Payment Error Rate Measurement (PERM) Provider Update

The California Department of Health Care Services (DHCS) is issuing this reminder to California Medi-Cal Dental providers regarding the upcoming quadrennial Payment Error Rate Measurement (PERM) review conducted in California by the U.S. Department of Health and Human Services, Centers for Medicare and Medicaid Services (CMS). The review, most recently conducted in 2016 will repeat in Review Year (RY) 2020.

The PERM program is designed to measure improper payments in the Medicaid Program and the Children’s Health Insurance Program (CHIP), as required by the Improper Payments Information Act of 2002 (amended in 2010 by the Improper Payments Elimination and Recovery Improvement Act (IPERIA) and IPERIA of 2012). The error rates are based on reviews of the fee-for-service (FFS), managed care, and eligibility components of Medicaid and CHIP in the fiscal year under review. The upcoming review will include claims and payments originally paid between July 1, 2018 and June 30, 2019.

It is important to note that the error rate is a measurement of payments made that did not meet statutory, regulatory or administrative requirements.

Although the review conducted in RY 2016 was an overall success, there were a few identified challenges to the process. DHCS is sending this information to providers to prepare for the upcoming cycle, to help address some of the challenges and facilitate a fluid and successful review for RY 2020 PERM cycle.

1. PROVIDER RESPONSE AND PARTICIPATION: For each sampled claim, providers will be required to send the associated dental records to the Review Contractor (RC) for review and a duplicate copy to DHCS. DHCS is urging all providers to comply with requests for dental records from the RC and DHCS. During the 2016 review, some providers failed to respond to DHCS and RC requests for documentation related to the claims selected for review.

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DHCS is required to recover the claim payment amount from non-responsive providers, applicable to the selected claims. The following documentation will be requested for the selected claim(s):

a. Dental Chart  
b. Dental History  
c. Dental or orthodontic Assessment  
d. Dental or orthodontic Clinical Notes  
e. Dental or orthodontic Plan of Care  
f. Dental X-Ray Notes  
g. Note: Clinical Documentation (notes, plan of care, etc.) issued from electronic records must be signed and dated (electronic signature acceptable if permitted by state regulations)  
h. Prior Authorization  
i. Procedure Record/Notes

In subsequent communications, DHCS and/or the RC will contact applicable providers who are required to send in documentation related to selected claims for RY 2020 review. Please be advised that documentation requests will have a limited turnaround time. Following the specified period, DHCS will consider non-responsive provider claims as those warranting the initiation of recoupment proceedings, to recover payments made.

2. COMPLIANCE WITH CURRENT BILLING PROCEDURES AND PROPER DOCUMENTATION PROCESSES: Providers must render services utilizing the appropriate and applicable Current Dental Terminology (CDT) billing procedure codes, in accordance with the Manual of Criteria, and in compliance with all other program guidelines in the Medi-Cal Dental provider handbook. Providers must also adhere to documentation requirements and processes as required by the California Code of Regulations, Title 22, section 51476 - to retain, maintain, and have readily retrievable, records as are necessary to fully disclose the type and extent of services provided to a Medi-Cal beneficiary. DHCS is authorized to recover overpayments for services that are not sufficiently documented in a provider’s records.

If you have any questions about the PERM information in this bulletin, please direct them to perm@dhcs.ca.gov.

CalHealthCares Program

The 2018 Budget Act appropriates $220 million from Proposition 56 to the Department of Health Care Services (DHCS), and Senate Bill 849 (Chapter 47, Statutes of 2018) established the Proposition 56 Medi-Cal Physicians and Dentists Loan Repayment Act Program (LRP). DHCS has contracted with Physicians for a Healthy California (PHC) to administer the loan repayment program, CalHealthCares, to increase Medi-Cal members' access to care.

Eligible dental providers may apply for either a loan repayment up to $300,000 in exchange for a five-year services obligation or a practice support grant up to $300,000 in exchange for a ten-year service obligation. All medical and dental specialties are eligible. In this cycle, CalHealthCares expects to award approximately 125 physicians and 20 dentists. All awardees are required to maintain a patient caseload of 30 percent or more Medi-Cal members.

Please see the attached CalHealthCares Fact Sheet or visit the CalHealthCares website at https://www.phcdocs.org/Programs/CalHealthCares for:

- Eligibility Requirements
- Frequently Asked Questions (FAQs)
- Checklist
- Applicant instructions

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The application is open April 1, 2019, and the deadline to submit the application is 11:59pm (PST) on April 26, 2019. If you would like to be added to the CalHealthCares email list, send an email with the subject “subscribe” to CalHealthCares@phcdocs.org. For questions about the CalHealthCares program, contact PHC at (916) 551-2579.

Medi-Cal Managed Care Initial Screening and Referrals

In accordance with Assembly Bill 2207 (Wood, Chapter 613, Statutes 2016) Medi-Cal managed care health plans are required to provide dental screenings for eligible Medi-Cal members as part of the member’s initial health assessment. They must also refer their Medi-Cal members to an appropriate Medi-Cal dental provider. Though these provisions are now in effect, Medi-Cal dental providers should note that referrals are not required to treat an eligible Medi-Cal dental member. Please note: Medi-Cal Dental does not pay for services rendered by medical providers. Medi-Cal covers those reimbursements.

More information about Assembly Bill 2207 (Wood, Chapter 613, Statutes 2016) can be found at https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201520160AB2207. Other information about treating Medi-Cal dental members can be found in Provider Handbook Section 4.

Reminder: Procedure Codes for the Adjustment of Partial and Full Dentures

The Department of Health Care Services (DHCS) would like to remind providers that there are four procedure codes for the adjustment of partial and full dentures. The procedure codes are listed below:

- D5410: Adjust complete denture – maxillary
- D5411: Adjust complete denture – mandibular
- D5421: Adjust partial denture – maxillary
- D5422: Adjust partial denture – mandibular

Providers who did not deliver the appliance to the patient can bill for all adjustments and repairs, once per date of service (DOS), twice in a 12-month period, per provider.

Providers who delivered the appliance to the patient may be eligible to bill for these services following the initial 6-month period after delivery of the appliance. As noted in Provider Handbook Section 5, page 5-44, “The fee for any removable prosthesis, reline, tissue conditioning or repair includes all adjustments necessary for six months after the date of service by the same provider”. This is also stated in the criteria for the partial and denture codes.

For more general policies about removable prosthodontics, please refer to Section 5 of the Provider Handbook. For questions, please contact the Telephone Service Center at (800) 423-0507. Providers can also visit the Medi-Cal Dental website at www.Medi-Cal Dental.ca.gov.

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Let Your Members Know About Member Bulletins

Last year the Department of Health Care Services (DHCS) launched Smile, California, a statewide campaign to increase utilization of the Medi-Cal dental benefit. With the launch, many new materials and resources were made available to members on SmileCalifornia.org, including monthly Member Bulletins. Just like providers receive the latest Medi-Cal Dental news and updates through Provider Bulletins, members now have access to regular communications from Medi-Cal Dental through bulletins. Members can access the Member Bulletins on the SmileCalifornia.org homepage under “Latest News” or by selecting the “Member Bulletin” option on the Members page.

DHCS asks that providers educate their Medi-Cal dental members on the availability of Member Bulletins and other educational resources on SmileCalifornia.org. These resources are intended to promote oral health wellness and educate members on how to access and understand their Medi-Cal dental benefit.

Check SmileCalifornia.org regularly for more ways to support the campaign. Providers and community partners interested in staying informed about the Smile, California campaign can also send an email to hello@smilecalifornia.org to receive updates each time new content becomes available.

Oral Cancer Awareness Month

April is Oral Cancer Awareness Month. The Department of Health Care Services (DHCS) would like to thank providers for educating members on preventive practices and identifying early signs of oral cancer.

The American Cancer Society estimates that over 50,000 people in the United States will be diagnosed with oral cancer; and of those, over 10,100 people will die from oral cancer every year. Anyone can get oral cancer. Heavy drinkers and people who smoke or use other tobacco products are at higher risk. Though it is most common in people over age 50, new research indicates that younger people may be developing oral cancers related to human papillomavirus (HPV).

According to the California Dental Association’s (CDA) oral cancer fact sheet, oral cancer can be detected in a number of ways. If detected early, the survival rate for people with oral cancer increases. Early signs include:

- Sores that last longer than two weeks
- Swelling, growths or lumps anywhere in or near your mouth or neck
- White or red patches in your mouth or on your lips
- Repeated bleeding from the mouth or throat
- Difficulty swallowing or persistent hoarseness

For more information and ways to get involved in Oral Cancer Awareness Month, visit oralcancerfoundation.org. For Medi-Cal Dental information and reminders, please visit the Medi-Cal Dental website www.denti-cal.ca.gov.