



Mandatory Balance Billing Training for PPGs



L.A. Care
HEALTH PLAN®

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Setting the Stage

1. Purpose for this Training
2. Reasons Why
 - New Programs
 - New Members
 - New Providers
 - Increase Oversight
3. Consequences
 - Impact to Members
 - Consequences to Providers
 - Significances to Health Plan

Training Objectives

- This training will provide L.A. Care Participating Provider Groups (PPGs) important regulatory clarification on balance billing inclusive of the following information:
 - What is balance billing?
 - Why is balance billing prohibited?
 - How does it breach our contract and violate federal law?
 - Steps to take when balance billing occurs.



You cannot balance
bill a Medi-Cal and
or Medicare
beneficiary.



What is Balance Billing?

- Balance billing occurs when doctors, ancillary providers or hospitals charge beneficiaries for Medi-Cal and/or Medicare covered services.
- Charges can include co-pays, co-insurance, deductibles or administrative fees.

Prohibition of Balance Billing

- Providers participating in Medi-Cal and/or Medicare are **prohibited** from balance billing any L.A. Care member eligible for Medi-Cal and/or Medicare, including the Duals Demonstration members (Cal MediConnect)

Prohibition of Balance Billing*


- Per Federal and State regulations, L.A. Care has included prohibitions on balance billing in its provider contracts
- Network providers who engage in balance billing are in breach of their contract with L.A. Care
- Providers who engage in balance billing may be subject to sanctions by L.A. Care, CMS, DHCS and other industry regulators.

*see reference section

Member Billing Exceptions

- Medi-Cal members with a Share of Cost
 - Providers may bill Medi-Cal beneficiaries who have a monthly share of cost obligation, but only until that obligation is met for the applicable month.
- Medicare Part D members may have a cost share for some prescription drugs
- Cost for non-covered benefits by Medicare/Medi-Cal

****if provider is unsure about benefits, contact the PPG**



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Example: Tom

- Tom goes to Dr. Cutter, a surgeon, for an out-patient procedure.
- Tom tells the doctor's office that he is in FFS Medicare and also has Medi-Cal with L.A. Care.
- The office says Dr. Cutter takes Medicare but does not take Medi-Cal and will only see Tom if Tom signs an agreement to pay charges that Medicare won't pay.
- Tom signs and has the surgery.
- Tom can't afford to make the co-pays and is getting collection notices.

Does Tom have to pay Dr. Cutter?

NO!

- The agreement Tom signed is invalid.
- Dr. Cutter is subject to sanctions if he continues to seek payment from Tom.



Dr. Cutter isn't enrolled in Medi-Cal. Does that make a difference?

NO!


- All Medicare providers must conform to the balance billing protections whether or not they accept Medi-Cal.



Is there any way Dr. Cutter can get paid?

Yes

- Dr. Cutter should contact L.A. Care
- If the service is a Medi-Cal covered benefit, Dr. Cutter can bill L.A. Care for the covered benefit



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Example: Dick

- Dick is a full benefit dual eligible and enrolled in CMC.
- Dick has been going to Dr. Primary, his PCP and an in-network provider with L.A. Care-CMC for the last three months.
- Every time, the front desk charges him a \$20 co-pay before he even sees Dr. Primary.
- Is this right?



Should Dr. Primary be charging Dick co-pays?

NO!

- No. Dr. Primary is bound by his contract with L.A. Care not to charge co-pays to dual eligibles.



Where should Dick complain?

- Dick can contact both Dr. Primary's office and the PPG.
- Both are responsible.



Can Dick get a refund of the payments he already made


Yes.

- The PPG is responsible for refunding the payments.



What if Dr. Primary refuses to see Dick any more?

- The member has the right to complain to L.A. Care
- L.A. Care has procedures in place to ensure that members are not discriminated against in the delivery of services, including specifically, discrimination on the basis of source of payment.



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Example: Harry

- Harry is a Medicare FFS beneficiary.
- Harry's FFS Medicare doctor, Dr. Eyeful, has been treating Harry's glaucoma for years and not balance billing him.
- Harry recently enrolled in L.A. Care's Medical CCI program.
- Now Dr. Eyeful tells Harry that, because Dr. Eyeful is not in the L.A. Care network, things have changed.
- Dr. Eyeful starts charging Harry the amounts Medicare doesn't pay for Harry's appointments.



Does it matter that Dr. Eyeful is not part L.A. Care's network

No!

- Some doctors mistakenly think they must drop patients because the doctor is not part of L.A. Care's network.
- Dr. Eyeful will still be paid by Medicare.
- The doctor does not need to be part of L.A. Care's network to provide services to Harry.



Can Dr. Eyeful start charging Harry co-insurance?

No!


- Harry's protections as a dual eligible have not changed just because he now receives his Medi-Cal benefit through L.A. Care.



Is there any way Dr. Eyeful can get paid?

Yes

- Dr. Eyeful should contact L.A. Care
- If the service is a Medi-Cal covered benefit, Dr. Eyeful can bill L.A. Care for the covered benefit



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Remember...

- Check eligibility, particularly if there has been a change in the member's program
- Don't rely on the member to show you the right card
- When in doubt, call the PPG and check



Steps to Take When Balance Billing Occurs

1. Tell the member – DO NOT PAY THE BILL!!
2. Check eligibility and determine if the member is a Medi-Cal and/or Medicare member
3. Educate the provider, their front office staff and billing departments about balance billing protections.
4. Educate members about their status and about their rights.
5. If the PPG has any questions, please contact your provider relation specialist at L.A. Care



Step 1: Tell the Member: DO NOT Pay The Bill!

- If a provider bills a patient in error, the provider must:
 - Stop immediately upon proof of eligibility
 - Reimburse all erroneous charges if member has paid
 - Call off any collection efforts that have begun
 - Correct any erroneous information sent to member and credit reporting agencies

Step 2. Verifying Eligibility

- Providers are required to verify beneficiary eligibility
- If a PPG has questions about an L.A. Care patient's eligibility, **call L.A. Care at 1-866-522-2736.**
- Providers/PPGs can also verify beneficiary eligibility by accessing one of the following State eligibility systems:
 - The Automated Eligibility Verification System (AEVS) interactive voice response system at 1-800-456-AEVS (2387)
 - Medi-Cal Website at <https://www.medi-cal.ca.gov/eligibility/login.asp> User ID (Provider ID or NPI) and password (Provider PIN) required.

Step 3: Provider Education


- L.A. Care takes balance billing of our members very seriously.
- Ongoing education and monitoring is being conducted.
- PPG education
 - PPG webinar trainings
 - Provider newsletters
 - Website updates
- PPG are expected to educate and train network providers

Step 4: Member Education

- Member communications have been developed to educate and alert members of their right not to be balance billed by any provider.
 - Member newsletter
 - Website updates
 - Community forum education
- L.A. Care continuously monitors member complaints and grievances related to inappropriate billing practices by contracted and non-contracted providers

PPGs Responsibilities

1. Educate your providers
2. Monitor for balance billing
3. React appropriately
4. Track and trend by provider for repeats
5. Report on a quarterly basis to L.A. Care
6. L.A. Care is obligated to report to L.A. Care's Fraud, Waste and Abuse Dept.
7. For repeat instances, L.A. Care is obligated to refer to both CMS and DHCS' Provider Certification Program



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Questions



Reference Section



Resources and Information*

- More information about balance billing is also available in the L.A. Care provider manuals at <https://www.lacare.org/providers/provider-resources/provider-manuals>
- Also, information about how to process crossover claims can be obtained at the L.A. Care Provider Service Line at 1-866-522-2736 and at <http://www.calduals.org/providers/physician-toolkit/>

L.A. Care PPG Contract Language*

Billing Members, State and Federal Government.

In the event Healthplan fails to pay PPG for Provider Services rendered to Members pursuant to this Agreement, PPG shall neither (i) hold the State or Federal Government or any agency thereof or any Member liable for any sums owed by Healthplan, nor (ii) maintain any action at law against the State or Federal Government or any agency thereof or any Member to collect sums owed by Healthplan. **PPG is prohibited from imposing any surcharges on Members for covered services and if Healthplan receives notice of any surcharge, Healthplan shall take appropriate action.** PPG shall report to Healthplan in writing all surcharges paid by Members directly to PPG or its Affiliated Providers. Except for applicable copayments, PPG shall not invoice or balance bill a Member for the difference between PPG's billed charges and the reimbursement paid by Healthplan for a covered benefit.

Prohibition of Balance Billing*

- ***L.A. Care Members cannot be balance billed***
- ***Federal and State law prohibits billing Members for covered services that are not the responsibility of the Member***
- This prohibition includes co-pays, co-insurance and completion of forms:
 - Section 1902(n)(3)(B) of the Social Security Act, as modified by Section 4714 of the Balanced Budget Act of 1997
 - Title 22 Medical Assistance Program CCR §51002 Beneficiary Billing
 - California Welfare & Institutions Code §14019.4
 - California Health and Safety Code §1379
 - California Health and Safety Code §1262.8