



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



GAVIN NEWSOM
GOVERNOR

DATE: April 20, 2021

Behavioral Health Information Notice No: 21-016

TO: California Alliance of Child and Family Services
California Association for Alcohol/Drug Educators
California Association of Alcohol & Drug Program Executives, Inc.
California Association of DUI Treatment Programs
California Association of Social Rehabilitation Agencies
California Consortium of Addiction Programs and Professionals
California Council of Community Behavioral Health Agencies
California Opioid Maintenance Providers
California State Association of Counties
Coalition of Alcohol and Drug Associations
County Behavioral Health Directors
County Behavioral Health Directors Association of California
County Drug & Alcohol Administrators

SUBJECT: New Process for Requesting a Delay Reason Code (DRC)

PURPOSE: To inform Specialty Mental Health Services (SMHS) and Drug Medi-Cal (DMC) Trading Partners of a change in process for requesting a DRC and for claiming with a DRC in the Short Doyle Medi-Cal II System (SDMC). The change to SDMC will be effective July 1, 2021.

REFERENCE: Mental Health Information Notice [13-20](#) and [13-21](#);
Title 22 CCR §51008 and §51008.5; 42 CFR § 447.45(d)(1)

BACKGROUND:

SMHS trading partners have twelve months from the month of service to submit a timely claim. DMC trading partners have six months from the month of service to submit a timely claim. Submitting claims within the initial claiming period is expected and a DRC should only be requested for an exception that is beyond the control of the county, as specified in Title 22 CCR §51008.5.

POLICY:

Effective July 1, 2021, all DRC requests for SMHS and DMC will require pre-approval. Trading partners will need to submit the following for a DRC request:

- A manually or digitally signed memo from the Trading Partner's Director/Executive on letterhead explaining the following in detail:
 1. Description of the reason(s) why the Trading Partner was unable to submit claims according to the timeliness guidelines
 2. A plan of how and when the Trading Partner will be brought current with all SDMC claiming
 3. Action(s) the Trading Partner has taken to prevent this from happening in the future

- A password protected Excel spreadsheet listing the items below for each claim line. (See Attachment for template.)
 1. County Code Number
 2. Client Identification Number
 3. Intended Claim Billed Amount
 4. Payer Claim Control Number (Replacement claim only)
 5. Denied Claim Amount (Replacement claim only)
 6. Month and Year of Service

- Substantiating documentation that justifies good cause for late submittal of the claim(s). (See 22 CCR §51008.)

Please send requests for a DRC to MEDCCC at MEDCCC@dhcs.ca.gov, to the attention of the DRC Coordinator. The password to the Excel file should be sent in a separate email to the same e-mail address. MEDCCC will analyze the request, make a determination, and will respond to the request within ten business days. DRC requests that are not complete will not be approved.

For an approved DRC request, the original spreadsheet will be returned and will include the delay reason code for the claim and a DRC Control Identifier Number for each claim line. Specific instructions for SDMC claiming will be included with the approved DRC. Claims with an approved DRC must be submitted by the Valid Claim Submission End Date on the spreadsheet provided with the approval. Claims submitted after the Valid Claim Submission End Date will be denied.

Replacement Claims

If a claim needs to be replaced, the DRC will not change. The approved DRC should be used for original and associated replacement claims. The Control Identifier Number provided to the county by DHCS to enter in the PWK segment is a one-time use code. If a replace on a late is required, a new code must be requested using the Excel template.

Appeals for Denied Claims

Mental Health Plans may file an appeal with DHCS to dispute the denial of payment for Medi-Cal claims including denied DRC requests. (See Mental Health IN [13-21](#).) DMC counties currently do not have an appeals process available for denied claims. DHCS will issue additional guidance regarding the denied claims appeal process for DMC claims at a later date.

Sincerely,

Original signed by

Brian Fitzgerald, Chief
Local Governmental Financing Division