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MEDICARE RISK HMO INDICATOR

Effective immediately, the Integrated System (IS) will allow providers to indicate when a prior payer was a Medicare Advantage Plan (also known as Medicare Risk Health Maintenance Organization [HMO]) on their Medi-Cal claims. This applies to providers submitting their claims either by Direct Data Entry (DDE) or Electronic Data Interchange (EDI).

Medicare Risk HMOs are health insurance plans that administer the beneficiary’s Medicare on behalf of the federal government. When submitting Medi-Cal claims that were previously adjudicated by another payer, providers must indicate to the State whether that payer was a Medicare Risk HMO or other type of payer. DDE providers will check the Other Payer box and indicate “MEDICAREHMO” as one word in the Authorization Number field in the IS.

Providers who submit claims using EDI:

When submitting a claim that is previously adjudicated by a Medicare Risk HMO Plan, EDI providers should include the value “16” in the SBR09 segment in Loop 2320 of the 837P claim file. The updated companion guide with implementation guidelines is posted on the website at:


Attempting to submit an EDI claim with both Medicare and the Medicare Risk HMO payer will be denied during inbound processing with a Deny Rule Failure: Inb837P.Post 94 or Inb837I.Post.79: Validate Medicare Risk HMO Plan Payer.
Providers who submit claims using DDE:

DDE providers identify the Medicare Risk HMO Plan on the Other Payer screen. Screenshots below illustrate how to identify a Medi-Cal client who has the Medicare Risk HMO Plan by entering ‘MEDICAREHMO’ in the Authorization Number field. All other claiming rules on facility type, procedure code, diagnosis codes, etc. still apply.

- Select ‘Yes’ to the question ‘Are there any other sources of funding?’ located on the Administrative Module in the Outpatient Claim, Services tab.
- Select the ‘Other Payer’ box.
- Click on the symbol to enter the other health insurance information.
- Enter the client’s subscriber ID provided by the other insurance in the ‘Subscriber ID’ field.
- The ‘Insurance Company’ field automatically defaults to Other Insurance.
- Enter the amount paid if applicable in the ‘Amount Paid’ field.
- Enter ‘MEDICAREHMO’ in the ‘Authorization Number’ field.
- Select ‘OK’.

If the client has another insurance, click on the symbol to add the next Other Insurance following the steps above.
- If there is no other payer, select ‘Continue’ to process and submit your claim.
Please note that only one Medicare Risk HMO Plan indicator is allowed per claim. Further, if a claim has the Medicare Risk HMO Plan indicator, Medicare cannot be included as a payer in the claim.

**AGE RESTRICTIONS LIFTED FOR LCSW, MFT, AND CNS**

**Effective July 1, 2015.** Los Angeles County Department of Mental Health (LACDMH) Policy regarding age restrictions for Licensed Clinical Social Workers (LCSW), licensed Marriage and Family Therapists (MFT) and Registered Nurses who are board certified with a master’s degree in psychiatric or mental health nursing as a Clinical Nurse Specialist (CNS) has been lifted. This change will now allow these disciplines to operate within accordance to their scope of practice in delivering services to clients of all ages.

At this time, LACDMH is updating the claiming systems to reflect these new changes. LCSW, MFT, or CNS providers may choose to hold off on the submission of claims associated with individual therapy or group therapy provided on or after July 1, 2015 to clients age 21 or older until the various claiming systems are ready.

We will notify the providers when the various systems are ready to accept claims services to clients of all ages.

If you have any questions regarding this Provider Bulletin, please contact the FFS Hotline at (213) 738-3311 or send an email to: FFS2@dmh.lacounty.gov

**Provider Bulletins are posted on the DMH website at:** [http://lacdmh.lacounty.gov/hipaa/ffs_UIS_Special.htm](http://lacdmh.lacounty.gov/hipaa/ffs_UIS_Special.htm)