

**Short-Doyle Medi-Cal Phase 2
Implementation Planning Document**

April 20, 2009

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1 Introduction

This document intends to provide guidance to counties and ADP direct providers regarding the implementation of the Short-Doyle Medi-Cal Phase 2 system.

2 Phase 2 Timeline

The purpose of this section is to provide a high-level schedule overview for the Short-Doyle Medi-Cal (SDMC) Phase 2 Project to all counties and ADP direct providers.

The goal of the SDMC Phase 2 Project is to achieve full HIPAA compliance for the SDMC system. Department of Health Care Services (DHCS), Department of Alcohol and Drug Programs (ADP) and Department of Mental Health (DMH) are working in partnership to implement the new system.

DHCS, ADP, and DMH have agreed to a revised schedule that calls for initial (beta) testing with selected vendors, counties and ADP direct providers beginning September 2009. The first “Go-Live” production claims would be submitted to the Short-Doyle Medi-Cal Phase 2 system in November 2009 and phased in over the following months. Full production use of Phase 2 by all counties and ADP direct providers would occur by February 2010, followed shortly thereafter by a complete shut-down of the SDMC Phase 1 claims processing system.

	2009									2010		
	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
State End-to-End Test		■	■	■	■							
Beta Test						■	■					
County and Direct Provider Test									■	■	■	
Implementation - Wave 1									◆			
Implementation - Wave 2										◆		
Implementation - Wave 3											◆	
Phase 1 Retirement												◆

According to the revised project schedule, counties and ADP direct providers will actively participate in the Beta Test and County and ADP Direct Provider Test and Implementation phases of the project. They will receive support from the three departments during these phases to ensure a successful transition to the new system.

State End to End Test

May 2009 – August 2009

State End to End Test phase will occur in a twelve week period from May 2009 through August 2009. DHCS will provide support for ADP and DMH and verify that the test results are successful.

Beta Test

September 2009 – October 2009

Beta Test phase will occur in a seven week period from September 2009 to October 2009. During this phase, vendors, select counties and ADP direct providers will submit

and receive test data to and from the Phase 2 testing environment. DHCS will be the first point of contact for the test participants for issues arising during Beta Test. Participants will continue to submit production SDMC claims to the Phase I system concurrent with their testing activities.

County/ADP Direct Provider Test and Implementation

November 2009 – February 2010

County/ADP Direct Provider Test and Implementation phase will occur in a twelve week period from November 2009 to February 2010. ADP and DMH will coordinate with the counties and direct providers using a phased-in test and implementation process.

All counties and direct providers are invited to begin testing as soon as this phase is initiated, regardless of which implementation wave they are scheduled to be a part of. If necessary, technical support priority will be given to those implementing in earlier waves.

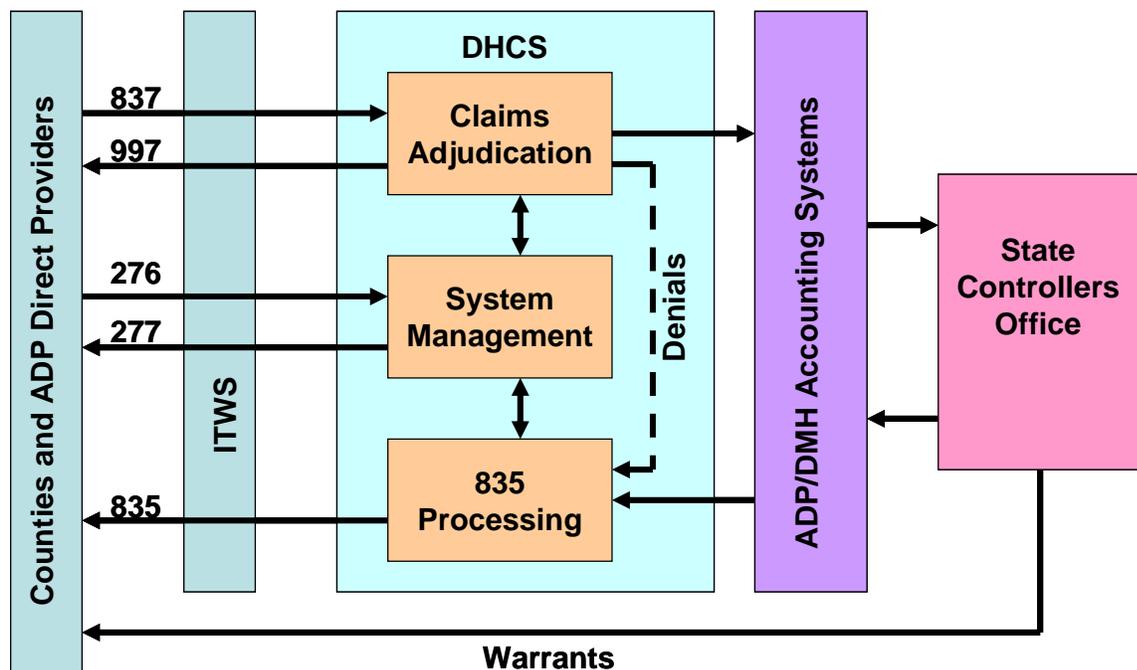
The first wave of counties will go live with SDMC Phase 2 in December 2009, preceded by a period during which counties can test their systems that send and receive files to and from SDMC Phase 2. The second and third wave of counties will go live in the following months on specified go live dates. Please refer to 5.2 Departmental Implementation Strategies for more information.

ADP Direct Providers, Drug Medi-Cal Counties and Behavioral Health Counties whose ability to submit DMH claims is tied to submission of ADP claims (shared system) will be implemented in Wave 2. Remaining DMH-only submitters will be in either the first or third implementation wave.

Counties and ADP direct providers will continue to submit production SDMC claims to the Phase I system concurrent with their testing activities. After a county or ADP direct provider cuts over to the Phase II system on its designated go live date, it may no longer submit claims to the Phase 1 system.

3 Claims Process Overview

The Short-Doyle Medi-Cal Phase 2 claims process spans four different state departments. While the current phase 1 claims process can take eight to ten weeks before a warrant is sent to the submitter, the Phase 2 process is expected to reduce that timeframe. The majority of interfaces between state departments have been automated in the Phase 2 implementation.



A description of the Phase 2 process follows:

1. A file containing 837 claims transactions is uploaded onto ITWS.
2. The submitted claims file is transmitted to DHCS for validation while awaiting receipt of certification.
3. DHCS posts the file containing 997 transactions for the submitted 837.
4. The file is released for adjudication after validation of submitted certification documentation.
5. Once released for adjudication, the transactions are usually adjudicated by DHCS within minutes.
6. When adjudication has been completed, a claims summary file is sent to the appropriate accounting system (ADP or DMH).
7. For all claims not requiring payment processing (e.g. denials), DHCS creates an 835 file and posts to ITWS.
8. ADP or DMH accounting processes the claims payment file and prepares a file that is submitted to the State Controllers Office (SCO) for payment.

9. SCO creates requested warrants and sends warrants directly to the submitter. SCO returns a control file back to the appropriate department's accounting with warrant information.
10. ADP or DMH accounting processes the SCO control file and sends the Claim Payment detail to DHCS.
11. DHCS receives the Claim Payment detail, stores required information and then creates the 835 file which is uploaded to ITWS.
12. A submitter may send a claim status request (276) at any time, the claim status response (277) will return whatever current information is found within the SDMC Phase 2 database.
13. An unsolicited 277 transaction may be sent to submitters at various instances throughout the claims process cycle.

4 Pre-Implementation Activities

This section covers all activities scheduled prior to implementation of the Phase 2 system.

4.1 STATE END-TO-END TESTING

During this testing phase the State will verify that the system is functioning as expected and is ready for Beta testing with vendors and select counties and ADP direct providers. This testing phase is currently scheduled for May through August 2009.

4.2 INFORMAL SNIP TESTING

Vendors, counties and ADP direct providers may submit a small test file to DHCS at any time to assist in verification of file format and initial data content editing. DHCS will run the submitted test file through the Companion Guide edits for the specific transaction and return the SNIP error report produced by Edifecs Xengine to the submitter.

4.3 TESTING CONSIDERATIONS

Regardless of whether test or production PHI is being used, the following changes to claim data will be necessary in order to successfully have them processed by the Phase 2 system:

- Replace interchange and functional group identifiers to use SD/MC Phase 2 values.
- Replace Social Security Numbers with Client Index Numbers.
- Ensure “gross billing” data is on the claim.
- Update claim data based on new data elements or new values in data elements based on HIPAA requirements or State policy (e.g., procedure code changes)
- If the claims are pre-NPI, the provider numbers must be updated accordingly.
- Changing service dates, if needed, to match timeliness criteria.
- Identifying claims for void and replacement testing and modifying those claims appropriately.
- Generation of 276 transaction files (since this capability is new).

Other SD/MC Phase 2 testing considerations

- A determination must be made as to how to reconcile the adjudicated claim data sent back in the 835 transactions (e.g., in consideration of claim-splitting process for denied services).
- A determination must be made as to how 277 transactions (solicited and unsolicited) will be processed.
- Volume/stress testing of SDMC Phase 2 is being handled by the State. Testing using large files is certainly permitted if desired, but should not be done for the purposes of testing the State system’s capacity.

4.4 BETA TESTING

A select group of vendors, counties and ADP direct providers will be invited to test the system on a formal basis. Beta testers will be provided with unique groups of MEDS test beneficiary IDs and specific ITWS access to use during the Beta test period. Beta testers will be responsible for their own test cases and verification. Any concerns or issues can be brought to the attention of the State through the Beta testing coordinator who will facilitate resolution.

After a period of successful testing using test beneficiary IDs, Beta testers will be permitted to use full production beneficiary data for a short period of time through the SDMC production environment – this is expected to occur October 19th through October 30th 2009.

This testing phase is currently scheduled for September through October 2009.

4.5 STATEWIDE TESTING AND IMPLEMENTATION

Since the Phase 2 implementation will occur in three “waves,” each county and ADP direct provider will be contacted to determine which of the three “waves” would be the best fit for their particular situation.

ADP will implement their new accounting system in coordination with the second wave, consequently all ADP direct providers and Drug Medi-Cal counties will be assigned to the second wave. Any county who is constrained by having a single system that supports both ADP and DMH claims must also be assigned to the second wave, unless their system is capable of functioning in a split mode between Phase 1 and Phase 2 formatted claims. Remaining DMH-only submitters will be in either the first or third implementation wave.

Once Beta testing has been concluded, all counties and ADP direct providers will be invited to test the Phase 2 system. Counties and ADP direct providers will be provided with unique groups of MEDS test IDs and specific ITWS access to use during this test period. The test MEDS IDs will be created for claims submitted during a specific period of time, and every effort will be made to make this time period as recent as possible to facilitate testing. Counties and ADP direct providers will be responsible for their own test cases and verification. Any concerns or issues can be brought to the attention of the State through the testing coordinator who will facilitate resolution. If necessary, technical support priority will be given to those implementing in earlier waves.

After a period of successful testing using test beneficiary IDs, testers scheduled for the first wave of implementation will be permitted to test with production data for a short period of time. Testers scheduled for the second or third wave of implementation may also test with production beneficiary data in the same window as Wave 1 provided they have successfully tested using test beneficiary id's.

In preparation for the wave one production implementation, testing with production data will be terminated in order to reset the production environment. No further testing with production data will be permitted.

This testing and implementation phase is currently scheduled for November 2009 through February 2010. Criteria for the selection of a County's or ADP direct provider's implementation wave is summarized in the table below.

Wave One	<p>Counties submitting DMH claims separately.</p> <p>Counties that have participated in Beta Testing (or whose vendors have participated).</p> <p>Counties with the ability to back-out their Phase 2 system and revert to Phase 1 if required due to major unforeseen circumstances.</p>
Wave Two	<p>ADP Direct Providers.</p> <p>Drug Medi-Cal Counties.</p> <p>Behavioral Health Counties whose ability to submit DMH claims is tied to submission of ADP claims (shared system).</p>
Wave Three	<p>Counties submitting DMH claims separately.</p> <p>Counties without separate testing environments or with other testing constraints.</p> <p>Counties that were unable to participate in Beta Testing (or whose vendors were unable to participate).</p> <p>Counties not covered by selection criteria in waves one and two.</p>

4.6 COUNTY AND ADP DIRECT PROVIDER READINESS

After DHCS, ADP and DMH successfully complete their end-to-end testing and beta testing phases, the State will track the status of each county's and ADP direct provider's ability to submit test files. The State will identify a departmental single point of contact for every county and ADP direct provider, to assist with tracking the following types of critical activities:

- ITWS access verified
- Phase 2 go-live date scheduled
- Test MEDS IDs received
- 837 submitted to ITWS
- 837 accepted, 997 returned
- 835 received for paid claims
- 835 received for denied claims

Other activities will be tracked, including

- 837 includes Voids

- 837 includes Replacements
- 276 submitted
- 277 returned

The county and ADP direct provider readiness assessment will be one of the tools the State will use to determine whether DMH or ADP needs to escalate the resolution of testing or implementation issues within a county’s or ADP direct provider’s organization. Such escalation could include targeted outreach, technical assistance, or executive intervention.

4.7 CONTINGENCY

At major milestones during the SDMC Phase 2 project, DMH, ADP and DHCS will assess the systems, processes and staff required to meet the needs of the next project stage. The purpose of each checkpoint is to:

- Ensure that all critical tasks required to successfully close the previous stage have completed
- Validate that all critical resources are in place to successfully complete the project’s next stage
- Revisit project risks that may jeopardize the success of the SDMCII implementation
- Gain consensus among the Departments on the likelihood of continued implementation success

These checkpoints will occur before and after each of the major SDMC Phase 2 activities in the latest project plan. The table below outlines the evaluation criteria for entry into each project stage.

Project Stage	Entry Criteria
Beta Testing	State end-to-end testing identified no major unresolved system issues that cannot be fixed in time for the scheduled Statewide testing Regression testing has been completed successfully after State end-to-end testing
Statewide Testing	Beta testing identified no major unresolved system issues that have not already been fixed and cannot otherwise be accommodated via a process work-around

Project Stage	Entry Criteria
Production Implementation	<p>A County or ADP Direct Provider must:</p> <ul style="list-style-type: none"> • Demonstrate the ability to submit accurately formatted claims (837s) in accordance with the published companion guides; • Be able to receive and process the 835; and • Test in such a way as to exercise the key functionality of the Phase 2 system.
Phase 1 System Shutdown	<p>Statewide testing identified no major unresolved system issues that have not already been fixed and cannot otherwise be accommodated via a process work-around</p>

In cases where the Departments determine that the entry criteria have not been met, such an event will trigger the execution of a project contingency suitable for the severity of the project issue.

5 Implementation Activities

5.1 DATA CONVERSION

- The SDMC Phase 1 EOB will be used as the source of data for SD/MC Phase 2. Only the data necessary to support claim adjudication business rules (i.e. duplicate checking, lock-out, combined aggregates/maximums) will be converted.
- Void and replacements will only be allowed for Phase 2 claims.
- Both DMH and ADP will develop and implement processes to handle disallowance and/or resubmission of Phase 1 claims.
- Consequently, no conversion information (e.g., PCCN of Phase 1 converted claims) needs to be provided to counties and ADP direct providers.
- The audit and cost settlement processes will be supported by data in DMH's and ADP's internal claims accounting systems (see separate topic).
- FY 09/10 cost settlement process will be similar to today's cost settlement process.
- Departments will provide procedure code crosswalk information separately.

5.2 DEPARTMENTAL IMPLEMENTATION STRATEGY

5.2.1 ADP SDMC Claim Cutover to Phase 2

ADP counties and direct providers will “cutover” to the new Phase 2 system.

- Phase 1 claims will be accepted through December 31, 2009.
- Final 835s for all Phase 1 claims will be available on ITWS for county and ADP direct provider download no later than January 8, 2010.
 - Phase 1 835 denials will be generated and be available on ITWS no later than January 8, 2010.
 - “One-time” 835s will be generated from the Phase 1 system for any Phase 1 claims that are “approved but awaiting a warrant” as of January 8, 2009. These 835s will contain all approved but not yet paid service lines, and will show the full amount payable for each line adjusted with a “payment deferred” code (CO/143).
 - A Phase 2 835 will be sent containing warrant information for Phase 1 claims when the State Controller's Office issues a warrant. The specifics of how this 835 will be formatted are contained in ADP's Companion Guide Appendix.
- Data conversion from Phase 1 to Phase 2 will occur between January 6, 2010 and January 10, 2010.
- ADP counties and direct providers may start submitting Phase 2 claims on January 1, 2010, but no claims will be adjudicated until the successful completion of Phase 1 to Phase 2 data conversion activities.

- During the time that the county's and ADP direct provider's final Phase 1 claims are adjudicated and the final Phase 1 835 and EOB files are transmitted, the county's and ADP direct provider's Phase 2 claims will be held in a queue awaiting Phase 2 claims adjudication. The counties and ADP direct providers will receive the 997 reply from the SDMC system indicating the status of the Phase 2 837 file receipt. However, the counties and ADP direct providers will not receive any Phase 2 835 response to the Phase 2 837 until after the Phase 1 claims have been adjudicated.

ADP Implementation Timeline

Activity	Start	Finish	Notes
Counties and Direct Providers are supplied with test MEDS beneficiary data	09/01/09	09/30/09	Four weeks prior to the beginning of Statewide testing.
Counties and Direct Providers are provided with Phase 2 ITWS test submission access	10/01/09	10/17/09	Two weeks prior to the beginning of Statewide testing.
Counties and Direct Providers perform Statewide testing using test MEDS beneficiary data	11/01/09	12/31/09	
Counties and Direct Providers eligible to perform Statewide testing using production MEDS beneficiary data	11/09/09	11/20/09	
Last date to submit Phase 1 claims	Present	12/31/09	
Availability of Phase 1 835's for all outstanding denied Phase 1 claims	01/08/10	01/08/10	
Availability of Phase 1 835's for all outstanding approved but "awaiting a warrant" Phase 1 claims	01/08/10	01/08/10	These 835s will contain all approved but not yet paid service lines, and will show the full amount payable for each line balanced to zero with a "payment deferred" adjustment coded as CO/143.

Activity	Start	Finish	Notes
Data conversion of all approved Phase 1 claims into Phase 2 format	01/06/10	01/10/10	To be used for Phase 2 processing of duplicate services and lockouts. Can be performed once all 835's have been processed for this county or direct provider.
Submission of claims in the Phase 2 format	01/01/10	Onwards	Claims will not be adjudicated until data conversion has been completed and verified.

5.2.2 DMH SDMC Claim Cutover to Phase 2

After discussion with each county a mutually agreed upon assignment will be made to a specific implementation “wave.” At the end of the county’s Phase 2 testing cycle (i.e., the “cutover date”), the county will no longer be able to submit SDMC claims using the Phase 1 process or format. After the cutover date, the county must submit SDMC claims using the Phase 2 process and format.

For approximately two weeks after a county’s cutover date, the county will continue to receive Phase 1 835 and EOB files. During the time that the county’s final Phase 1 claims are adjudicated and the final Phase 1 835 and EOB files are transmitted, the county’s Phase 2 claims will be held in a queue awaiting Phase 2 claims adjudication. The county will receive the 997 reply from the SDMC system indicating the status of the Phase 2 837 file receipt. However, the county will not receive any Phase 2 835 response to the Phase 2 837 until after the Phase 1 claims have been adjudicated.

After the county’s final Phase 1 claims have been adjudicated, the county’s Phase 1 claims will be converted and loaded into the Phase 2 system as required to support claims adjudication edits (e.g., maximums, lockouts and duplicates). After the county’s Phase 1 data is converted, the Phase 2 837 files will be released from the queue into Phase 2 adjudication. The county will receive Phase 2 835 responses to the Phase 2 837 claims after adjudication.

DMH Implementation Timeline

Activity	Start	Finish	Notes
Counties are supplied with test MEDS beneficiary data	09/01/09	09/30/09	Four weeks prior to the beginning of Statewide testing.
Counties are provided with Phase 2 ITWS test submission access	10/01/09	10/17/09	Two weeks prior to the beginning of Statewide testing.
Counties invited to perform Statewide testing using test MEDS beneficiary data	11/01/09	01/31/10	
Counties eligible to perform Statewide testing using production MEDS beneficiary data	11/09/09	11/20/09	
For Wave 1 Counties - last date to submit Phase 1 claims	Present	11/30/09	
Wave 1 Counties - Submission of claims in the Phase 2 format	12/01/09	Onwards	Claims will not be adjudicated until data conversion has been completed and verified.
Wave 1 Counties - Availability of Phase 1 835 and EOB files for outstanding Phase 1 claims	12/01/09	12/15/09	
Data conversion for all Wave 1 counties of all approved Phase 1 claims into Phase 2 format	12/08/09	12/22/09	To be used for Phase 2 processing of duplicate services and lockouts. Can be performed once all 835's have been processed for this county.
For Wave 2 Counties - last date to submit Phase 1 claims	Present	12/31/09	

Activity	Start	Finish	Notes
Wave 2 Counties - Submission of claims in the Phase 2 format	01/01/10	Onwards	Claims will not be adjudicated until data conversion has been completed and verified.
Wave 2 Counties - Availability of Phase 1 835 and EOB files for outstanding Phase 1 claims	01/01/10	01/15/10	
Data conversion for all Wave 2 counties of all approved Phase 1 claims into Phase 2 format	01/08/10	01/22/10	To be used for Phase 2 processing of duplicate services and lockouts. Can be performed once all 835's have been processed for this county.
For Wave 3 Counties - last date to submit Phase 1 claims	Present	01/31/10	
Wave 3 Counties - Submission of claims in the Phase 2 format	02/01/10	Onwards	Claims will not be adjudicated until data conversion has been completed and verified.
Wave 3 Counties - Availability of Phase 1 835 and EOB files for outstanding Phase 1 claims	02/01/10	02/15/10	
Data conversion for all Wave 3 counties of all approved Phase 1 claims into Phase 2 format	02/08/10	02/22/10	To be used for Phase 2 processing of duplicate services and lockouts. Can be performed once all 835's have been processed for this county.

5.3 PHASE 1 SYSTEM RETIREMENT

As each county or ADP direct provider is transitioned to use of the Phase 2 system, Phase 1 access for that specific county or ADP direct provider will be withdrawn. All Phase 1 access will be removed once all counties and ADP direct providers have transitioned to Phase 2 per the schedule outlined above.

Data currently held within the phase 1 system will be kept for audit purposes for a currently undefined period of time.

6 Post-Implementation Activities

6.1 PHASE 1 CLAIMS RESUBMISSION

6.1.1 ADP Process

ADP counties and direct providers may resubmit claims for services that were denied in the Phase 1 system in the Phase 2 system. Because the Phase 2 system will not support replacement of Phase 1 claims, these resubmissions of Phase 1 claims in the Phase 2 system (“bridge resubmissions”) will be identified, on the 837, as original claims in Phase 2.

To assure traceability and proper processing, procedures similar to those used for resubmissions in Phase 1 will be applied to bridge resubmissions. As is the case for Phase 1 resubmissions, bridge resubmissions will need to be submitted in a separate ITWS file from any other claims. Bridge resubmissions must be identified as such on the Claim Submission Certification Form, and the Phase 1 batch number on which the claims were denied must also be identified on the Claim Submission Certification Form. Bridge resubmissions must be submitted via ITWS within six months of the date of the Phase 1 denial, and ADP will discontinue support for the bridge resubmission process six months after the last Phase 1 claim denials.

Once resubmitted claims have been processed within the Phase 2 system they can be voided and replaced in the same manner as original Phase 2 submitted claims.

Additional information on the bridge resubmission process will be included in a future revision of the ADP Companion Guide Appendix and in the forthcoming Drug Medi-Cal (DMC) Provider Billing Manual.

6.1.2 DMH Process

For claims denied in Phase 1 before the county begins to submit its production claims to the Phase 2 system, a county may resubmit those denied Phase 1 claims subject to timely filing requirements. To ensure proper adjudication and adherence to timely filing requirements, DMH will include guidance in the SDMCII Companion Guide and Appendix on how to identify Phase 1 denials that a county submits in the Phase 2 system.

In summary, claims resubmitted in Phase 2 for claims denied in Phase 1 will be identified in separately submitted files that contain resubmitted Phase 1 claims exclusively. This separate file may not contain any claims originally submitted through the Phase 2 system. On a separate claim certification form, counties also will certify that such files submitted to ITWS contain only Phase 1 claim resubmissions, and the county is submitting all the claims in the file within three months from the month in which the claim was returned as denied. The Phase 2 Companion Guide will provide a temporary code that counties will use to support Phase 1 denied claim resubmissions.

Any denied Phase 1 claims resubmitted to the Phase 2 system must be received within 97 days after the county's Phase 2 cutover date. Denied Phase 1 claims resubmitted more than 97 after the county's Phase 2 cutover date will be rejected.

Only one resubmission cycle is allowed for any claim denied in Phase 1. Any denied claim (originally submitted in Phase 1) may not be resubmitted to the SDMC phase 2 claims processing system more than once.

Once resubmitted claims have been processed within the Phase 2 system they can be voided and replaced in the same manner as original Phase 2 submitted claims.

All denied Phase 1 claims resubmitted to the Phase 2 system are subject to timely filing requirements.

6.2 PHASE 1 CLAIMS ADJUSTMENTS

6.2.1 DMH Phase 1 Voids and Disallowances

After the Phase 1 SDMC claims processing system is retired, counties will follow existing guidance on using the DMH Disallowed Claim System (DCS) for disallowing Phase 1 claims until otherwise indicated by DMH (see DMH Guidance Notice 0501).

Counties may not resubmit SDMC claims for any disallowed services entered in the DCS. This prohibition applies to all disallowed Phase 1 claims.

After a county has begun to submit its production claims in the Phase 2 system, it may not use DCS to disallow claims submitted in the Phase 2 system. Counties must use the Phase 2 void functionality to reverse or resubmit claims that were submitted in the Phase 2 system.

6.2.2 ADP Phase 1 Claims Adjustments

Because the Phase 2 system will not support voids to Phase 1 claims, counties and ADP direct providers will continue to use the ADP 5035C to report any identified adjustments identified to claims approved and paid in the Phase 1 system, even after the Phase 2 cutover. Additional information about the use of the ADP 5035C for adjustment to Phase 1 claims will be provided in the forthcoming DMC Provider Billing Manual.

6.3 AUDITS AND COST SETTLEMENT

6.3.1 DMH

Until DMH guidance directs otherwise, cost settlement and audits will be conducted according to the procedures, format and schedule as currently required. A procedure code mapping table, with matches between proprietary SD/MC codes and national standard HIPAA-compliant codes, is included in the Companion Guide appendix. Information on DMH units of service conversion between the proprietary and HIPAA codes also is included in the appendix.

6.3.2 ADP

The Phase 2 cost settlement process will incorporate a process to deal with claims submitted in both Phase 1 and Phase 2 claims adjudication systems for FY 09/10.

Consequently, counties will need to produce a cost report that contains information for both Phase 1 claims and Phase 2 claims for FY09/10.

There is a comprehensive document (Phase_2_Cost_Reports_20090318) posted on ITWS and ADP's HIPAA website containing information to assist with planning for the FY09/10 cost settlement process.

6.4 GOOD CAUSE AND PHASE 2

6.4.1 ADP

With the extension in the SDMC Phase 2 schedule to allow adequate time for the direct providers to test and transition to the new system, ADP does not foresee any changes to the existing Good Cause procedures. ADP will continue to operate under the existing procedures dictated by 22 C.C.R. §§ 51008, 51008.5.

6.4.2 DMH

DMH Good Cause requirements are unchanged. For a list of valid delay reason codes, please refer to the SDMC Phase 2 Companion Guide.

7 Phase 2 Documentation

7.1 FAQs

Answers to Frequently Asked Questions (FAQs) about the SDMC Phase 2 project can be found at the SDMC Phase 2 ITWS website (https://mhhitws.cahwnet.gov/systems/sdmc/docs/public/short_doyle_-_medi-cal_phase_ii.asp) and are tracked as part of the SDMC Phase 2 Action Items List. The FAQs are also posted on <http://www.adp.ca.gov/hp/hipaa>. This list is updated regularly with SDMC Phase 2 questions from vendors, counties and ADP direct providers, many of which are presented during the weekly public SDMCII Conference Call.

7.2 COMPANION GUIDES AND APPENDICES

Available on the SDMC Phase 2 ITWS website are current copies of the companion guides and appendices. These documents provide detailed specifications and supplemental information important to counties and ADP direct providers for their successful transition from Phase 1 to Phase 2.

ADP Companion Guides (837P, 835, 276, 277, 997) are also posted on ADP's HIPAA website at <http://www.adp.ca.gov/hp/hipaa.shtml>.

New releases of the Companion Guides and Appendices will be published in May, August and November 2009. Interim updates are provided between releases to counties and ADP direct providers during the weekly call or on ITWS. A SDMC Phase 2 production documentation release schedule will be established after the Phase 1 system is retired.

7.3 EMAIL

Counties and ADP direct providers also can email questions about the SDMC Phase 2 project to DMH at DMH-SDMCII@dmh.ca.gov or to ADP at HIPAA1@adp.ca.gov. New questions will be added to the SDMC Phase 2 Action Items List on ITWS.

7.4 BILLING MANUALS

ADP will publish a new DMC Billing Manual in May 2009.

DMH will release some Billing Manual clarifications in May 2009. The current version of the DMH Billing Manual can be found at:

<http://www.dmh.ca.gov/MedCCC/default.asp>

7.5 HIPAA IMPLEMENTATION GUIDES

HIPAA Implementation Guides are available for purchase at:

<http://www.wpc-edi.com/>