

EXHIBIT C ENCOUNTER BILLING PROCEDURES

As indicated in the Agreement and in Exhibits A and/or B to the Agreement, County shall submit Encounters under its FQHC Medi-Cal provider number for Covered Services provided to SBHI Members. The parties agree that the Encounters shall be processed and counted according to the following criteria.

For all Covered Services meeting the above description, County shall submit to Authority an Encounter using the all-inclusive per visit codes:

- | | | |
|----|---------------------------------|-----------|
| 01 | Medi-Cal per visit code | OR |
| 02 | Medi/Medi Crossover claims code | OR |
| 04 | Optometry | |

In addition, County must submit any and all of the CPT or HCPCS code that defines the actual Covered Services rendered to the Member (“ancillary lines”) that were rendered on the date of service of the visit. These lines should be submitted with County’s usual and customary charges. If the Encounter does not include a quantity on each claim line, the parties agree that in order to process the Encounter, Authority will set the default to be equal to a quantity of one (1).

Limited Edits

Authority will process the Encounter, and the Explanation of Benefits (EOB) shall contain the result of the processing using an explain code **1-F** (paid Encounter) that indicates that this was an acceptable Encounter if the submission passes the following limited edits established for codes 01, 02 or 04:

1. The provider number was a valid County FHC provider number;
2. The date of service was included;
3. The Member was eligible on the date of service;
4. The provider number of the person rendering the service (rendering provider number) was included on each claim line. The rendering provider number may be either the rendering provider’s Medi-Cal number issued by the State, or the provider’s license number; and
5. If the Member is not Case Managed by the County but was being referred to the County by a non County Provider for either PCP or specialty services, the referring Provider must issue a Referral Authorization Form (RAF) and the RAF number must be included on the claim form.

Full Edits

Ancillary lines of the Encounters submitted by County will be subject to full edits and at least one (1) of the Covered Services, identified by the CPT or HCPCS codes, rendered to the Member on the date of service of the visit must receive an explain code that indicates that this was an acceptable Encounter.

Encounter EOB Examples

As an example, for FHCXXXXX who submitted an Encounter for a rendering provider who is a PCP providing a capitated service, the EOB would indicate:

<u>HCPCS/CPT Code</u>	<u>Explain Code</u>	<u>FFS Equivalent</u>	<u>Paid Amount</u>
01	PY-1F	\$0	\$0
99213	PY-02, 11	\$35	\$0
X1023	DY-87	\$0	\$0

As an example for FHCXXXXX who submitted an Encounter for a rendering provider who is a County Physician Specialist and renders specialty services, the EOB would indicate:

<u>HCPCS/CPT Code</u>	<u>Explain Code</u>	<u>FFS Equivalent</u>	<u>Paid Amount</u>
01	PY-1F	\$0	\$0
99213	PY-02	\$35	\$0
X1023	DY-87	\$50	\$0

By following the billing procedures discussed between the parties, and subject to the edits as set forth above the County should expect that most if not all of its Encounter submissions for services rendered in its Clinic will receive a PY-1F status. If there is a billing error that results in a denial of service, the parties shall work together to determine the reason for the denial. Should County provide a service authorized in the FQHC regulations which is not a Covered Service, Authority agrees to assist the County for purposes of billing reconciliation with the State. If the denial is the result of a billing error, County may correct the Encounter through the Authority web site and/or non-claim mail process.