>CALL-BACK</u>
\$2,570,000	\$2,133,000	\$200,000

This represents a decrease of approximately \$471,000 for the EMS fund and \$248,000 for the trauma fund compared to FY 92/93 allocations. These reductions reflect a recent decrease made by the State. The OB Call-back fund was decreased by \$134,000 due to the reduction in need for County contracting for total OB care. It is likely that the OB Call-back fund will be eliminated in FY 94/95.

Appropriate physician packets (Trauma, OB Call-back and PSIP) have been mailed to corresponding physicians based on listings of physicians previously enrolled. Conditions of participation and enrollment forms must be on file before claims can be accepted and adjudicated.

## Questions & Answers: FY 93/94

### Update Training Classes

- Q:** If an insurance policy, Medi-Cal, or other 3rd party does not cover a service or has a deductible, can the physician bill the CHIP program?
- A:** No, if services are simply not covered by an insurance program or there is a deductible, physicians shall not bill this program. This is a program for indigent patients with no form of health coverage.
- Q:** If an indigent female who is 28 weeks pregnant with cramping or spotting is referred to a physician, can the patient be examined in the office instead of the hospital and still bill the CHIP program?
- A:** Yes, if a patient is pregnant and Box #20(5) is checked on the CHIP form, including completion of the E.D.D., the physician can bill for an office visit.
- Q:** Can we use a hospital's Medi-Cal denial even though the denial will reflect hospital codes and not the procedure codes of the physician?
- A:** No, hospital denial does not in all cases result in physician denial.
- Q:** Can we use a hospital Medicare denial for the required proof of Medicare denial on patients 65 years of age or older?
- A:** No, because Medicare has a Part A (hospital) and Part B (physician).
- Q:** What is the required documentation for pediatric hospitalizations greater than 5 days ?
- A:** A statement from the hospital documenting sources the hospital used to obtain reimbursement. The document must be on hospital letterhead and signed by the Business Office Manager or designee.

*(continued on page 2)*

## CHANGE OF PROCEDURE

The Los Angeles County Auditor-Controller has recommended that all warrants be mailed directly from the Auditor-Controller's Disbursement Division to the providers/billing agencies. Therefore, in order for our Department to comply with this recommendation, effective for FY 1993/94 services, all warrants will be mailed directly to the provider/billing agencies. The Remittance Advices (RAs) will be mailed separately by the Department a couple of days later. The RA will cross reference the warrant number and issue date.

### Questions and Answers:

**FY 93/94**

### Update Training Classes

*(continued from page 1)*

**Q:** Can a physician ever be paid for an emergency service which falls under the Medi-Cal exclusions?

**A:** Yes, procedures which are covered by Medi-Cal's Schedule of Maximum Allowances (SMA) but which require a TAR are reviewed on appeal by the Physician Reimbursement Advisory Committee (PRAC). The decision of the PRAC is final.

**Q:** What does the CHIP Program use as a definition of minor?

**A:** According to the Health & Safety Code, Section 16907.5, "pediatric services means all medical services rendered by any licensed physician to persons from birth to 21 years of age". Therefore, all requirements for completing the CHIP which relate to minors must be completed for patients up to the age of 21, i.e., parent or guardian's name and family size. Inability to complete these requirements requires a justification and signature in 26 & 27.

## FLASH!!!

*Where are your FY 93-94 claims???*  
*Avoid the rush and submit ASAP.*

*TO:*

**American Insurance Administrators**

**Box 34759**

**Los Angeles, CA 90034-0759**

## FOR YOUR INFORMATION

### ■ HCFA-1500:

- 1) Hospitalization admission and discharge dates are now required.
- 2) Only HCFA-1500s which provide EMPLOYER information will be accepted.
- 3) Any discrepancy in information provided on the CHIP and HCFA-1500 forms will result in claim rejection.
- 4) Under the "Insurance Plan" section, do not indicate DHS, AIA, or other reference to the CHIP program.

■ FY 92/93 Recap: Nearly 2,000 physicians were enrolled in the Physician Reimbursement Programs for FY 92/93. Over 264,000 claims were received.

■ Electronic Billing: If you are interested in electronically billing the CHIP program, contact Manaz Billimoria at (310) 390-7900.

■ Update Training Classes: The FY 93/94 Update Training Classes were very successful with over 500 individuals attending the four sessions. If there is significant interest, additional classes may be provided as time allows. Please contact Larry Smith at (310) 793-1532 if you are interested.

## 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 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.