

**STATE OF CALIFORNIA-HEALTH AND WELFARE AGENCY**

**PETE WILSON, Governor**

**DEPARTMENT OF ALCOHOL AND DRUG PROGRAMS**

1700 K STREET

SACRAMENTO, CA 95814-4037

TDD (916) 445-1942

(916) 322-7012



**ADP BULLETIN**

Title  <b>Drug/Medi-Cal Claiming Procedures and Miscellaneous Claiming Information</b>		Issue Date: August 4, 1998 Expiration Date: August 4, 2000	Issue No. 98-39
Deputy Director Approval  GLORIA J. MERK, II Program Operations Division	Function <input type="checkbox"/> Information Management <input type="checkbox"/> Quality Assurance <input type="checkbox"/> Service Delivery <input checked="" type="checkbox"/> Fiscal <input type="checkbox"/> Administration	Supersedes Bulletin/ADP Letter No.  <a href="#">97-61</a>	

**PURPOSE**

The purpose of this bulletin is to update the Drug/Medi-Cal (D/MC) claims processing procedures. These procedures will clarify and reiterate the D/MC claiming and reporting requirements.

**DISCUSSION**

The following procedures apply to both counties and direct contract providers:

- Monthly Claim for D/MC Reimbursement and Monthly Provider Service and Revenue Summary (ADP 1592)**

Please submit **one** original ADP 1592 **with original signatures** plus **three** copies with each D/MC claim.

The preparer of the ADP 1592 must sign in the first signature box. If a county is submitting the ADP 1592, the county representative must sign the County Certification section. If a direct contract provider is submitting the claim, the Direct Contractor Certification section must be signed. Both counties and direct

contract providers must sign the last section for Auditor-Controller, Finance Officer.

The revised ADP 1592 (Exhibit A) has a check box for CalWORKs submissions. The check boxes for Minor Consent and Early and Periodic Screening, Diagnosis and Treatment (EPSDT) have been eliminated. Minor Consent and EPSDT do not need to be reported separately. The revised ADP 1592 is effective on July 1, 1998.

To avoid unnecessary delays, all items must be completed on the ADP 1592. Clearly identify the following items:

- a. Identify the Submission Type: Original or Supplemental and/or CalWORKs;
- b. Enter the County Name;
- c. Enter the Date of Submission;
- d. Enter the appropriate Program Code of 20 or 25; and
- e. Enter the provider name and D/MC provider number by service function codes (each service function code must be on a separate line).

## 2. **Original D/MC Claims Submission**

This is **the first claim** the Department of Alcohol and Drug Programs (ADP) receives for a particular month of service.

## 3. **Supplemental D/MC Claims Submission**

This is any claim submitted after the original submission for the month of service.

A supplemental claim is any additional claim for the same month of service whether it includes new clients or additional service to the same client. A supplemental claim is not an original submission and must be clearly identified by checking the Supplemental box on the ADP 1592.

If a supplemental claim is not submitted within the required time frames as the original claim, a good cause code for late submission must be entered on the D/MC claim form. A list of good cause Reason codes is enclosed (Exhibit B).

## 4. **Resubmissions**

This is a claim that is being resubmitted because the unit(s) have been **denied, disallowed, or deleted**. The resubmission document **must be accompanied by a copy of the Denied Claims Report** showing that the units being resubmitted have been denied. If there is no proof that the units were denied they will **not** be resubmitted.

**A resubmission does not require an ADP 1592 invoice. If additional units of service (UOS) are claimed, they must be submitted separately as a Supplemental Claim with an ADP 1592** to cover those additional units.

**Do not include resubmission units with supplemental units** on the same D/MC Eligibility Worksheet (ADP 1584). These are two different processes and they cannot be combined.

5. **Drug/Medi-Cal Eligibility Worksheet (ADP 1584)**

Counties and direct contract providers need submit only the original D/MC Claim (ADP 1584) with original signatures to ADP. **Service function codes must be submitted separately** whether on ADP 1584, tape, diskette or electronic submission. This also applies to narcotic treatment program providers.

6. **Share of Cost (SOC)**

This means that a person's or family's net income is in excess of their maintenance need that must be paid or obligated toward the cost of health care services before the person or family may be certified to receive Medi-Cal. The client does not become Medi-Cal eligible until the **entire** SOC has been met.

Providers should bill monthly for their SOC clients even though the SOC may have been only partly met. This is because the beneficiary may be meeting the SOC obligation by payment to another Medi-Cal provider (medical, dental, etc.).

The county or direct contract provider must report the collection of any SOC dollars in the "Adjustments to Gross Claim" column on the ADP 1592. This amount is deducted from the net claim.

7. **Edit and Duplicate Error Correction Reports**

Counties and direct contract providers have been improperly using the override codes on the Error Correction Reports (ECR) submitted to ADP. If an ECR has improper corrections, the automated billing system will not accept the corrections. This will result in records remaining in suspense for the maximum time and ultimately being denied. A listing of override codes and their uses and ECR error messages is enclosed (Exhibit C).

a. **Override Codes** that may be used on an **Edit ECR** are:

1. **“W”** - Override Code plus the **county code** and the **aid code** to **override a client eligibility** error. The county code and aid code are **mandatory** in the first four boxes of the correction field.
  2. **“X”** is used to **delete** the entry.
  3. **“A”** through **“G”** Good Cause Codes are used for late D/MC submission(s). A Good Cause Certification form ADP 6065 (Exhibit D) must be completed and retained on site for audit or monitoring purposes.
- b. **Override Codes** that may be used on a **Duplicate ECR** are:
1. **“Y”** Override Code **will allow two units of service** on the **same day**. A Multiple Billing Override Certification form ADP 7700 (Exhibit E) must be completed and retained on site and be available for audit or monitoring visits.
  2. **“X”** is used to **delete** the entry.

**No other override codes are allowed.**

## **8. Miscellaneous Information**

- a. **Year 2000 changes** - ADP has until December 2001 to make the necessary changes to forms and tape layouts. In the interim, there is a bridge program that will handle the year 2000. Counties and direct contract providers will be notified when changes occur.
- b. **CalWORKs** (California Work Opportunity and Responsibility to Kids) - claims must be submitted separately from other Drug/Medi-Cal Claims. At this time the CalWORKs claims should be submitted on a separate ADP 1584. If a county or direct provider has the capability of separating their CalWORKs claim on one of the electronic media it will be accepted. A separate ADP 1592 must accompany the claim. Please use the revised ADP 1592 for submitting the July 1998 claim.
- c. **Drug/Medi-Cal Analyst Assignments** - County analyst assignments have changed. A listing of county analysts with telephone numbers is enclosed (Exhibit F).

## **REFERENCES**

Title 22, Division 3, Health Care Services, effective July 1, 1998.  
CalWORKs ADP 98-14 bulletin, dated April 2, 1998.  
Public Law 104-193 (Personal Responsibility and Work Opportunity Reconciliation Act of 1996)  
Assembly Bill 1542 (Welfare to Work Act of 1997)

## **HISTORY**

Not Applicable.

## **QUESTIONS/MAINTENANCE**

Questions regarding these issues may be directed to your assigned analyst in the Fiscal Management Branch.

## **EXHIBITS**

Exhibit A - [Revised ADP 1592 - Monthly Claim for D/MC Reimbursement and Monthly Provider Service and Revenue Summary](#)  
Exhibit B - [Good Cause Reason Codes](#)  
Exhibit C - [Error Correction Report Processing Instructions, January 7, 1998](#)  
Exhibit D - [ADP 6065 - Good Cause Certification](#)  
Exhibit E - [ADP 7700 - Multiple Billing Override Certification](#)  
Exhibit F - [Analyst County Assignments](#)

## **DISTRIBUTION**

County Alcohol and Drug Program Administrators  
County Fiscal Officers  
Drug/Medi-Cal Providers  
Wagerman Associates, Inc.  
Director's Advisory Council

---

P:\PUB-DATA\POD\BULLETIN\98-39\98-39: July 26, 2007 :SC/JA/SW:bd