



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



EDMUND G. BROWN JR.
GOVERNOR

DATE: February 1, 2017

MHSUDS INFORMATION NOTICE NO.: 17-005

TO: COUNTY BEHAVIORAL HEALTH DIRECTORS
COUNTY DRUG & ALCOHOL ADMINISTRATORS
COUNTY BEHAVIORAL HEALTH DIRECTORS ASSOCIATION OF CALIFORNIA
CALIFORNIA COUNCIL OF COMMUNITY BEHAVIORAL HEALTH AGENCIES
COALITION OF ALCOHOL AND DRUG ASSOCIATIONS
CALIFORNIA ASSOCIATION OF ALCOHOL & DRUG PROGRAM EXECUTIVES, INC.
CALIFORNIA ALLIANCE OF CHILD AND FAMILY SERVICES
DRUG MEDI-CAL DIRECT CONTRACT PROVIDERS

SUBJECT: SHORT-DOYLE MEDI-CAL (SD/MC) CLAIM ADJUSTMENT REASON CODE AND REMITTANCE ADVICE REMARK CODE REVISIONS FOR 2016

SUPERSEDES: [MHSUDS Information Notice 15-041](#)

REFERENCE: ADMINISTRATIVE SIMPLIFICATION: ADOPTION OF STANDARDS FOR HEALTH CARE ELECTRONIC FUNDS TRANSFERS AND REMITTANCE ADVICE (45 CFR PART 162)

The purpose of this Information Notice is to provide 2016 updates to the adjustment codes for denied claims reported on claim payment/advice transactions (835) from the Short Doyle Medi-Cal system. These changes are part of the Committee on Operating Rules for Information Exchange (CORE) Rule 360, which are federally mandated as part of the Affordable Care Act, and has an implementation date of August 23, 2016. Information Notice 15-041 provided background on the Claim Adjustment Reason Codes (CARC) and the Remittance Advice Remark Codes (RARC).

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To implement the CORE Rule 360 requirements, the CARC/RARCs will be changed in accordance to the enclosures for Substance Use Disorder Services (Enclosure 1) and Specialty Mental Health Services (Enclosure 2) effective August 23, 2016. For certain claim denials, the description of the circumstance of claim denial is revised from the previously published descriptions to clarify the circumstance or to reflect the changes since the description was previously published.¹

Questions related to Mental Health Services or regarding the content of this Information Notice or its enclosure may be directed to the County Customer Services Section at: MedCCC@dhcs.ca.gov or (916) 650-6525.

Questions related to Substance Use Disorders or regarding the content of this Information Notice or its enclosure may be directed to your assigned Fiscal Management and Accountability Branch analyst.

Sincerely,

Original signed by

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

Enclosures

¹ This subsequent implementation covers CORE version 3.2.0 (published June 1, 2015) and Multiple Aid Code denial changes effective August 23, 2016.