



## Communication Release

12/19/2025

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### Patient Education vs Group Counseling

SAPC has recently received inquiries regarding differences between documenting and billing for Patient Education vs Group Counseling. The [Department of Health Care Services' \(DHCS\) DMC-ODS Billing Manual](#) highlights that Group Counseling focuses on the “needs of the participants.” Patient Education on the other hand is to provide “education for the member on addiction, treatment, recovery, and associated health risks.”

In general, Patient Education groups are informational and take more of a teaching approach by the facilitator(s) about a substance use related topic. Counseling groups may cover similar topics; however, the focus is on a dynamic discussion with the participants on how it relates, impacts, and/or can be applied toward their identified problems and treatment goals.

Patient education groups are limited to 2-12 participants except in residential levels of care where there may be up to 30 participants. These are billed under the base code H2014 with the HQ modifier.

Counseling groups are limited to 2-12 participants at all levels of care and are billed under the base code H0005.

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### Sage-PCNX Guide to Reports Update

The Sage-PCNX Guide to Reports has been updated to include documentation for new and updated reports.

New Reports	Updated Reports
CENS Provider Activity Report	Check/EFT Number Report
Billing by License Type and LOC Report	Services Denied in MSO
EOB Summary by Date Export	County and Aid Code Report
Network Practitioner Report	

The guide is available on the [SAPC Sage website](#) and may be accessed through Sage directly on the myDay view in the SAGE-PCNX RESOURCES widget.

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### Client Address Reminder

The Admission (Outpatient) and Update Client Data forms have been updated to include a reminder regarding entering a client’s address.

Contact Information

Client's Address - Street *(Do not write "Homeless" anywhere on the address. Must contain number and street name)*

The lightbulb on the Client’s Address- Street field also contains the additional messaging:

Do not enter "Homeless" anywhere on the address fields. The client’s address must be a valid USPS address otherwise it will prevent billing to the State and may result in recoupments.

It is critical that the address entered is a valid USPS address; phrasing such as “homeless” should not be included anywhere on the address. Not adhering to the proper format of having a street number and street address creates an error in the Sage system that prevents claims from being created to bill the State, which may lead to retro adjudications from Finance.

Users may enter their agency address or local DPSS office address if the client is experiencing homelessness. Additionally, homelessness should be documented in CalOMS, the Problem List, and progress notes as appropriate such as when establishing medical necessity.

## SAPC Community Engagement Team

Effective Tuesday 12/23/2025, SAPC’s Connecting to Opportunities for Recovery and Engagement (CORE) program will now be known as “Community Engagement.” Providers will notice the addition of this team as an option on the Youth and Young Adult Screener and Service Connections Log forms. Only SAPC Community Engagement Team staff should select “Community Engagement” as the point of contact on these two forms.

Youth and Young Adult Screener

Screened By (please select one) \*

☐ SUD Provider
☐ CENS
☐ SASH
☐ Community Engagement

Service Connections Log

Contact For \*

☐ CENS
☐ SASH
☐ Community Engagement

## Updates to the Sage Help Desk User Creation Form

SAPC is updating the Sage Help Desk User Creation form to better track and manage users with KPI access. We are adding KPI specific required fields that will ensure appropriate Sage configurations for creations, modifications and terminations. The following changes will be effective Friday 12/19/2025.

For each request type, different options will become enabled and/or required.

- Creation:** When Creation is selected, the “Add KPI Access” becomes available. If the user needs KPI access, select yes and then select the agency in “Add KPI Access to Agency.”
- Modification:** When Modification is selected, both “Add KPI Access” and “Remove KPI Access” become available.

- a. **Add KPI Access:** If the user needs KPI access, select yes and then select the agency in “Add KPI Access to Agency.”
  - b. **Remove KPI Access:** If the user no longer needs KPI access, select yes and then select the agency in “Remove KPI Access to Agency.”
  - C. **Termination:** When Termination is selected, the “Remove KPI Access” becomes available.
    - a. Select “Unsure” if the submitter is unsure if the user has KPI access.
      - i. If unsure is selected, SAPC will investigate and confirm if the user has KPI access which should be removed prior to processing the termination.
    - b. Select “Yes” to remove KPI access and select the agency that should be removed.
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## Upcoming Changes to the Service Authorization Request Form

Effective Monday 1/5/2026, the Service Authorization Request Form will have a new field, External Comments on Authorization, in the Doc Request Date section of the form. Currently, Utilization Management (UM) Care Managers enter comments in the Comments section of the form; however, there have been instances when edits and deletions were inadvertently made by providers overriding the history of the comments.

The External Comments on Authorization field will allow both Care Managers and providers to enter comments. Once the authorization is submitted, the comments will be saved in a non-editable format in the Comments section of the form with the name and date/timestamp of when the entry was made.

The [PCNX Service Authorization Training Guide](#) has been updated and provides more details on this new functionality.

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## State Denial Rebilling Lists

The following are a list of commonly encountered State claim denials, a summary of the issue and brief guidance on how to pursue resolution of these issues.

### **CO 97 M86**

A system issue led to the erroneous recoupment of services with a CO 97 M86 state denial code, which is typically used for duplicate services. Impacted provider agencies received a spreadsheet via the SFTP this week with the list of services that are eligible for rebilling immediately.

### **CO 96 M80**

Following updated guidance for the billing of screening services, service code H0049 has been recouped if the patient was not admitted to an outpatient level of care on the same day. This is for both FY24-25 and FY25-26 services. Impacted providers will receive a list of services eligible for replacement via the SFTP this week. The replacement services can be billed beginning Monday December 22<sup>nd</sup>.

Please review the [Billing for Screening Job Aid](#), [Sage Quick Billing Guide: CENS DMC](#), and the [Sage Quick Billing Guide: PAuths](#) for guidance on billing screening services.

### **CO 96 N30**

The State was incorrectly denying services for patients who had a Justice Involved Aid Code listed as a specialty aid code, even if their primary aid code was allowable for DMC Services. The state corrected the issue on December 10<sup>th</sup>

and the impacted provider agencies received a spreadsheet, with the list of services, via the SFTP on Friday December 5<sup>th</sup>. These services can be rebilled immediately.

If any of the above spreadsheets need to be uploaded again, or if further clarification is needed, please email [SAPC-Finance@ph.lacounty.gov](mailto:SAPC-Finance@ph.lacounty.gov).

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### KPI Data Truncation

KPI data is truncated every six (6) months at the beginning of the calendar and fiscal year. KPI maintains a rolling history of two (2) full fiscal years (FY), two (2) full calendar years (CY), and the current FY and CY. As such, KPI data will be truncated on 1/1/2026, limiting available data to include only 7/1/2023 - present. As with previous truncation periods, providers who would like copies of KPI data from the time period 1/1/2023- 6/30/2023 are encouraged to export relevant data from KPI on or before 12/31/2025. The following data will be available effective 1/1/2026:

Available Fiscal Years	Available Calendar Years
All FY 23/24	7/1/2023-12/31/2023
All FY 24/25	All CY 2024
FY 25/26 to date	All CY 2025
	CY 2026 to date

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### Primary to Secondary Provider Conversion

SAPC provides an annual enrollment opportunity for all Provider Agencies to convert from a Primary User to Secondary User of the Sage Electronic Health Record (EHR) System. If your agency would like to convert from Primary to Secondary Sage User status, please send an official, signed request addressed to the SAPC-IT at [SAPCProvConvReq@ph.lacounty.gov](mailto:SAPCProvConvReq@ph.lacounty.gov) no later than **January 31, 2026**.

Provider agencies that meet this deadline will receive an acknowledgement letter and will be required to begin the necessary testing of their EHR system by March 31, 2026. Testing processes need to be completed no later than June 30<sup>th</sup>. During this testing process period, the provider is required to:

1. Identify a minimum of two contact persons at your agency who will be responsible for creating and submitting all 837 test files. These two individuals will also be responsible for responding to and addressing all SAPC requests related to this conversion.
2. If needed, submit Sage User Creation forms for any new or modified user accounts per standard procedure.
3. Engage the EHR vendor or Information Technology staff to complete all necessary configuration of the agency's EHR by the identified timeline and in accordance with SAPC specifications.
4. Create and submit test 837 files and resolve identified issues.
5. Once testing is done in the TRAIN environment, create and submit a small number of claims in the Live Environment until the agency has achieved at least an 80% adjudication approval rate.

Once the conversion is successfully completed, a Sage Secondary Provider Certificate will be issued by SAPC. After the certification, the provider will officially be a secondary provider and will be given instructions on how to submit their claims via the 837 process going forward.

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