



CALIFORNIA DEPARTMENT OF  
**Mental Health**

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## County/State Claims Payment Processing Improvement Task Force *Meeting Notes – March 10, 2008*

*Launched in January 2008, the California Department of Mental Health created a C/S CPPITF to improve the Specialty Mental Health claims payment processing and services between the county and state. This Task Force will evaluate and recommend processes, tools and systems that can help to improve the current claims filing and reimbursement process between counties and the state. The Task Force will engage partners such as the Department of Health Care Services, Department of Alcohol and Drug Programs, APS, and County Mental Health Directors to develop ways to improve the county claims payment processing system. These are the brief and summarized notes from our meeting.*

**Attendance:** Stan Bajorin (DMH), Yvette Bell (DMH), Fei Collier (DHCS), Joyce Crandall (DMH), Leda Frediani (Alameda Co.), Mike Geiss (DMH), Catherine Hendon (DMH), Walter Hill, (DMH), Rollin Ives (DMH), Gurubanda Singh Khalsa (LA County), Don Kingdon (CMHDA), Dina Kokkos-Gonzales (DHCS), Marilyn Liddicoat (DMH), Bob O'Neill (DHCS), Sean Tracy (DMH), Bill Ullom (APS Healthcare)

### 11:05 Welcome, Introductions and focus

#### New action items:

- ADP will be invited to participate in this WG.
  - Charter will be developed by DMH
  - DHCS will provide an overview of SD II at our next meeting
  - DMH will provide an overview of accounting reforms to support more timely and accurate payments to the Counties.
  - A Credit Memo process between DHCS and DMH was reformed to improve efficiencies and timeliness for SGF and FFP payments.
  - DMH plans to create a DMH Webpage for TF activities, which will be reviewed and approved by participants.
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- **ADP Status**
    - Denise Blair (DMH CIO) is working with ADP to get a representative to participate on this TF and assist with claims payment issues in counties who operate in a Behavioral Health model (mental health/alcohol and drug program services).
  - **New DMH Medi-Cal Claims Oversight Unit**
    - To enhance claim payment efficiency and problem resolution, the DMH is establishing a Medi-Cal Claims Payment Unit. Details about the Unit, communications tools and services should be available in about a week.

- **MH/MC Claims (IT Users Group)**
  - Consideration was given to combining the DMH Claims IT Meeting and this group's efforts. It was decided to keep the meetings separate.
- **SD II County Participation**
  - Counties would like to have DHCS' Bob O'Neill provide a briefing of the system, project management plan, and technical details. Bob will do so, and his team will provide in two weeks. Counties are interested in specific details about systems hardware and software information and Implementation testing plan.
- **AB 1780 -- Galgiani**
  - This bill proposes to put into statute an EPSDT administrative structure. Currently, the bill is being crafted by DMH, DHCS, with input from CMHDA, Providers and others. The bill has five key components: timely and accurate payment of claims; forecasting and estimating methodologies; appeals; client record reviews; single state entity. DMH is circulating the language, and language changes can be expected.
- **OSAE Observations 1-3**
  - DMH met with DHCS, CHHS, OHI & OSI to ensure discuss these observations involving CHHS oversight of DMH & DHCS IT projects and governance systems.

#### **Review of OSAE Recommendations (Numbers 4 – 9)**

- 4) DMH Has Not Required MHPs to Fully Implement HIPAA Requirements – Update will be presented next meeting
- 5) The Current Claims Process is Flawed\*
- 6) Accounting and Reporting Systems Do Not Provide Timely and Accurate Information\*
- 7) The Risk of FFP Billing Errors Still Exists\*
- 8) Claims Processing Times Do Not Meet State and Federal Standards\*

\* Stan Bajorin, DMH Deputy Director, Administration and Fiscal Services, reported out for Recommendations 5-8

9) Cost Settlements and Audits Are not Performed Timely

DMH Chief Auditor Jim Hill and Rollin Ives, Program Compliance Deputy Director provided an update to the Recommendations including an interpretation of the statute issue that needs to be determined. In response to a County inquiry about announcement of audit focus each year (similar to OIG or CMS), Jim shared that DMH Audits has five standard audit issues that are reviewed. As a result of the conversation:

- Counties would like to discuss communications further relative to a CMS or OIG like announcement each fiscal year.
- DMH will meet and discuss with the CMHDA Financial Services Committee.
- The TF will continue to monitor and provide input for suggestions.

**The next meeting is scheduled on April 7, 2008, 2:30-3:30 p.m., Conference Room 150A.**