

BILLING & DENIAL RESOLUTION TUTORING LAB

OCTOBER 08, 2026



- Reminders & Announcements
 - Sage Notification: Fast Service Entry Submission
 - Non-DMC Recovery Service PAuths
 - Secondary Sage Users: Outbound 835 Updates
 - Room and Board Recoupments
- Updates
 - New Claim Submission Timeliness Deadlines
 - Authorization Requirements for Changes in Coverage
 - T2021 & T2024 Updates/Guidance
- New GD modifier
- Tutoring Session: Annual Void Report
- Open Q&A

REMINDERS & ANNOUNCEMENTS

REMINDERS

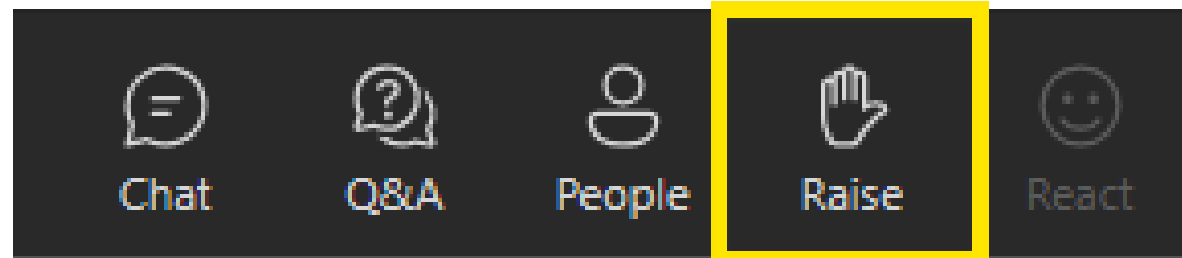
Q&A REMINDER

- As a reminder, to ask questions during this lab, please use one the following:

- Q&A Button



- Raise Hand Button



FAQ REMINDER

As a reminder, the compiled FAQ from each lab are uploaded monthly. Please check to see if your question has been asked & answered in previous tutoring labs. Find the latest compiled FAQ at:

<http://publichealth.lacounty.gov/sapc/providers/sage/finance.htm>

1. Visit the link above
2. Click on the section named **Billing and Denial Resolution Tutoring Lab**
3. To download an FAQ, click on the link ***Billing and Denial Resolution Tutoring Lab – 12.05.2024 to [Last Lab Date] Sessions***

The screenshot shows the SAPC website's Sage Finance section. On the left is a 'Sage Quick Menu' with links to Sage Home, Sage User Enrollment, Sage Provider Communications, and Sage Trainings - Finance. The main content area is titled 'Sage Finance' and includes a breadcrumb trail: 'SAPC Home / Providers / Sage Home / Sage Trainings / Sage Finance'. Below this is a 'Billing' section with a sub-link 'Billing and Denial Resolution Tutoring Lab'. A table below lists FAQ entries. The first entry is highlighted with a yellow box and a green circle with the number '1'. A second green circle with the number '2' points to the 'Subject' column of this entry. A mouse cursor is shown clicking on the highlighted entry.

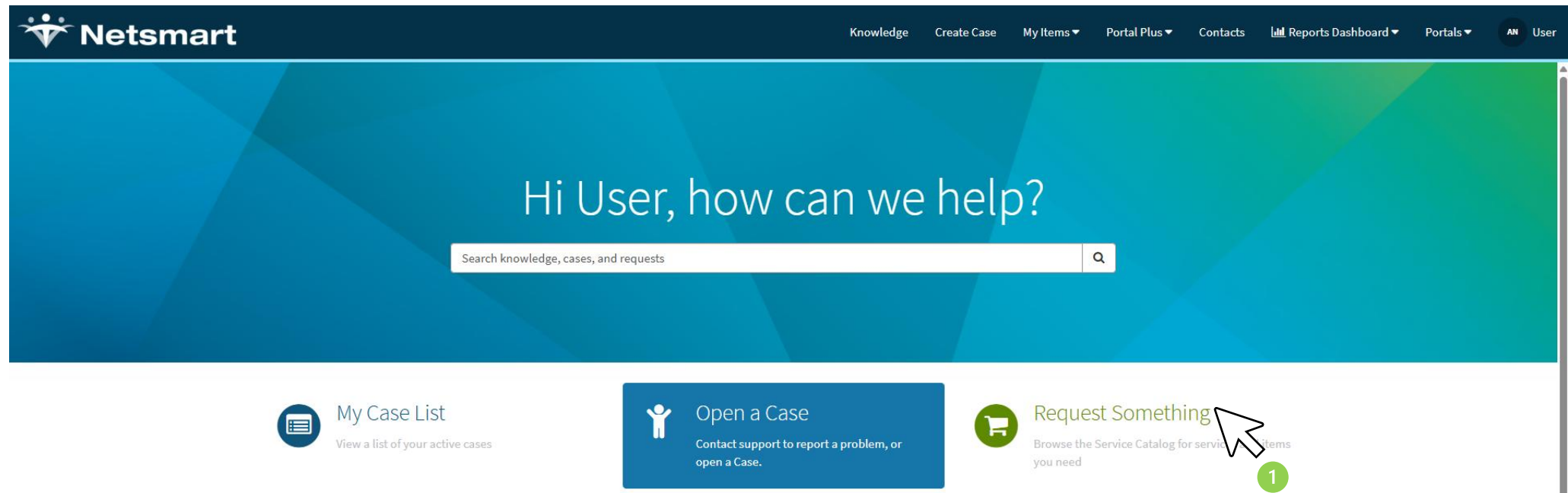
Subject	Description	Date
Billing and Denial Resolution Tutoring Lab FAQ - 12.05.2024 to 11.06.2025 Sessions (New - December 2025)	Topics include: Cumulative Spreadsheet of the Billing and Denial Resolution Tutoring Lab FAQ Questions and Answers. The spreadsheet includes two tabs named "FAQ" and "Resources". The FAQ tab includes all questions and answers from all tutoring lab sessions, sorted oldest to newest by date of the tutoring lab. The FAQ is categorized by Clinical, Codes, Denials, General, and Policy type questions. The Resources tab includes important websites, emails, and links to tutoring lab presentations.	12/01/25

HELP DESK TICKET FORMS

- Two different forms for Help Desk tickets
- **ServiceNow Create Case Form**
 - Tickets go directly to Netsmart
 - Use this form to report Sage system issues
- **Request Billing Assistance Form**
 - Ticket goes directly to SAPC Finance
 - Use this form to report billing-related issues
 - Link: https://netsmart.servicenow.com/plexussupport?id=sc_cat_item&sys_id=1ac545cf1b115e103001a9b6624bcb00&sysparm_category=4cb69d19c3921200b0449f2974d3ae69
- **Note:** Billing-related tickets submitted through the Create Case form will take longer to resolve

WHERE TO FIND THE REQUEST BILLING ASSISTANCE FORM

- There are two ways to access the Request Billing Assistance form:
 1. Direct Link: [Request Billing Assistance](#) or
 2. Follow these 2 steps:
 - Step 1: Click **Request Something**



WHERE TO FIND THE REQUEST BILLING ASSISTANCE FORM

- Step 2: Click **Request Billing Assistance**

The screenshot displays the Netsmart portal interface. At the top is a dark blue navigation bar with the Netsmart logo and links for Knowledge, Create Case, My Items, Portal Plus, Contacts, Reports Dashboard, Portals, and a user profile. Below the navigation bar is a search bar. The main content area is divided into a left sidebar with a 'Categories' menu and a central 'Popular Items' grid. The 'Request Billing Assistance' item in the grid is highlighted with a mouse cursor and a green circle containing the number 2.

Categories

- Application Access
- Care Record Requests
- Portal Plus
- Services
- System Access
- I Need Help

Popular Items

- Create Case**
Create Case
View Details
- OrderConnect EPCS Hard To...**
Request an EPCS hard token transfer for OrderConnect
View Details
- Request Billing Assistance**
Use this form to request billing assistance
View Details
- SAPC Sage User Creation Form**
Sage User Provisioning
View Details
- Database Copy**
Request a database copy from one environment to another
View Details
- Create Case**
Create Case
View Details
- Security Access**
Request security access to an environment
View Details
- Create Portal Plus Case**
Create a Case that can be assigned to Portal Plus groups and users.
View Details
- Solution Upgrade/Update**
Request an upgrade to an updated Health and Human Services solution release
View Details

HELP DESK OPERATING HOURS

- SAPC Finance help desk tickets are worked during normal County business hours
 - Monday through Friday, 8AM to 5PM
 - Closed on all federal holidays
 - Any tickets received outside of this time is assigned the next business day
 - i.e. If a ticket is received on a Friday at 6PM, it will be assigned to an analyst on the following Monday

REQUEST BILLING ASSISTANCE FORM – SECONDARY SAGE USERS

- For Secondary Sage Users, there is a field asking for the **837P or 837I file name(s)**

A screenshot of a web form field. The field is a rectangular box with a thin border. Inside the box, at the top left, there is a red asterisk followed by the text "837P or 837I file name(s)". Below this text is a large, empty rectangular area for input.

- Please don't enter **837P** in this field, this will delay investigation/resolution of your ticket
- Please provide the actual filename of the 837 file submitted
 - For example:
 - **ADP-1234-837P-07312020-001.txt**
 - **ADP-1234-837I-07312020-001.txt**
 - **ADP-1234-837P-07312020-replacement-001.txt**
 - **ADP-1234-837I-07312020-void-001.txt**

FOLLOW THE RECOMMENDED AGENCY WORKFLOW PRIOR TO OPENING A HELP DESK TICKET

We recommend that a Provider Agency attempts to self-resolve a denial before opening a Help Desk ticket by:

1. Opening the [Sage Claim Denial and Resolution Crosswalk Version 5.0](#)
 - a. If a State denial, click on the State Denials tab, and look for **CARC/RARC** in **Denial Code** column
 - b. If a Local denial, click on the Local Denials tab, and look for **Denial Reason** in **DMC Description** column
2. Following the resolution steps in the **Cause and Resolution** column
3. If you are unable to fix the issue using the steps above, please open a Help Desk ticket using the [Request Billing Assistance](#) form

SAPC-IT PROVIDER REQUEST FORM

If you check your SFTP, and one of the following documents that is expected to be there, but is missing:

277, 835, EOB, Remittance Advice, and/or other files expected in the SFTP such as the Claim Status Report

Please submit a [SAPC-IT Provider Request Form](#) to SapcProviderReq@ph.lacounty.gov

If you don't receive a response to your request within a week, please reply to your original request email and CC SAPC-Finance@ph.lacounty.gov to get a status update



County of Los Angeles – Department of Public Health
Substance Abuse Prevention and Control
SAPC-IT Provider Request Form

Please email completed form to
SapcProviderReq@ph.lacounty.gov

Requestor Information		
First Name:	Last Name:	Date:
Organization:		
Email Address:	Phone Number:	ext:

Request Details	
This form is used to request SAPC-IT to reupload files to Secure File Transfer Protocol (SFTP). Please select file type below and provide more details in description section.	
File Type:	Description:
☐ 277	From Date: To Date:
☐ 835	From Date: To Date:
☐ EOB	From Date: To Date:
☐ Remittance Advice	From Date: To Date:
☐ Other	From Date: To Date:

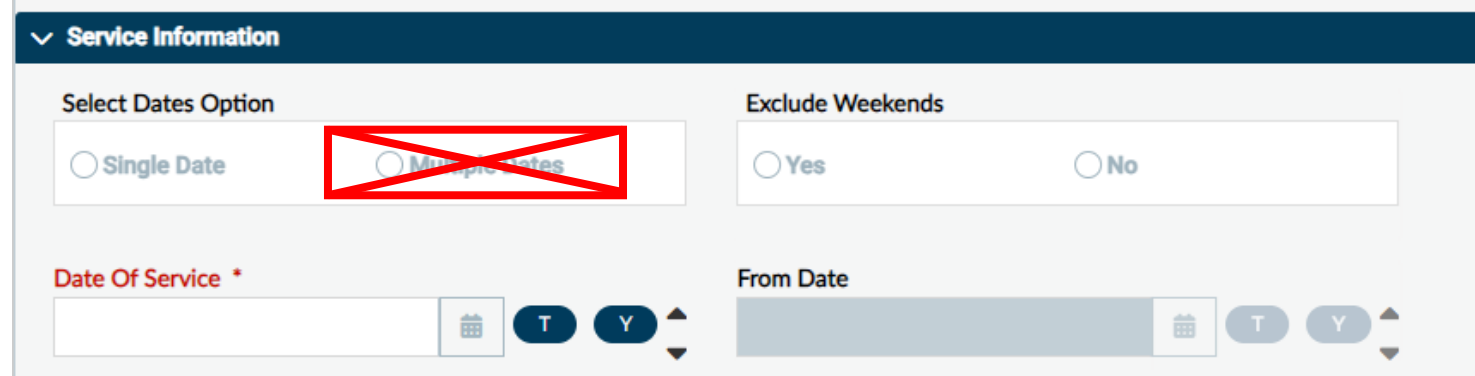
For SAPC-IT only	
Received By:	Processed By:
Received Date:	Processed Date:

ANNOUNCEMENTS

SAGE NOTIFICATION: FAST SERVICE ENTRY SUBMISSION

SAGE NOTIFICATION: FAST SERVICE ENTRY SUBMISSION

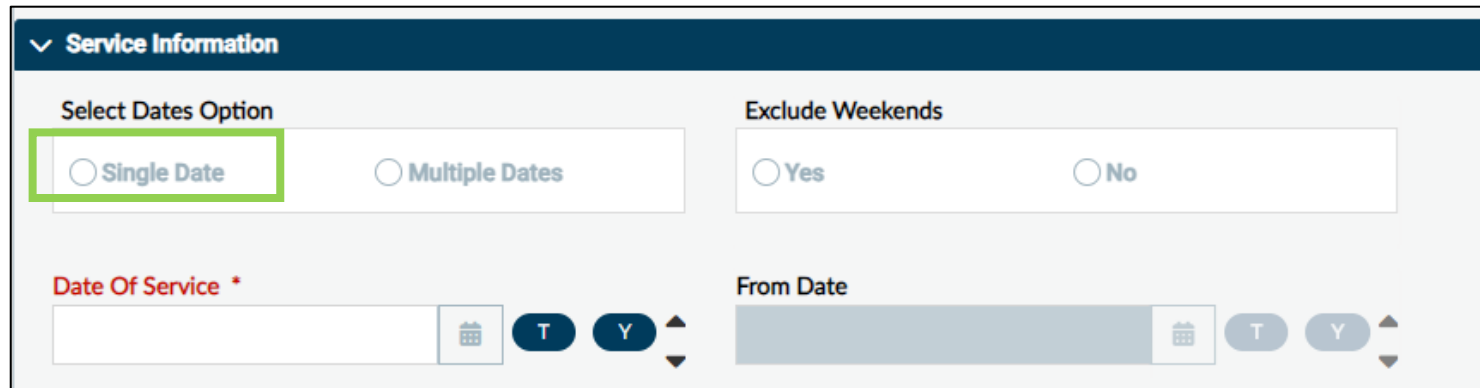
- SAPC notification emailed out to Provider Network on 10/7/2026
- Multiple Sage Helpdesk tickets have been submitted reporting significant slowness of the Fast Service Entry Submission form, particularly when creating claims for a date range.
- At this time, Providers should not use the “Multiple Dates” option in the Fast Service Entry Submission form



The screenshot displays the 'Service Information' section of the Fast Service Entry Submission form. It features two main sections: 'Select Dates Option' and 'Exclude Weekends'. In the 'Select Dates Option' section, there are two radio buttons: 'Single Date' and 'Multiple Dates'. The 'Multiple Dates' option is highlighted with a red rectangular box and a large red 'X' over it, indicating it should not be used. The 'Exclude Weekends' section has two radio buttons: 'Yes' and 'No'. Below these sections are two date input fields: 'Date Of Service *' and 'From Date'. Each field includes a calendar icon, a 'T' button, a 'Y' button, and a vertical double-headed arrow.

SAGE NOTIFICATION: FAST SERVICE ENTRY SUBMISSION

- Instead, Providers are encouraged to submit “Single Date” claims, as multiple date claims can take up to 30 minutes to process and will appear to freeze the system.



The screenshot displays the 'Service Information' section of a form. Under the 'Select Dates Option' heading, the 'Single Date' radio button is selected and highlighted with a green border, while the 'Multiple Dates' radio button is unselected. To the right, under the 'Exclude Weekends' heading, the 'No' radio button is selected. Below these options, there are two date input fields. The first field is labeled 'Date Of Service *' in red text and is currently empty. The second field is labeled 'From Date' and is filled with a light blue color. Both date fields include a calendar icon and 'T' and 'Y' buttons for date manipulation.

- **As the monthly billing deadline of October 10th approaches, SAPC encourages providers not to delay submitting billing.**

SAGE NOTIFICATION: FAST SERVICE ENTRY SUBMISSION

- *Note this does NOT impact Secondary Sage Providers who submit billing through 837I/P files.*
- Netsmart is currently investigating the issue and SAPC will provide an update when the issue is resolved.
- If you are experiencing issues with submitting billing, please submit a [Sage Helpdesk](#) ticket so we get an accurate scope of the impact. **When creating the ticket use the Short Description: “Fast Service Entry Submission Slowness.”**
 - Sage Help Desk Phone Number: (855) 346-2392
 - Sage Help Desk ServiceNow Portal: <https://netsmart.service-now.com/plexussupport>

* Please describe your issue

Fast Service Entry Submission Slowness

NON-DMC RECOVERY SERVICES PAUTHS

NON-DMC RECOVERY SERVICES PAUTHS

- Billing Recovery Services (RS) for Non-DMC Clients will be available soon
- The specific Non-DMC PAuths:
 - Recovery Services
 - Recovery Services - Perinatal
- Only available for FY 26-27 services
- Usable by all SAPC contracted provider agencies

NON-DMC RECOVERY SERVICES PAUTHS

- When to use Non-DMC Recovery Services/Recovery Services Perinatal PAuths?

They can only be used in the following scenarios:

▼ Guarantor Order

Guarantor #1

(3) LA County - Non DMC ▼

Guarantor #2

Select ▼

SCENARIO 1:

The Client only has Non-DMC benefits

▼ Guarantor Order

Guarantor #1

(5) Client Ineligible for Federal Programs ▼

Guarantor #2

Select ▼

SCENARIO 2:

The Client only has CIFP benefits

▼ Guarantor Order

Guarantor #1

(5) Client Ineligible for Federal Programs ▼

Guarantor #2

(3) LA County - Non DMC ▼

SCENARIO 3:

The Client lost Non-DMC benefits, and
gained CIFP benefits

(Note: client never had DMC benefits)

NON-DMC RECOVERY SERVICES PAUTHS

- What services can be billed with a Non-DMC Recovery Services/Recovery Services Perinatal PAuth?

Code	Code Type	Service Description
H0025	Peer Support	Behavior health prevention education service (delivery of services with target population to affect knowledge, attitude and/or behavior) [Peer Support group session], 15 minutes
H0038	Peer Support	Self-help/peer services (individual), 15 minutes
H2010M	MAT Services	MAT Education
H2015	Recovery Services	Comprehensive community support services, per 15 minutes (Example services: recovery monitoring, relapse prevention, care coordination)
H2017	Recovery Services	Psychosocial rehabilitation services, 15 Minutes (Example services: assessment, screening, individual and group counseling, family therapy)
T1013	Supplemental Services	Sign Language or Oral Interpretive Services, 15 Minutes

NON-DMC RECOVERY SERVICES PAUTHS

- Where to find billable Non-DMC Recovery Services PAuths?

PROVIDER AUTH (PAUTHS)

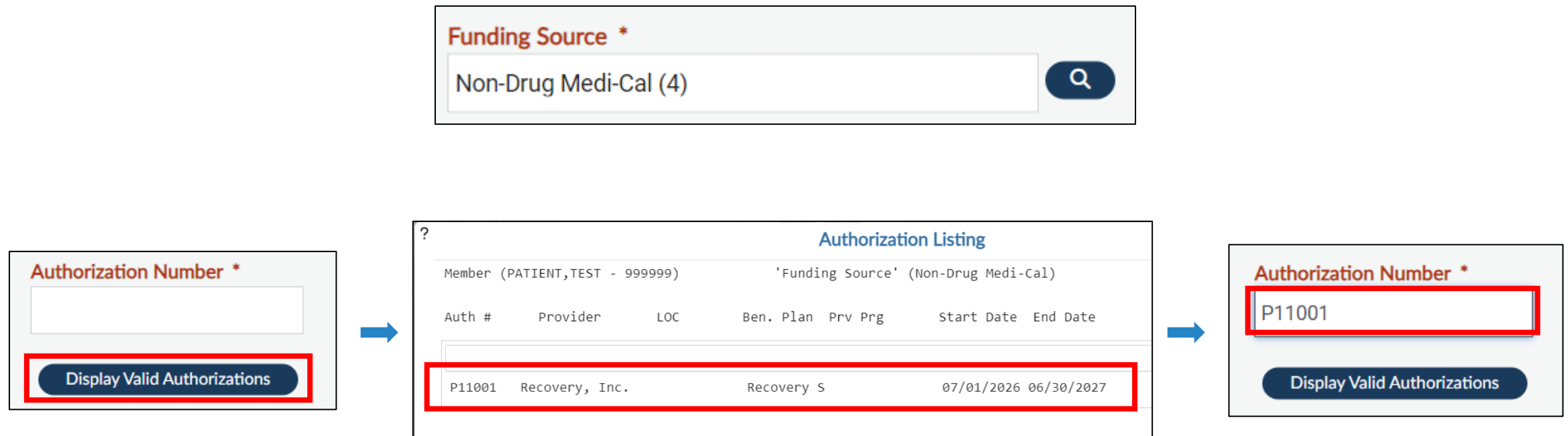
Search:

Provider	Auth#	Auth Begin Date	Auth End Date	Level of Care
Recovery, Inc.	P11001	2026-07-01	2027-06-30	Recovery Services
Recovery, Inc.	P11002	2026-07-01	2027-06-30	Recovery Services Perinatal

Showing 1 to 2 of 2 entries

NON-DMC RECOVERY SERVICES PAUTHS

- Reminder for Primary Sage Users when entering services in the Fast Service Entry Submission form



SECONDARY SAGE USERS: OUTBOUND 835 UPDATES

PLANNED PLB SEGMENT REMOVAL FROM 835 FILES

- Due to recently identified issues in Sage, SAPC Finance plans to remove the PLB - Provider Adjustment segment from all 835 files.
- Before making this change, we are requesting feedback from Secondary Sage Users to confirm if this segment is used, and if so, how you are using it. Please submit feedback to SAPC-Finance@ph.lacounty.gov by October 16, 2026.
- The PLB segment generally contains the Forward Balance (FB), reflecting future takebacks applied to subsequent 835 payments. Although SAPC issues takebacks, we do not use the PLB process to apply or deduct these amounts from future 835s, and therefore this segment does not provide a functional purpose within the 835. This update prevents Secondary Sage User EHRs from ingesting this segment and adding inaccurate accounting information.

REMOVAL OF CRITICAL ERROR SEGMENTS FROM 835 FILES

- SAPC Finance has recently identified instances where critical error segments were appearing in the 835 remittance files. These critical errors were not intended to display within the 835 transactions.
- Critical errors occur during an 837 claim submission when required data elements such as date of birth or PATID are missing or structurally invalid. These issues result in functional errors that prevent a claim from being accepted.
- Critical error details are appropriately reported through the 277CA response and the 837 error report. These are the official locations where Secondary Sage Users should review and resolve such errors.

REMOVAL OF CRITICAL ERROR SEGMENTS FROM 835 FILES

- SAPC Finance will remove the unintended critical error segments from the 835 files. Beginning October 13, 2026, these segments will no longer appear on the 835.
- If you need assistance locating critical errors in the 277CA or 837 reports, please submit a help desk ticket using the 'Request Billing Assistance' form in the Service Now portal.

RATES MATRIX UPDATES

RATES MATRIX UPDATES

1. NC modifier

MODIFIERS				
Category	Modifier	Definition	When to Use	Codes/Code Types this Modifier applies to
Special Program	NC	Child accompany parent in Recovery Bridge Housing not on site overnight	Use this modifier when a child accompanying a parent in Recovery Bridge Housing is temporarily not sleeping at the housing overnight.	H2034C

2. T1017C – Child Care Coordination Code

Code	Code Type	Service Description	Minimum Time Needed to Claim 1 Unit	Minimum Time When Add-On Code or Next Code in Series Can Be Claimed	Can This Code Be Extended with an Add-on or Prolonged Code?	Example Calculation
T1017C	Care Coordination	Targeted case management for child accompanying parent, each 15 minutes	8 Min	23 Min	No. Claim multiple units of this code as appropriate up to the maximum units per day.	If 100 minutes of service was provided: 100 minutes of service / 15 minutes time for code = 6.6667 units. 6 units accounts for 90 minutes of service. For the remaining 10 minutes of service, 1 additional unit of T1017 can be claimed. Therefore for 100 minutes of service, claim 7 units of T1017.

3. Removal of Peer Support services from CENS

RATES MATRIX UPDATES

- All three updates are now LIVE, and an updated FY26-27 Rates Matrix will be uploaded to the SAPC website soon!
- For specific updates regarding the NC modifier and T1017C, SAPC Systems of Care (SOC) will present on these in the 10/20 PPW Meeting! For more info regarding this meeting, please reach out to sapc_asoc@ph.lacounty.gov

ROOM AND BOARD RECOUPMENTS

ROOM AND BOARD RECOUPMENTS

- SAPC will start recouping Room and Board (S9976, S9976C, 9000), if the billed associated residential/inpatient day rate (i.e. H0019, 0953, etc.) was denied Locally or by the State
- On a EOB/Explanation of Coverage –
 - The denial message would display as “Only covered when associated day rate is approved”
- In MSO KPI Payment Reconciliation View –
 - In the Retro Reason column, it will display “CO 96 N161”
- The recoupments may start towards the end of October, but a Sage communication will be sent out before the recoupments begin
- Next, let’s take a look at some examples!

ROOM AND BOARD RECOUPMENTS

- What does this look like in KPI for State denied residential day rate?

DOS	Performing Provider	Procedure	Location	Auth LOC	Auth #	Claim Status	Total Units	Total Charge	Total Disbursed	Procedure Count	Total Takeback	Takeback Date	Retro Reason
							10.00	\$1,364.75	\$125.00	10	\$1,239.75		
2026-08-30	DOCTOR, SUD	Room and Board, per day (S9976:U1)	Residential Substance Abuse Treatment Facility (55)	ASAM 3.1 - Parenting-PPW	999999	Approved	1.00	\$25.00	\$25.00	1	-	-	-
2026-08-30	DOCTOR, SUD	Long Term Residential Day Rate (H0019:U1)	Residential Substance Abuse Treatment Facility (55)	ASAM 3.1 - Parenting-PPW	999999	Approved	1.00	\$247.95	\$0.00	1	\$247.95	2026-09-24	Denial CO 96 N424
2026-08-31	DOCTOR, SUD	Room and Board, per day (S9976:U1)	Residential Substance Abuse Treatment Facility (55)	ASAM 3.1 - Parenting-PPW	999999	Approved	1.00	\$25.00	\$25.00	1	-	-	-
2026-08-31	DOCTOR, SUD	Long Term Residential Day Rate (H0019:U1)	Residential Substance Abuse Treatment Facility (55)	ASAM 3.1 - Parenting-PPW	999999	Approved	1.00	\$247.95	\$0.00	1	\$247.95	2026-09-24	Denial CO 96 N424
2026-09-01	DOCTOR, SUD	Room and Board, per day (S9976:U1)	Residential Substance Abuse Treatment Facility (55)	ASAM 3.1 - Parenting-PPW	999999	Approved	1.00	\$25.00	\$25.00	1	-	-	-
2026-09-01	DOCTOR, SUD	Long Term Residential Day Rate (H0019:U1)	Residential Substance Abuse Treatment Facility (55)	ASAM 3.1 - Parenting-PPW	999999	Approved	1.00	\$247.95	\$0.00	1	\$247.95	2026-09-24	Denial CO 96 N424
2026-09-02	DOCTOR, SUD	Room and Board, per day (S9976:U1)	Residential Substance Abuse Treatment Facility (55)	ASAM 3.1 - Parenting-PPW	999999	Approved	1.00	\$25.00	\$25.00	1	-	-	-
2026-09-03	DOCTOR, SUD	Long Term Residential Day Rate (H0019:U1)	Residential Substance Abuse Treatment Facility (55)	ASAM 3.1 - Parenting-PPW	999999	Approved	1.00	\$247.95	\$0.00	1	\$247.95	2026-09-24	Denial CO 96 N424
2026-09-04	DOCTOR, SUD	Room and Board, per day (S9976:U1)	Residential Substance Abuse Treatment Facility (55)	ASAM 3.1 - Parenting-PPW	999999	Approved	1.00	\$25.00	\$25.00	1	-	-	-
2026-09-04	DOCTOR, SUD	Long Term Residential Day Rate (H0019:U1)	Residential Substance Abuse Treatment Facility (55)	ASAM 3.1 - Parenting-PPW	999999	Approved	1.00	\$247.95	\$0.00	1	\$247.95	2026-09-28	Denial CO 96 N424

ROOM AND BOARD RECOUPMENTS

- What does this look like in KPI for Locally denied residential day rate?

DOS	Performing Provider	Procedure	Location	Auth LOC	Auth #	Claim Status	Total Units	Total Charge	Total Disbursed	Procedure Count	Total Takeback	Takeback Date	Retro Reason
							10.00	\$1,364.75	\$125.00	10	\$1,239.75		
2026-08-30	DOCTOR, SUD	Room and Board, per day (S9976:U1)	Residential Substance Abuse Treatment Facility (55)	ASAM 3.1 - Parenting-PPW	999999	Approved	1.00	\$25.00	\$25.00	1	-	-	-
2026-08-30	DOCTOR, SUD	Long Term Residential Day Rate (H0019:U1)	Residential Substance Abuse Treatment Facility (55)	ASAM 3.1 - Parenting-PPW	999999	Denied	1.00	\$247.95	\$0.00	1	\$247.95	2026-09-24	-
2026-08-31	DOCTOR, SUD	Room and Board, per day (S9976:U1)	Residential Substance Abuse Treatment Facility (55)	ASAM 3.1 - Parenting-PPW	999999	Approved	1.00	\$25.00	\$25.00	1	-	-	-
2026-08-31	DOCTOR, SUD	Long Term Residential Day Rate (H0019:U1)	Residential Substance Abuse Treatment Facility (55)	ASAM 3.1 - Parenting-PPW	999999	Denied	1.00	\$247.95	\$0.00	1	\$247.95	2026-09-24	-
2026-09-01	DOCTOR, SUD	Room and Board, per day (S9976:U1)	Residential Substance Abuse Treatment Facility (55)	ASAM 3.1 - Parenting-PPW	999999	Approved	1.00	\$25.00	\$25.00	1	-	-	-
2026-09-01	DOCTOR, SUD	Long Term Residential Day Rate (H0019:U1)	Residential Substance Abuse Treatment Facility (55)	ASAM 3.1 - Parenting-PPW	999999	Denied	1.00	\$247.95	\$0.00	1	\$247.95	2026-09-24	-
2026-09-02	DOCTOR, SUD	Room and Board, per day (S9976:U1)	Residential Substance Abuse Treatment Facility (55)	ASAM 3.1 - Parenting-PPW	999999	Approved	1.00	\$25.00	\$25.00	1	-	-	-
2026-09-03	DOCTOR, SUD	Long Term Residential Day Rate (H0019:U1)	Residential Substance Abuse Treatment Facility (55)	ASAM 3.1 - Parenting-PPW	999999	Denied	1.00	\$247.95	\$0.00	1	\$247.95	2026-09-24	-
2026-09-04	DOCTOR, SUD	Room and Board, per day (S9976:U1)	Residential Substance Abuse Treatment Facility (55)	ASAM 3.1 - Parenting-PPW	999999	Approved	1.00	\$25.00	\$25.00	1	-	-	-
2026-09-04	DOCTOR, SUD	Long Term Residential Day Rate (H0019:U1)	Residential Substance Abuse Treatment Facility (55)	ASAM 3.1 - Parenting-PPW	999999	Denied	1.00	\$247.95	\$0.00	1	\$247.95	2026-09-28	-

NEW CLAIM SUBMISSION TIMELINESS DEADLINES

NEW CLAIM SUBMISSION TIMELINESS DEADLINES

- **Effective January 1, 2027**, provider agencies will be held to the original & replacement claim submission deadlines below across all fiscal years
- Services submitted after these deadlines will be automatically denied by Sage
- What are the new claim submission timeliness deadlines?

Original Claim Submission Deadline: 270 days from Date of Service
Replacement Claim Submission Deadline: 365 days from Date of Service

NEW CLAIM SUBMISSION TIMELINESS DEADLINES

Original Claim Submission Deadline: 270 days from Date of Service

Billable Date of Service (DOS) for Original claims, based on the effective date of 1/1/2027:

Date of Service (DOS)	New Original Claim Submission Deadline	Fiscal Year
7/1/2025 to 4/5/2026	Deadline to submit originals is 12/31/2026	FY 25-26
4/6/2026	1/1/2027*	FY 25-26
4/7/2026	1/2/2027*	FY 25-26
4/8/2026	1/3/2027*	FY 25-26
4/9/2026	1/4/2027*	FY 25-26
4/10/2026 to 6/30/2026	1/5/2027* to 3/27/2027*	FY 25-26
7/1/2026 to 6/30/2027	3/28/2027* to 3/26/2028*	FY 26-27

* Based on the formula (Date of Service + 270 days), where each original claim submission deadline date corresponds to a single date of service.

NEW CLAIM SUBMISSION TIMELINESS DEADLINES

Replacement Claim Submission Deadline: 365 days from Date of Service

Billable Date of Service (DOS) for Replacement claims, based on the **effective date of 1/1/2027**:

Date of Service (DOS)	New Replacement Claim Submission Deadline	Fiscal Year
7/1/2025 to 12/31/2025	Deadline to submit replacements is 12/31/2026	FY 25-26
1/1/2026	1/1/2027*	FY 25-26
1/2/2026	1/2/2027*	FY 25-26
1/3/2026	1/3/2027*	FY 25-26
1/4/2026	1/4/2027*	FY 25-26
1/5/2026 to 6/30/2026	1/5/2027* to 6/30/2027*	FY 25-26
7/1/2026 to 6/30/2027	7/1/2027* to 6/30/2028*	FY 26-27

* Based on the formula (Date of Service + 365 days), where each replacement claim submission deadline date corresponds to a single date of service.

NEW CLAIM SUBMISSION TIMELINESS DEADLINES – CONTRACT AUGMENTATIONS FOR FY 25-26

Date of Service (DOS)	New Original Claim Submission Deadline	Fiscal Year
7/1/2025 to 4/5/2026	Deadline to submit originals is 12/31/2026	FY 25-26

Date of Service (DOS)	New Replacement Claim Submission Deadline	Fiscal Year
7/1/2025 to 12/31/2025	Deadline to submit replacements is 12/31/2026	FY 25-26

- Agencies should not delay in the submission of outstanding claim submission nor delay in correcting and resubmitting all Local and State denials by the new claim submission timeliness deadlines.
- SAPC Finance is preparing an Information Notice (IN) to formalize the upcoming claim submission deadlines.

NEW CLAIM SUBMISSION TIMELINESS DEADLINES – CONTRACT AUGMENTATIONS FOR FY 25-26

Date of Service (DOS)	New Original Claim Submission Deadline	Fiscal Year
7/1/2025 to 4/5/2026	Deadline to submit originals is 12/31/2026	FY 25-26

Date of Service (DOS)	New Replacement Claim Submission Deadline	Fiscal Year
7/1/2025 to 12/31/2025	Deadline to submit replacements is 12/31/2026	FY 25-26

- Contract funding low? Billed more than what was projected for this fiscal year so far?
- Please reach out to your SAPC CPA to process a Contract Augmentation to increase the available funding in your fiscal year contract

DMC Remaining Contract Amount Available as of 10/08/2026	\$ 1,000.00
RBH Remaining Contract Amount Available as of 10/08/2026	\$ 1,000.00
Other Remaining Contract Amount Available as of 10/08/2026	\$ 1,000.00

AUTHORIZATION REQUIREMENTS FOR CHANGES IN COVERAGE

UPDATED GUIDANCE – AUTHORIZATION REQUIREMENTS FOR CHANGES IN COVERAGE

Original Service Authorization Funding Source	DMC Coverage	Non-DMC Coverage	CIFP Coverage	New Service Authorization Required Prior to Billing for Services?	What to Do Before Submitting Claims
Non-DMC	Client <u>gains</u> DMC coverage	Client has Non-DMC coverage	-	Yes	Request a new service authorization with DMC funding source
DMC	Client <u>loses</u> DMC coverage	Client has Non-DMC coverage	-	Yes	Request a new service authorization with Non-DMC funding source
DMC	Client <u>loses</u> DMC coverage	Client <u>gains</u> Non-DMC coverage	-	Yes	Request a new service authorization with Non-DMC funding source
DMC	Client <u>loses</u> DMC coverage	-	Client <u>gains</u> CIFP coverage	No	Use existing DMC service authorization for CIFP
Non-DMC	-	Client <u>loses</u> Non-DMC coverage	Client <u>gains</u> CIFP coverage	No	Use existing Non-DMC service authorization for CIFP
DMC	Client <u>loses</u> DMC coverage	Client <u>loses</u> Non-DMC coverage	Client <u>gains</u> CIFP coverage	No	Use existing DMC service authorizations for CIFP
Non-DMC	Client <u>gains</u> DMC coverage	-	Client <u>loses</u> CIFP coverage	Yes	Request a new service authorization with DMC funding source
Non-DMC	Client <u>gains</u> DMC coverage	Client <u>gains</u> Non-DMC coverage	Client <u>loses</u> CIFP coverage	Yes	Request a new service authorization with DMC funding source

T2021 & T2024 UPDATES/GUIDANCE

T2021 & T2024 UPDATES/GUIDANCE

Code	Code Type	Service Description
T2021	Therapy	Therapy substitute, 15 minutes



Code	Code Type	Service Description
T2021	Therapy	Therapy substitute, 15 minutes <i>Only to be used to substitute codes 90846, 90847, or 90849 when the service duration exceeded the code maximum. Review column F for the code to be substituted to confirm the minimum duration to use this substitute code.</i>

T2021 & T2024 UPDATES/GUIDANCE

Code	Code Type	Service Description	Minimum Time Needed to Claim 1 Unit	Minimum Time When Add-On Code or Next Code in Series Can Be Claimed
90846	Family Therapy	Family psychotherapy (without the patient present), 50 mins	26 Min	58 Min
90847	Family Therapy	Family psychotherapy (Conjoint psychotherapy with patient present), 50 mins	26 Min	58 Min
90849	Family Therapy	Multiple-family group psychotherapy, 84 minutes	43 Min	92 Min

T2021 & T2024 UPDATES/GUIDANCE

Code	Code Type	When to Bill the Substitute Scenarios	Minimum Time Needed to Claim 1 Unit	Minimum Time When Add-On Code or Next Code in Series Can Be Claimed	Example Calculation
T2021	Therapy	*Therapy substitute for 90846, 90847, and 90849. See below for billing scenarios for each: <u>90846:</u> For a service time of 26 to 57 minutes, bill 1 unit of 90846. For a service time of 58 minutes or more, bill at least 4 units of T2021. <u>90847:</u> For a service time of 26 to 57 minutes, bill 1 unit of 90847. For a service time of 58 minutes or more, bill at least 4 units of T2021. <u>90849:</u> For a service time of 43 to 91 minutes, bill 1 unit of 90849. For a service time of 92 minutes or more, bill at least 6 units of T2021.	8 minutes (for each unit after the T2021 unit minimums are met per the Service Description)	23 mins	Calculation for using T2021 as a substitute for 90846, 90847, and 90849: If 100 minutes of service time was provided: 100 minutes / 15 minutes in T2021 = 6.6667 units of T2021. Round up to get 7 units of T2021. For 100 minutes of service time, claim 7 units of T2021.

T2021 & T2024 UPDATES/GUIDANCE

Code	Code Type	Service Description
T2024	Assessment	Assessment substitute, 15 minutes



Code	Code Type	Service Description
T2024	Assessment	Assessment substitute, 15 minutes <i>Only used to substitute codes 90791, 90792, and 90885 when the service duration exceeds the code maximum. Review column F of the code row to be substituted to confirm the minimum duration required to use this substitute code.</i>

T2021 & T2024 UPDATES/GUIDANCE

Code ▼	Code Type ▼	Service Description ▼	Minimum Time Needed to Claim 1 Unit ▼	Minimum Time When Add-On Code or Next Code in Series Can Be Claimed ▼
90791	Assessment	Psychiatric diagnostic evaluation, 60 minutes	31Min	68 Min
90792	Assessment	Psychiatric diagnostic evaluation with medical services, 60 minutes	31Min	68 Min
90885	Assessment	Psychiatric evaluation of hospital records, other psychiatric reports, psychometric and/or projective tests, and other accumulated data for medical diagnostic purposes, 60 mins	31Min	68 Min

T2021 & T2024 UPDATES/GUIDANCE

Code	Code Type	When to Bill the Substitute Scenarios	Minimum Time Needed to Claim 1 Unit	Minimum Time When Add-On Code or Next Code in Series Can Be Claimed	Example Calculation
T2024	Assessment	*Assessment substitute for 90791, 90792, and 90885. See below for billing scenarios for each: <u>90791:</u> For a service time of 31 to 67 minutes, bill 1 unit of 90791. For a service time of 68 minutes or more, bill at least 5 units of T2024. <u>90792:</u> For a service time of 31 to 67 minutes, bill 1 unit of 90792. For a service time of 68 minutes or more, bill at least 5 units of T2024. <u>90885:</u> For a service time of 31 to 67 minutes, bill 1 unit of 90885. For a service time of 68 minutes or more, bill at least 5 units of T2024.	8 minutes (for each unit after the T2024 unit minimums are met per the Service Description)	23 mins	Calculation for using T2024 as a substitute for 90791, 90792, 90885: If 100 minutes of service time was provided: 100 minutes / 15 minutes in T2024 = 6.6667 units of T2024. Round up to get 7 units of T2021. For 100 minutes of service time, claim 7 units of T2024.

NEW GD MODIFIER

NEW GD MODIFIER - BACKGROUND

- Narcotic Treatment Program (NTP) Counseling Unit Threshold and Manual Review ([DHCS BHIN 26-022](#))
 - Due to an audit in 2022 by the Office of Inspector General (OIG), that uncovered errors in NTP counseling claims where an unreasonable number of service units were billed for a single client in one day
 - This DHCS policy establishes an outlier threshold for OTP/NTP individual (H0004), group (H0005), and family counseling (T1006) service units for a single client on a single date of service

NEW GD MODIFIER – ABOUT

- **Effective for dates of service of 9/22/2026 and beyond**
 - GD modifier not required for dates of service before 9/22/2026
- Only applies to OTP levels of care
- Only applies to the following codes
 - H0004:UA:HG (Individual Counseling)
 - H0005:UA:HG (Group Counseling)
 - T1006:UA:HG (Family Counseling)
- If the total number of units across the three codes above is 9 or more, the GD modifier must be used on **ALL** service codes billed for the date of service.

NEW GD MODIFIER – HOW TO BILL ORIGINAL CLAIMS

Code	Code Description	Level of Care	Level of Care Modifier	# of Units	GD modifier required?	Bill this Code
H0004	Behavioral health counseling and therapy, 15 minutes	OTP/NTP	UA:HG	1-8 units	No	H0004:UA:HG
H0005	Alcohol and/or drug services; group counseling by a clinician, 15 minutes	OTP/NTP	UA:HG	1-8 units	No	H0005:UA:HG
T1006	Alcohol and/or substance abuse services, family/couple counseling, 15 minutes	OTP/NTP	UA:HG	1-8 units	No	T1006:UA:HG
H0004	Behavioral health counseling and therapy, 15 minutes	OTP/NTP	UA:HG	9-16 units	Yes	H0004:UA:HG:GD
H0005	Alcohol and/or drug services; group counseling by a clinician, 15 minutes	OTP/NTP	UA:HG	9-16 units	Yes	H0005:UA:HG:GD
T1006	Alcohol and/or substance abuse services, family/couple counseling, 15 minutes	OTP/NTP	UA:HG	9-16 units	Yes	T1006:UA:HG:GD

NEW GD MODIFIER – LOCAL & STATE DENIALS OVERVIEW

Denial Type	Denial Reason	DMC Description	When you'll get this denial	Where you'll see this denial
Local	Currently, Sage is not configured to locally deny erroneous GD modifier claims. However, this might change in the future.			
State	CO 96 N640	Short-Doyle denied this service due to specific claim requirements. The NTP claim submitted contained a total of nine or more combined units. However, the claim did not include the GD modifier, which is necessary when the combined units reach this threshold.	When the GD modifier is <u>missing</u> for a service that meets these conditions: • OTP/NTP Level of Care • H0004, H0005, or T1006 • 9-16 units	• “Denial Reason” column in MSO KPI State Denial View • “Retro Reason” column in MSO KPI Payment Reconciliation View • “Retro Reason” columns in the Sage Cost of Service By Client Report • EOB

NEW GD MODIFIER – DENIAL RESOLUTION

Original Code Billed	# of Units Billed	Cause of Denial	Primary/Secondary Sage User Resolution
H0004:UA:HG:GD	1-8 units	GD modifier not required on claim	Since 1-8 units, GD modifier not required. Submit replacement claim with code H0004:UA:HG
H0005:UA:HG:GD	1-8 units	GD modifier not required on claim	Since 1-8 units, GD modifier not required. Submit replacement claim with code H0005:UA:HG
T1006:UA:HG:GD	1-8 units	GD modifier not required on claim	Since 1-8 units, GD modifier not required. Submit replacement claim with code T1006:UA:HG
H0004:UA:HG	9-16 units	GD modifier missing on claim	Since 9-16 units, GD modifier required. Submit replacement claim with code H0004:UA:HG:GD
H0005:UA:HG	9-16 units	GD modifier missing on claim	Since 9-16 units, GD modifier required. Submit replacement claim with code H0005:UA:HG:GD
T1006:UA:HG	9-16 units	GD modifier missing on claim	Since 9-16 units, GD modifier required. Submit replacement claim with code T1006:UA:HG:GD

- **Primary Sage Users:** Submit replacement claims in the Sage Replacement Claim Assignment (CMS-1500) form
- **Secondary Sage Users:** Submit replacement claims in your EHR

TUTORING SESSION: ANNUAL VOID REPORT

ANNUAL VOID REPORT

- SAPC has issued [Information Notice 26-14](#), which outlines the general requirements of the Annual Void Report process.
 - These requirements are based on [DHCS BHIN 19-034](#), requiring behavioral health county plans to receive void reasons (fraud, waste, abuse, or other) from contracted providers.
 - SAPC is then required to send the Drug Medi-Cal voids and information to DHCS in an annual report.
 - The voids are based on the date the void was submitted during the prior fiscal year.

ANNUAL VOID REPORT PROCESS

- By the end of October, SAPC Finance will notify agencies when the Annual Void Report list is available in the SFTP to download.
- The Excel file will contain a list of voided services submitted during FY 25-26, and may contain services across multiple fiscal years.
- Agencies will be required to complete to fields on the report:
 - 1) Reason for Void: Fraud, Waste, Abuse, or Other
 - 2) Detailed Reason for Void: A brief but meaningful description of why the service was voided
 - Example: “Audit disallowance – progress note not finalized within 3 days”, “Wrong practitioner included on claim”, or “Incorrect patient claimed”.
- Agencies will have four weeks to complete the reason detail fields, sign the attestation form, and return the file and attestation via the SFTP.

DEFINING FRAUD, WASTE, ABUSE, AND OTHER

- **Fraud:** An intentional deception or misrepresentation made by a person with the knowledge that the deception could result in some unauthorized benefit to himself or some other person.
- **Waste:** The overutilization or inappropriate utilization of services and misuse of resources, and typically is not a criminal or intentional act.
- **Abuse:** Provider practices that are inconsistent with sound fiscal, business, or medical practices, and result in an unnecessary cost to the Medicaid program, or in reimbursement for services that are not medically necessary or that fail to meet professional recognized standards for health care. It also includes beneficiary practices that result in unnecessary cost to the Medicaid program.
- **Other:** A reason not attributed to fraud, waste, or abuse.

ANNUAL VOID REPORT FILE DETAILS

- A job aid explaining each field on the Excel file will be posted to the Sage website and be uploaded to the SFTP with the Excel file and the Attestation Form.
- The file will only contain true voids. Services that were voided as part of a replacement claim are not included.
 - If a service was voided and then a new original service was submitted, the void is still required to be included in this report.
- Voids conducted on behalf of the agency by SAPC staff will be notated on the file and pre-filled with the reason.

ANNUAL VOID REPORT FILE EXAMPLE

VOID REASON ATTESTATION FORM

SAPC IN 26-14
Attachment

Department of Public Health, Substance Abuse Prevention and Control Bureau – Void Reason Attestation Form

The California Department of Health Care Services (DHCS) requires the Los Angeles County Department of Public Health, Substance Abuse Prevention and Control (SAPC) Bureau, the local Drug Medi-Cal Organized Delivery System (DMC-ODS) Health Plan, to report overpayments to contract provider agencies that are the result of fraud, waste, or abuse. This reporting of voided claims brings SAPC and the provider agencies into compliance with the Centers for Medicare and Medicaid Services' (CMS) Final Rule CMS-2390-P, which applies the Paul Wellstone Mental Health Parity and Addiction equity Act to Medicaid Managed Care Plans. All California SUD Health Plans are classified as managed care plans under Medicaid and must comply with the program integrity requirements contained in Title 42 of the Code of Federal Regulations (CFR) Part 438.

Legal Entity Number: _____

Legal Entity Name: _____

Void Fiscal Year: _____

Total Voids: _____

I attest that all voids submitted for the time period noted are included in the report and that the determination of whether the void was the result of fraud, waste, abuse, or other is true and accurate.

Authorized Signer Name: _____

Attesting Signature: _____

Signature Date: _____

- The Void Reason Attestation Form certifies that the information submitted to SAPC is true and valid.
- The top four fields will be pre-completed by SAPC when uploaded to the SFTP with the Excel file.
- Upon completing the void Excel file details, the Attestation Form must be signed by an authorized signatory of the agency.
- Upload the form with the completed Excel file to the SFTP.
- Email SAPC-Finance@ph.lacounty.gov when the file and form have been uploaded to the SFTP.



OPEN Q&A

NEXT BILLING AND DENIAL RESOLUTION TUTORING LAB

The next Billing & Denial Resolution Tutoring Lab will be:

November 12, 2026

1:00 PM to 2:30 PM

AGENCY QUESTIONS

SUBMIT YOUR QUESTIONS!

If you would like to submit your own questions to be answered in the next tutoring lab,
send an email to SAPC-Finance@ph.lacounty.gov

HELPFUL CONTACTS

HELPFUL CONTACTS

Unit/Branch Contact	Email <i>Do not send Protected Health Information (PHI) to any SAPC email</i>	Description of when to contact
Sage Helpdesk	Phone Number: (855) 346-2392 ServiceNow Portal: https://Netsmart.service-now.com/plexussupport	Sage related questions, including system errors, medical record modifications
Sage Management Division (SMD)	SAGE@ph.lacounty.gov	Sage process, workflow, general questions about Sage forms and usage
QI and UM	SAPC.QI.UM@ph.lacounty.gov	All authorization related questions, questions for the office of the Medical Director, medical necessity, secondary EHR form approval
Systems of Care (SOC)	SAPC-SOC@ph.lacounty.gov	Questions about policy, the provider manual, bulletins, and special populations (youth, PPW, criminal justice, homeless)
Health Outcomes and Data Analytics (HODA)	hoda_caloms@ph.lacounty.gov	All questions regarding Sage CalOMS: CalOMS submissions guidelines, issues related to CalOMS forms and submissions in Sage, Data Quality Report, and requests for trainings
Contracts	SAPCMonitoring@ph.lacounty.gov	Questions about general contracts, amendments, appeals, complaints, grievances and/or adverse events. Agency specific contract questions (i.e. Augmentations) should be directed to the agency CPA
Strategic and Network Development	SUDTransformation@ph.lacounty.gov	DHCS policy, DMC-ODS general questions, SBAT
Clinical Standards and Training (CST)	Dsapc.cst@ph.lacounty.gov	Clinical training questions, documentation guidelines, requests for clinical trainings
Finance	Sapc-Finance@ph.lacounty.gov	General questions related to billing. For specific questions related to billing denials, payments, and technical assistance, please open a ticket with the Request Billing Assistance form
Eligibility	DPH-SAPC-EST@ph.lacounty.gov	For any eligibility related questions such as for assistance identifying County of residence, help with the intercounty transfer (ICT) process, applying for Medi-Cal benefits