



RICHARD FIGUEROA
ACTING DIRECTOR

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



GAVIN NEWSOM
GOVERNOR

DATE: October 7, 2019

CCS Information Notice: 19-06

Supersedes: Numbered Letter 12-0914

TO: All County California Children's Services Program Administrators and Integrated Systems of Care Division Staff

SUBJECT: MR-O-940 Report Procedures for Requesting Shift of Claim Line Costs from One Funding Category to Another Funding Category

The purpose of this California Children's Services (CCS) Information Notice (I.N.) is to provide procedures for requesting a shift of claim line costs posted on the monthly county CCS Program expenditures MR-O-940 report. This I.N. identifies the updated funding categories and how to request a shift in claim line costs from one funding category on the report to another.

The county CCS Program expenditures MR-O-940 monthly claims report, or MR-O-910 weekly claims report, post claim line costs to six different funding categories as follows:

1. Diagnostic Services (CCS aid code 9K, 50% county share).
2. Treatment Services (CCS aid code 9K, 50% county share).
3. Therapy Services (CCS aid code 9K, 50% county share).
4. CCS Program/Medi-Cal Treatment Services (Targeted Low Income Children's Program (TLICP) aid codes H1, H2, H3, H4, and H5, or Optional Targeted Low income Children's Program (OTLICP) aid codes T1, T2, T3, T4, T5, and the CCS Program aid code 9K or 9U).
5. CCS Program/Medi-Cal Therapy Services (TLICP aid codes H1, H2, H3, H4, and H5, or OTLICP aid codes T1, T2, T3, T4, T5, and the CCS Program aid code 9K or 9U).
6. Medi-Cal Services (TLICP aid codes H1, H2, H3, H4, H5, or OTLICP aid codes T1, T2, T3, T4, T5, and the CCS Program aid code 9R, 0% county share).

The process provided in this I.N. can be used to request claim line cost shifts only between certain funding categories on the report:

- Costs can be shifted from funding category 4 or 5 to funding category 6.
- The process cannot be used to shift costs from funding category 1, 2, or 3 to any other funding category.
- The process cannot be used to shift costs for claims originally posted to any funding category on the MR-O-940 to full scope Medi-Cal.
- The shift in claim line costs from one of the MR-O-940 funding categories to another results in a credit (negative charge) to the funding category in which the cost was originally posted, and a debit (positive charge) to the funding category to which the claim line is shifted. This process is transparent to providers resulting in no recoveries from, or new payments to, providers. This process is required to be transparent to draw down federal financial participation (FFP) as it requires no changes to FFP accounting records generated by the California Medicaid Management Information System.

IMPLEMENTATION OF CLAIM LINE COST SHIFT PROCEDURES

Effective the date of this I.N., Attachment A, "Report to Correct MR-O-940 Errors", shall be used to shift claim lines from one MR-O-940 funding category to another.

Requests for shifting a MR-O-940 claim line funding category must be accompanied by complete documentation as specified in this I.N. and must be received by the Integrated Systems of Care Division (ISCD) CCS Program timely in order to be processed. MR-O-940 claim line corrections will only be processed for claim lines that originally posted to MR-O-940 reports and include report dates during, or subsequent to, the second prior fiscal year. Requests for adjustment of claim lines with a value of \$100 or less may not be processed.

The process established by this I.N. cannot shift costs to Medi-Cal for a beneficiary with a regular Medi-Cal aid code (e.g. 60, 83). Claims for beneficiaries with full scope Medi-Cal aid codes that paid the CCS-only, but which meet the criteria for shifting to Medi-Cal because of establishment of retroactive Medi-Cal eligibility or obligation of Medi-Cal share of cost (SOC) late in a month, are now adjusted through a biannual process that has been integrated into the payment system. This process is analogous to the former cost shift to Medi-Cal Electronic Payment Correction (EPC). All cost shifts to Medi-Cal based on the establishment of retroactive eligibility or obligation of SOC will be addressed by this process through two automatic correction cycles each calendar year.

These cost shifts cannot be resolved through the MR-O-940 funding category adjustment process provided in this I.N.

Claims for the CCS Program/Medi-Cal clients with full scope, no share of cost Medi-Cal, that are reported on a MR-O-940 report as incorrectly paid from the CCS-only funds (Funding Category 1 and 2) in lieu of Medi-Cal funds, will be researched on an ad-hoc basis by the fiscal intermediary (FI) contractor based on the documentation described below. If this research confirms that the claims have been incorrectly paid through the CCS-only funds, the FI will propose correction methodology and implement the correction.

Such claims are to be reported on a CCS Program client specific basis to the state ISCD Headquarters office as shown below. In order to enable the FI contractor's research of these reports, the following documentation is necessary and must be submitted with Attachment A:

1. A brief narrative statement describing the basis for the conclusion that the claim was incorrectly charged to the CCS-only funds.
2. Copies of the MR-O-940 and/or MR-O-910 report pages that contain the incorrect charge(s) with the claim line(s) highlighted. If multiple clients are shown on a specific page, counties are to redact the unaffected client's information.
3. Copies of the Medical Eligibility Data System eligibility screen prints for the client showing:
 - a. The clients Medi-Cal eligibility on the date of service of the disputed claim line(s); and
 - b. The clients CCS Program eligibility on the date of service of the disputed claim line(s).

CHANGES IN SUBMISSION OF MR-O-940 PROCEDURES

ISCD has implemented a new process which now allows the counties to submit their MR-O-940 documents, including an updated Attachment A, via email or electronic fax. Effective the date of this letter, the counties can securely email the MR-O-940 corrections to the state ISCD Headquarters office at MR940@dhcs.ca.gov, or send to secure electronic fax at (916) 440-5769. When submitting via fax, please be sure to provide a fax cover sheet which includes the name of the sender and the appropriate contact information in case ISCD staff have questions.

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A fillable version of Attachment A is available upon request. If counties have questions regarding this new process, or wish to obtain the fillable form, a secure email can be sent to the MR-O-940 email address at MR940@dhcs.ca.gov

Sincerely,

ORIGINAL SIGNED BY

Evelyn Schaeffer, Chief
Integrated Systems of Care Division

Attachment(s):
Report to Correct MR-O-940 Errors (Attachment A)

ATTACHMENT A
 REPORT TO CORRECT MR-O-940 ERRORS

To: Integrated Systems of Care Division
 Department of Health Care Services
 Email: MR940@dhcs.ca.gov
 Fax: (916) 440-5769

Date: _____

Report Run Date: _____

From: _____

Re: California Children's Services (CCS) Program
 Correction of Error(s) on MR-O-940 Reports

Fund Code: (1) CCS DX SERVICES; (2) CCS TR SERVICES; (3) CCS TH=THERAPY SERVICES; (4) CCS/MED TR SERVICES; (5) CCS/MED TH; (6) CCS/MEDI-CAL

Name of Child	Date of Birth	CCS#	Date(s) of Service	Amount	Charged in Error		Correct Charge	
					Fund Code	County	Fund Code	County

Total Amount to be Adjusted: \$ _____

Comments: _____

The expenditures identified above were charged in error. Please make the appropriate adjustments to show these expenditures in the correct fund code and county.

County Signature: _____ Date: _____ Email: _____

Title: _____ Telephone number: _____