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## SECTION 11: PROVIDER PAYMENT

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### PROVIDER PAYMENT

To ensure timely and accurate reimbursement please note the following:

#### Forms

##### W-9 Forms

In order to ensure the correct reporting of provider income to the Internal Revenue Service (IRS) and the California Franchise Tax Board, it is essential that HPSJ have an accurate and current W-9 form on file. The information on the W-9 provides HPSJ with the following:

- The **entity** being paid
- The full and complete **mailing address** where payments are to be directed
- The **tax ID number** used to report income received from HSPJ.

The sections of the W-9 that are of key importance are:

- **Legal Name:** The name of the individual and/or corporation that will appear on the Provider's tax return.
- **Business Name:** The name under which the Provider does business, i.e. Doing Business As (DBA) name.

##### Federal 1099 Forms

Providers who are paid less than six hundred dollars (\$600) during the tax year are not issued a 1099. If a 1099 is received from HPSJ and the information is incorrect, please contact the Provider Services Department at (209) 942-6340. A corrected 1099 will be printed and mailed within five (5) business days.

### CAPITATION PAYMENTS

Capitation is the "Per-Member-Per-Month" (PMPM) payment paid based on an individual provider (or group) agreement and/or contract. The fixed monthly reimbursement is paid primarily to PCPs as full reimbursement for specified covered services provided to each assigned member. Providers should receive their monthly capitation checks by the tenth (10th) of each month. The monthly capitation checks are accompanied by a remittance advice (RA) which identifies assigned members for which capitation payments are made.

**Note:** *Due to member enrollment fluctuation during the month, payment adjustments may be made to the following months payment.*

The capitation payments can be made by check or direct deposit to the providers' bank account. *See information below on how to set up electronic funds transfer (EFT).*

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### FEE-FOR-SERVICE PAYMENT (FFS)

Fee-for-service payment apply to any covered services provided by non-capitated providers or for non-capitated covered services provided by capitated providers. FFS payments are made when a complete claim is submitted and processed for payment in accordance with the provider contract and/or Medi-Cal guidelines for non-contracted providers (See Section 10: Claim Submission).

**Note:** *not all services are reimbursable. If services are rendered that require prior authorization and an authorization is not obtained and/or are considered a Non-Covered Benefit (NCB) under Medi-Cal or DHCS guidelines, no payment will be issued.*

All FFS payments are accompanied by a remittance advice (RA) indicating payment and/or the denied/contested reason.

### PAYMENT DELAYS RELATED TO PROVIDER DIRECTORY

In accordance with Section 1367.27 of the Health and Safety Code, HPSJ may delay claims and Capitation Payments if providers fail to respond to attempts to verify the information needed to update the Provider Directory. HPSJ will not delay payment unless it has attempted to first verify the provider's information by contacting the provider in writing, electronically, or by telephone to confirm whether the current information is correct or requires updating. If providers receive capitation payments, HPSJ may delay up to fifty percent (50%) of payment for up to one (1) calendar month beginning on the first (1st) day of the following month. For Providers submitting fee-for-service claims, payment can also be delayed for up to one (1) calendar month beginning on the first (1st) day of the following month.

HPSJ will provide ten (10) business days' notice prior to delaying payment. If payment is delayed, HPSJ will reimburse the full amount within three (3) business days following the date the Provider Directory information is received, or at the end of the one (1) month delay period.

### ENCOUNTER DATA SUBMISSION

PCP's receiving capitation payments are required under the terms of their agreement/contracts to submit encounter data to HPSJ on a monthly basis. The monthly encounter data is essential information used by HPSJ, CMS, and DMHC/DHCS to accurately report and assess patient care and potential additional needs. The data can be submitted easily by using a CMS1500 claim form and may be submitted electronically. The encounter data must be received by HPSJ no later than the fifteenth (15th) of the month following the date services are rendered.

### ELECTRONIC FUNDS TRANSFER (EFT)

Electronic Funds Transfer (EFT) is a great way to expedite payment receipt from HPSJ. To take advantage of this service, please contact Emdeon at (877) 469-3263 or online at <https://support.changehealthcare.com/customer-resources/enrollment-services/medical-hospital-eft-enrollment-forms>

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If you need more information, please contact the Provider Services Department at (209) 942-6340.

### **CHECK TRACERS**

If payment has not been received within thirty (30) days of the check issue date, the Provider Services Department should be contacted at (209) 942-6340 in order to complete an affidavit to initiate a check tracer. An affidavit form is a written statement of facts voluntarily made by claimant under an oath or an affirmation administered by a person authorized to do so by law.

Provider Services staff will verify with the HPSJ Finance Department if the check is outstanding, has been cashed, or has been deposited. If the check has been cashed or deposited, the Provider will be contacted and provided a copy (front and back) of the paid check.

If the check has not been cashed or deposited, the Provider will be faxed or e-mailed the affidavit form to be completed and signed by an authorized person at the Provider's office. The completed affidavit form must be faxed to the Provider Services Department at (209) 461-2565.

Finally, a stop payment order will be placed on the check and a request to reissue the check will be placed on the next weekly check write. Providers will be notified within seven (7) business days from the date when the stop payment was placed and informed as to the date, they can expect the check to be reissued.

### **COORDINATION OF BENEFITS (COB)**

When HPSJ is the secondary payer, all claims must be submitted within three hundred and sixty-five (365) days from the date of payment on the primary payer's Explanation of Benefits (EOB) form. A copy of the EOB must be attached to the claim if submitted via paper. COB data can also be submitted electronically if the claim is filed electronically. Medicare Part A and B claims are submitted directly to HPSJ from CMS electronically on a monthly basis. If the member's primary plan denies services and requests additional information, the information must be submitted to the primary insurance carrier prior to submitting to HPSJ.

### **THIRD PARTY LIABILITY (TPL)**

HPSJ is responsible for notifying the Department of Health Care Services (DHCS) within ten days of identifying cases in which a member might receive funds from a third party to which DHCS has lien rights.

HPSJ must be notified in writing of all potential and confirmed third party liability cases that involve a HPSJ member. Notification must include:

- Member name
- Member identification number and Medi-Cal number

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- Date of birth
- Provider name and address
- Date(s) of service
- CMS approved diagnostic and procedural coding
- Billed charges for service(s)
- Any amount paid by other coverage (if applicable)
- Date of denial and reason(s) for denial

Any requests received by subpoena from attorneys, insurers, or members for bill copies must be reported to HPSJ. The request for copies and responses must be forwarded to:

Health Plan of San Joaquin  
Attn: Compliance/Third Party Liability Coordinator  
7751 S Manthey Rd,  
French Camp, CA 95231-9802

Upon receipt of a request for information from DHCS, HPSJ must respond within thirty (30) days. Providers will be contacted if their assistance is needed. The information requested from Providers must be returned within ten (10) days.

### **FACILITY PAYMENTS**

HPSJ contracts with facilities within the service area and provides access to specialty facility services when needed outside of the service area. Each facility agreement/contract contains specific reimbursement information indicating payment methodologies.

As a Medi-Cal plan, HPSJ will reimburse any providers on staff within the facilities using the Medi-Cal fee schedule and/or contracted agreement.

**Note:** *Member's cannot be balance billed for services (see Section 10: Claims Submission for further details)*

All facilities are expected to coordinate with HPSJ's Medical Management team for services that require prior authorization by providing the member information and medical documentation necessary to support high quality, timely, and cost-effective health care.

### **No Payment for Never Events, Hospital Acquired Conditions (HAC), and Other Provider Preventable Conditions (OPPC)**

The Centers for Medicare & Medicaid Services (CMS) defines Never Events as “serious and costly errors in the provision of health care services that should never happen.” Never Events, HACs, and OPPCs can be avoided through the application of evidence based clinical guidelines.

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Institutional providers are encouraged to take appropriate actions to reduce the likelihood of Never Events, HACs, and OPPCs.

Facility providers will not be reimbursed for covered services related to or resulting from Never Events, HAC, or OPPC including reimbursement for additional Inpatient Days that would not have been incurred in the absence of such Never Event, HAC, or OPPC. These events shall not be included in either APR-DRG calculations, Per Diems, or included in any stop loss calculations.

If an HAC or OPPC event occurs, institutional providers must submit a copy of the member's record with the claim.

### Charge Master Administration

Facilities are required to notify HPSJ of increases to its standard Charge Master prior to forty-five (45) days of implementation. Notification must be in writing and include detailed changes as well as overall percentage increases. Upon receipt of notification, HPSJ will make appropriate adjustments to reimbursement rates according to the terms outlined in the contract. In the event of an increase in the Facility's Charge Master, charge based reimbursement will be adjusted according to the limits outlined in the Agreement, as follows:

- $\text{Charge Master Limit} / \text{Charge Master Increases} \times \text{Current \% of Charges} = \text{New \% of Charges Rate}$

#### Example

$3\% \text{ Charge Master Limit} / 13\% \text{ Actual Charge Master Increase} \times 50\% \text{ of Charge} = 45.5\% (1.03 / 1.13) \times 50.0\% = 45.5\% (\text{New \% of Charges Rate})$

In the event of a Charge Master adjustment, HPSJ will amend the facility's agreement to reflect the new reimbursement rates for charge-based services. The new reimbursement rates will become effective as of the effective date of the facility's Charge Master increase.

HPSJ will continuously monitor charge-based service charges and will have the right to audit the Charge Masters of contracted facilities. If HPSJ identifies a significant change in the billed charges for charge-based services, HPSJ will contact the facility in writing to request notification of changes that may not have been reported or to request an audit of the current Charge Master.

### Late Notification of Charge Master Increase

In the event a facility fails to provide forty-five (45) days prior notice of any change to the Charge Master, HPSJ will have the right to recalculate all payments made after the effective date of the Change Master change and recover overpayments resulting from the subsequent reduction in the percentage of charge-based reimbursement. HPSJ will provide notice to the facility within one hundred twenty (120) days of becoming aware of Charge Master related overpayments and provide a detailed accounting of any overpaid amounts. If the facility fails to reimburse HPSJ within thirty (30) days of this notice, HPSJ may recover these amounts by offsetting subsequent payments.

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### High Cost Pharmacy (Drugs)

HPSJ has established a list of drugs, medications and biologics that are defined as high cost pharmaceuticals (drugs). When a provider has administered a pharmaceutical (drug) identified on the list, the provider must bill in accordance with claim billing requirements to receive payment. HPSJ will reimburse the provider and/or facility according to provider's agreement/contract.

HPSJ may perform bi-annual audits of provider billing of high cost pharmaceuticals (drugs) as defined in the provider contract (if applicable) to ensure providers billing are in accordance with established guidelines.

### High Cost Pharmacy List

Generic Name	Trade Name	HCPCS	HCPCS Description
ANDEXANET ALFA	ANDEXXA	C9041	Injection,coagulation Factor Xa (recombinant), inactivated (Andexxa), 10 mg
ARGATROBAN	ARGATROBAN	C9121	Injection, argatroban, per 5 mg
PROTHROMBIN COM.CONC	KCENTRA (SOOIU) IU INJ	C9132	Prothrombin complex concentrate (human), Kcentra, per IU of Factor IX activity
ANTIVENI N CROTALIDAE POLYVLNT	CROFAB	C9274	Crotalidae polyvalent immune fati (ovine), vial
ABATACEPT	ORENCIA	J0129	Injection, abatacept,10 mg
AMPHOTERJCI N B LIPID COMPLEX	ABELCET	J0287	Injection, amphotericin b lipid complex, 10mg
CI ESTERASE INHIBITOR	BERJNERT	J0597	Injection, c-1 esterase Inhibitor (human), berinert, 10 units
CALCITONI N	MIACALCIN	J0630	Injection,calcitonin salmon,up to 400 units
CEFTAZIDIME-A VIBACTAM	AVYCAZ	J0714	Injection, ceftazidime and avibactam, O.Sg/0.125g
CIDOFOVIR	VISTIDE	J0740	Injection, cidofovir, 375 mg
ANTIVENIN CROTALIDAE POLYVLNT	N/A	J0840	Injection, crotalidae polyvalent immune fab (ovine), up to 1g
DALBAVANCIN	DALVANCE	J0875	Injection, dalbavancin, 5mg
DAPTOMYCIN	CUBICIN DSHP	J0878	Injection,daptomycin, 1 mg
DARBEPOETIN ALFA/ POLYSORBATE	ARAN ESP	J0881	Injection, darbepoetin alfa, 1microgram (non-esrd use)
ARGATROBAN Inj ect ion	Argatroban	J0883	Injection, argatroban, 1mg (for non-ESRD use)
EPOETIN	EPOETIN	J0885	Injection,epoetin alfa, (for non-ESRD use), 1000 units
DECITABINE	DACOGEN	J0894	Injection, decitabine, 1mg
DENOSUMAB	PROLIA	J0897	Injection,denosumab,1mg
DIGOXINIMMUNEFAB	DIGIFAB	J1162	Injection,digoxin immune fab (ovine), per vial
ECULIZUMAB 10MG INJ	SOURIS	J1300	Injection, ecullzumab, 10 mg
EPTIFIBATIDE	INTEGRILIN	J1327	Injection,eptifibatide, 5 mg

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FILGRAS G-CSF 1MCG INJ PN	GRANIX, NEUPOGEN	J1442	Injection, filgrastim (G- CSF), excludes biosimilars, 1 mcg
GALSULFASE	NAGLAZYME DSHP	J1458	Injection,galsulfase, 1mg
IMMUNE GLOBULIN	PRIVIGEN	J1459	Injection,immune globulin (privigen), intravenous, non-lyophilized (e.g. liquid),500 me
IMMUNE GLOBULIN INTRAVENOUS	BIVIGAM	J1556	Inject ion,immune globulin (Bivigam), 500 mg
IMMUNE GLOBILING INTRAVENOUS	GAMMAPLEX	J1557	Injection,immune globulin, (Gammaplex), intravenous, nonlyophilized (e.g., liquid), 500 mg
IMMUNE GLOBULIN	GAMUNEX-C	J1561	Injection,immune globulin, (gamunex-c/gammaked), non-lyophilized (e.g.liquid), 500mg
IMMUNE GLOBULIN	CARIMUNENF	J1566	Injection, immune globulin, intravenous,lyophilized (e.g. powder}, not otherwise specified, 500 mg
IMMUNE GLOBULIN	OCTAGAM5%	J1568	Injection,immune globulin, (octagam}, intravenous, non-lyophiiiized (e.g. liquid}, 500mg
IMMUNE GLOBULIN	GAMMAGARD LIQUID	J1569	Injection, immune globulin, (gammagardliquid), non lyophilized, (e.g. liquid), 500mg
IMMUNEGLOBULIN	FLEBOGAMMA/FLEBOGAMMA dif	J1572	Injection,immune globulin, (Flebogamma/Flebogamma Dif},intravenous, nonlyophilized (e.g.,liquid), 500 mg
immune globulin	N/A	J1599	Injection, immune globulin, intravenous, nonlyophilized (e.g., liquid}, not otherwise specified, 500 mg
IDURSULFASE ALTEPLASE	ELAPRASE DSHP	J1743	Injection, idursulfase, 1 mg
ALTEPLASE	ACTIVASE	J2997	injection, alteplase recombinant, 1 mg
TRIPTOR PAM 3.75MGINJPN	TRELSTAR	J3315	Injection, triptorelin pamoate, 3.75 mg
COPPER IUD	PARAGARD	J7300	Intrauterin copper contraceptive
DOXORUBICIN HCL LIPOSOMAL	DOXIL	J9000	Injection, d_oxorubicin hydrochloride, 10 mg
ATEZOLIZUMAB	TECENTRJQ	J9022	Injection, atezolizumab, 10mg
BENDAMUSTINE HCL	TREANDA	J9033	Injection, bendamustine hcl,1 mg
BEVACIZUMAB	AVASTIN	J9035	Injection, bevacizumab, 10mg
BORTEZOMIB	VELCADE DSHP	J9041	Injection, bortezomib, 0.1mg
BRENTUXIMAB VEDOTIN	ADCETRJS DSHP	J9042	Injection, brentuximad vedotin, 1mg
CARFILZOMIB	KYPROLIS	J9047	Injection, carfilzomib, 1mg
CETUXI MAB	ERBITUX	J9055	Injection, cetuximab,10 mg
CYCLOPHOSPHAMIDE	CYCLOPHOSPHAMI DE	J9070	Cyclophosphamide,100 mg
CYTARABINE UPOSOME	DEPOCYT	J9098	Injection,cytarabine, liposome, 10 mg
DACTINOMYCIN	COSMEGEN DSHP	J9120	Injection, dactinomycin, 0.5 mg
DARATUMUMAB	DARZALEX	J9145	Injection, daratumumab, 10 mg
DOCETAXEL	DOCETAXEL	J9171	Injection, docetaxel,1mg
ERIBULIN MESYLATE	HALAVEN	J9179	Injection,eribulin mesylate,0.1mg



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GOSERELIN ACETATE	ZOLADEX IMPLANT	J9202	Goserelin acetate implant, per 3.6 mg
PEMBROLIZUMAB	KEYTRUDA	J9271	Injection,pembrolizumab, 1mg
ADO-TRASTUZUMAB EMTANSINE	KADCYLA	J9354	Injection,ado- trastuzumabemtansine,1mg
FULVESTRANT	FASLODEX	J9395	Injection, fulvestrant,25mg
EPOETIN 10000U ESRD SDV	EPOGEN	Q4081	Injection, epoetin alfa, 100 units (for ESRD on dialysis)
NIVOLUMAB	OPDIVO	J9299	NIVOLUMAB 1MG INJ
TRASTUZUMAB	HERCEPTIN	J9355	TRASTUZUMAB 10MG INJ
PEMTREXED	ALIMTA	J9305	PEMTREXED 10MG INJ PN
PANITUMUMAB	VECTI BIX	J9303	PANITUMUMAB 10MG INJG
RITUXIMAB	RITUXAN	J9312	RITUXIMAB 10MG INJG
PERTUZUMAB	PERJETA	J9306	PERTUZUMAB 1MG INJ
FERRIC CARBOXYMALTOSE	INJECTAFER	J1439	FERRIC CARBOXYMAL 1MG INJ
INFLIXIMAB	REMICADE	J1745	INFLIXIMAB 100MG INJ
ROMIPLOSTIM	NPLATE	J2796	ROMIPLOSTIM PER 10MCG INJG
PEGFILGRASTIM	NEULASTA	J2505	PEGFILGRASTI M 6MG INJ
PALONOSETRON	ALOXI	J2469	PALONOSETRON 2SMCG INJ PN
PEGFILGRASTI M-CBQV	UDENYCA	Q5111	PEGFILGRAS-CBQV 0.5MG INJ
OXALIPLATIN	ELOXATIN	J9263	OXALIPLATI N 0.5MG INJ PN
FILGRASTIM	NEUPOGEN	Q5101	FILGRASTIM G-CSF BIO 1MCGPN
GEMCITABINE	GEMZAR	J9201	GEMCITABINE HCL 200MG PN
FOSAPREPITANT	EMEND	J1453	FOSAPREPITANT 1MG INJ PN
DEGARELIX ACETATE	FIRMAGON	J9155	DEGARELIX 1MG INJ PN
CISPLATIN	PLATINOL	J9060	CISPLATIN PER 10MG INJ
IRINOTECAN	CAMPTOSAR	J9206	IRINOTECAN 20MG/1ML SDV
APREPITANT	EMEND	J0185	APREPITANT 1MG INJ
ETOPOSIDE	ETOPOPHOS	J9181	ETOPOSIDE 10MG(500MG)MDV
RABIES IMMUN GLOBULIN	N/A	90375	RABIES IMMUN GLOB 150U 2M
LEUPROLIDE	ELIGARD	J9217	LEUPROLIDE 7.5MG DEPO KIT
GRANISETRON	KYTRIL	J1627	GRANISETRON ER 0.1MG INJ
EPOETIN ALPHA NON- ESRD	EPOGEN, PROCRIT	Q5106	EPOETIN A NONESRD 1KU INJ
ISOSULFAN BLUE	LMYPHAZURIN	Q9968	ISOSULFAN BLUE 50MG/5MG INJ
CARBOPLATIN	PARAPLATIN	J9045	CARBOPLATIN /50MG 50MG MDV
ZOLEDRONIC ACID	NOVARTIS	J3489	ZOLEDRONIC ACID PER 1MG
ONABOTULINUMTOXINA	BOTOX	J0585	ONABOTULINUMTOXI NA 100UVL