CALIFORNIA DEPARTMENT OF
Mental Health

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April 29, 2011

DMH INFORMATION NOTICE NO.: 11-06

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

SUBJECT: DUAL ELIGIBLE (MEDICARE / MEDI-CAL) CLAIMING IN SHORT DOYLE MEDI-CAL PHASE II

REFERENCES: DMH INFORMATION NOTICES 09-09, 10-11, and 10-23

This Department of Mental Health (DMH) Information Notice provides instructions, updates and clarification regarding additional Short Doyle/Medi-Cal (SD/MC) Phase II system edits that have been implemented as described in DMH Information Notices 09-09, 10-11, and 10-23 affecting claiming for services to beneficiaries with both Medicare and Medi-Cal (Medi-Medi) coverage. DMH has identified situations in which specific service activities claimed under Mental Health Services and Medication Support Services are not Medicare reimbursable. DMH has also identified rendering provider types that are not Medicare reimbursable. These situations are described below.

Service Activities under Mental Health Services

Previously Mental Health Services for Medi-Medi beneficiaries were claimed under procedure codes H2015 and H2017. Mental Health Services is now split into three procedure codes, H2015, H2017 and H0032. Effective December 15, 2010, Mental Health Plans (MHPs) may use procedure code H0032 to claim Medi-Cal directly for Medi-Medi clients when claiming the service activity “Plan Development” (Title 9, California Code of Regulations (CCR), § 1810.232) under Mental Health Services (Title 9, CCR, § 1810.227). Plan Development is a service activity under Mental Health Services that is not Medicare reimbursable regardless of where it is provided or who provides it.

MHPs are reminded that the service activity “Rehabilitation” (Title 9, CCR, § 1810.243) under Mental Health Services can already be claimed directly to Medi-Cal per DMH Information Notice 10-23 using procedure code H2017 for Medi-Medi clients. Rehabilitation is a service activity under Mental Health Services that is not Medicare reimbursable regardless of where it is provided or who provides it.

The service activities "Assessment" (Title 9, CCR, § 1810.204), "Therapy" (Title 9, CCR, § 1810.250) and "Collateral" (Title 9, CCR, § 1810.206) under Mental Health Services must be claimed to Medicare, prior to claiming Medi-Cal using procedure code H2015, unless provided in a Medicare ineligible setting or by a Medicare ineligible provider as described in this DMH Information Notice and DMH Information Notice 10-23.

DMH conducted extensive analysis on the appropriateness of claiming Medicare for the service activity "Collateral" and determined that certain activities under "Collateral" are consistent with the Medicare National Coverage Manual definition of "Consultations with a Beneficiary's Family and Associates," a Medicare reimbursable service. The definition of "Consultations with a Beneficiary's Family and Associates" is included as Enclosure 1.

Service Activities under Medication Support Services

Some service activities under Medication Support Services (Title 9, CCR, § 1810.225) are Medicare reimbursable, whereas others are not. Effective February 25, 2011, MHPs may use procedure code H0034 ("Medication training and support")[1] to claim the following non-Medicare reimbursable service activities under Medication Support Services directly to Medi-Cal:

- Obtaining informed consent linked to providing Medication Support Services activities;
- Instruction in the use, risks and benefits of and alternatives for medication; and
- Plan development related to Medication Support Services.

MHPs should use procedure code H2010 (Comprehensive Medication Services) to claim the following Medicare reimbursable service activities under Medication Support Services to Medicare prior to claiming Medi-Cal:

- Prescribing, administering, and dispensing;
- Evaluation of the need for medication;
- Evaluation of clinical effectiveness of side effects; and
- Collateral related to Medication Support Services.

Medication Support Services Provided under the "Services Incident to a Physician or Non Physician Practitioner Medicare Benefit"

Medicare allows some services to be provided "incident to" services provided by a physician or a non physician practitioner (NPP) meaning services provided by "auxiliary" staff that are an integral, although incidental, part of the physician's or NPP's professional services in the course of diagnosis or treatment. For example, a psychiatrist may provide Medication Support Services to a beneficiary. In the course of the service, the psychiatrist

[1] Procedure code H0034 replaces procedure code G8437 which was originally implemented on January 10, 2011. G8437 was a temporary code that expired on December 31, 2010.

prescribes an injectable medication. A licensed vocational nurse (LVN) administers the injectable medication to the beneficiary. Although the LVN's services are not directly Medicare reimbursable, the LVN's service in this situation may be Medicare reimbursable "incident to" the psychiatrist's professional service.

MHPs are responsible for determining if the service provided by the "auxiliary" staff member meets the requirements for claiming under the Medicare "incident to" benefit.

In order to be reimbursable under the "incident to" benefit the service:

- must be an integral, although incidental, part of the physician/NPP's professional service;
- is commonly rendered without charge or included in the physician/NPP's claim;
- is of a type that is commonly furnished in physician/NPP offices or clinics; and
- is furnished by the physician/NPP or by auxiliary personnel under the physician/NPP's direct supervision.

A comprehensive description of the "incident to" Medicare benefit is included as Enclosure 2.

If a service delivered by the MHP or a MHP provider meets the requirements for claiming under the "incident to" benefit, a claim for the service must be submitted to Medicare using the physician's or NPP's taxonomy code even though the service was not directly provided by the physician or NPP. If the service does not meet the requirements of the "incident to" benefit, the claim may be submitted to the SD/MC Phase II system using the taxonomy code of the non-Medicare reimbursable rendering provider and Medicare COB is not required.

Rendering Provider Taxonomy Codes

Specialty mental health services provided by certain rendering providers are not Medicare reimbursable and may be claimed directly to Medi-Cal. Effective January 25, 2011, claims with taxonomy codes representing rendering provider types which are not Medicare eligible may be claimed directly to Medi-Cal without seeking a denial from Medicare. Rendering provider types which are not Medicare eligible are those represented by taxonomy codes which do <u>not</u> begin with any of the following three-digit prefixes:

363 (Nurse Practitioner/Physician Assistant)*
364 (Clinical Nurse Specialist)*
207 (Physician)
208 (Physician)
103 (Psychologist)
104 (Social Worker)

*A registered nurse (RN) who is not a nurse practitioner (NP) or a clinical nurse specialist (CNS) is not a Medicare reimbursable provider. MHPs are advised that claims for services rendered by a NP or a CNS must be submitted using an appropriate taxonomy code starting with prefix 363 or 364 respectively and may not be submitted using a RN taxonomy code (taxonomy codes with prefix 163).

Some taxonomy codes encompass both licensed and non-licensed providers. This is problematic for claiming services for Medi-Medi beneficiaries because Medicare only reimburses for services provided by specific licensed providers, whereas many Medi-Cal specialty mental health services may be provided by non-licensed providers. MHPs are advised that for non-licensed physicians in residency programs, registered social workers, and waivered psychologists, they should use another appropriate taxonomy code on claims when a service is provided by a provider who falls into one of these categories. These taxonomy codes are self-selected by the provider and selection of a taxonomy code does not replace any MHP credentialing or validation processes. MHPs should retain documentation supporting the use of the rendering provider's taxonomy code for auditing purposes.

Effective April 1, 2011, Medi-Medi claims for services provided by Medicare reimbursable providers under Mental Health Services (procedure code H2015) or Medication Support Services (procedure code H2010) must include the rendering provider's taxonomy code or the claim will be denied as requiring Medicare coordination of benefits (COB), except as described in DMH Information Notice 10-23.

Questions regarding the content of this information notice or its attachments may be directed to the DMH Medi-Cal Claims Customer Service (MedCCC) Office at: MedCCC@dmh.ca.gov or (916) 651-3283.

Sincerely,

Original Signed by

CLIFF ALLENBY
Acting Director

Enclosures

cc: Dina Kokkos-Gonzales, Chief, Waiver Analysis Branch, DHCS