



TOBY DOUGLAS  
DIRECTOR

State of California—Health and Human Services Agency  
Department of Health Care Services



EDMUND G. BROWN JR.  
GOVERNOR

November 12, 2013

MHSD INFORMATION NOTICE NO.: 13-20

TO: LOCAL MENTAL HEALTH DIRECTORS  
LOCAL MENTAL HEALTH PROGRAM CHIEFS  
LOCAL MENTAL HEALTH ADMINISTRATORS  
COUNTY ADMINISTRATIVE OFFICERS  
CHAIRPERSONS, LOCAL MENTAL HEALTH BOARDS

SUBJECT: SHORT-DOYLE / MEDI-CAL (SDMC) CLAIM TIMELINESS  
REQUIREMENTS AND SUBMISSION PROCESSES

The purpose of this Information Notice is to notify the Mental Health Plans (MHPs) of the Department of Health Care Services' (Department) claim timeliness requirements and related claim submission processes for specialty mental health services claims for federal reimbursement through the Short-Doyle / Medi-Cal (SDMC) claiming system.

**Timely Claim Submission:**

Pursuant to federal regulations, SDMC claims must be submitted through the SDMC claiming system within one year (12 months) from the date of service<sup>1</sup>. If a claim that is submitted within 12 months after the date of service is denied, MHPs may correct the information and resubmit the claim using the SDMC claim replacement process within 15 months after the month of service. SDMC claims may be denied for payment for various reasons such as ineligible client, ineligible provider, duplicate service, timeliness, other health coverage, etc. After 15 months from the month of service, a claim cannot be corrected through the claim replacement process. MHPs may follow the Denied Claims Appeal process described in MHSD Information Notice 13-21 if unable to resolve a claim denial using the claim replacement process. MHPs should utilize the claim replacement process before submitting a Denied Claims Appeal.

**ECA Claim Submission:**

Valid claims may be erroneously denied or approved at the incorrect amount due to SDMC claiming system edits that are inconsistent with program policy. The Department specifically

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<sup>1</sup> 42 C.F.R. § 447.45(d)(1)

identifies these types of claim results as Erroneous Claim Adjudications (ECA). For the ECAs that result in incorrectly denied or approved claims, MHPs may replace these claims using the Delay Reason Code (DRC) "9" if the claim is more than 15 months after the month of service. The allowable uses of DRC "9" for State identified ECAs are listed in the *Short-Doyle / Medi-Cal System Change Schedule* posted on the Department's website at: [http://www.dhcs.ca.gov/services/MH/Pages/MedCCC-ShortDoyle2\(SD2\).aspx](http://www.dhcs.ca.gov/services/MH/Pages/MedCCC-ShortDoyle2(SD2).aspx)

**Over-One-Year Claim Submission for Late Eligibility Determination:**

County welfare departments may issue a Letter of Authorization (LOA) for late eligibility determinations for Medi-Cal beneficiaries only as provided by California Code of Regulations, title 22, Section 50746. Issuance of an LOA must be directly related to the time of late eligibility determination. If eligibility is determined more than 12 months after the date of service, MHPs may submit a timely claim, referred to as an "Over-One-Year Claim," for federal reimbursement for these services. The SDMC claiming system does not currently permit electronic submission of Over-One-Year Claims. To submit an Over-One-Year Claim, MHPs shall contact the Mental Health Services Division, County Customer Service Section (MedCCC), via email at [MedCCC@dhcs.ca.gov](mailto:MedCCC@dhcs.ca.gov) with "SDMC Over-One-Year Claim" in the subject line, and request a submission package for Over-One-Year Claims. MHPs will receive instructions from MedCCC for the Over-One-Year Claims submission process. Since Over-One-Year Claims are processed manually, the claim replacement process cannot be used to correct a denial. Denial of an Over-One-Year Claim may be appealed using the Denied Claims Appeal process described in MHSD Information Notice 13-21.

If you have questions about this Information Notice, please contact MedCCC at 916-650-6525 or by e-mail at [MedCCC@dhcs.ca.gov](mailto:MedCCC@dhcs.ca.gov).

Sincerely,

Original Signed By

Karen Baylor, Ph.D., LMFT, Deputy Director  
Mental Health and Substance Use Disorder Services