



Integrated System News Bulletin

Direct Billing From the Integrated System

Attention: Directly-Operated and Contract
Providers

STOP – Impact on You

The month of October marked a significant change in the way DMH processes Medi-Cal claims. In October 2005 Sierra Systems began submitting claims directly from the Integrated System, bypassing the matching process from the MIS. As you may know this matching process often resulted in claims being “stuck in pending status,” sometimes for a period of many months.



Our approach was to begin this direct billing process with the directly operated providers' Medicare claims. We soon expanded the process to include all inpatient Medi-Cal claims and then outpatient Medi-Cal claims that were stuck in pending status more than 90 days from the submit date. The potential Medi-Cal revenue for submitting these claims directly from the IS increased so significantly that in November 2005 we will begin direct billing **all** Medi-Cal eligible claims from the IS and permanently suspend the MIS monthly claiming cycle (which usually runs the 6th of the month).

CAUTION – What You Need to Know

The good news is now there is no longer a need to have a data entry deadline.

The immediate goal is to target claims to be submitted to the State that:

- Are in a Pending Status Greater than 60 days
- Are eleven to twelve months prior to the submit month to Medi-Cal (to avoid any denials due to the 12 month Medi-Cal claiming statute)
- Have dates of service five to six months prior to the submit month (to avoid the late code requirement)

Effective immediately the above Medi-Cal eligible claims will be processed to the State on a weekly basis. This process will also move all claims at a much faster rate (from pending, to forwarded, to approved) than the current monthly claiming cycle.

Sierra Systems has targeted February 2006, to process ALL Medi-Cal claims to the State 14 days from the date of submission into the IS.

Once claims have been forwarded to the State, the State will communicate status back to the IS via the EOB and 835 transaction. Please note – CIOB does not have control over the turnaround of claim processing in the IS or of EOB responses from the State.

GO – What You Need to Do

The action providers must take is to submit claims in as timely a manner as possible, and avoid artificial monthly claiming cycles. We must all change current practices in order to facilitate the claiming process, which will in turn alleviate bottlenecks when entering claims in the IS.

Making this change will help us to help you: by entering claims daily we improve the claiming process by providing a more even approach in processing. In the end, that means less waiting, less downtime, and faster payments.