	<b>POLICIES AND PROCEDURES</b>
<b>Policy #:</b> 600-1048	<b>Lead Department:</b> Claims
<b>Title:</b> Manual Pricing of a Service When There is No Medi-Cal Rate	
<b>Original Date:</b> 01/01/2019	<b>Date Published:</b> 04/11/2024
<b>Approved by:</b> Bryan Smith, Claims Director	

**Purpose:**

The purpose of this policy is to describe Central California Alliance for Health's (the Alliance's) pricing process when there is no corresponding Medi-Cal rate for a procedure.

**Policy:**


The Alliance will reimburse Providers for services that do not have a corresponding Medi-Cal rate using resources such as the Centers for Medicare & Medicaid Services (CMS) CMS website.

When neither are located a percent of billed for that specific Current Procedural Terminology (CPT) CPT/ The Healthcare Common Procedure Coding System (HCPCS) HCPCS will be used.

**Definitions:****Procedures:**

Guidelines for pricing a procedure code without a Medi-Cal rate:

1. The CMS website is utilized first:
  - a. <https://www.cms.gov/apps/physician-fee-schedule/overview.aspx>
  - b. If a corresponding rate is found, pricing will be calculated at 80% of the fee schedule.
2. If an unlisted procedure code has been billed, the provider must include an attached report for Claims staff to verify that the procedure being billed is unlisted.
  - a. If the procedure is confirmed unlisted and staff is able to locate a similar procedure that can be used for pricing, the similar procedure will be used for pricing as explained in 1. A. above.  
If the procedure or similar procedure is not found within the CMS site, Nordion and Medi-Cal will be utilized for pricing.
3. If a similar code cannot be found in CMS, Nordion or Medi-Cal, management will be consulted and research via the internet will be utilized to find any rates from CMS or HUMR and base the rate on 80% of allowed.
4. If all of the above resources have been exhausted with no results, pricing will be based on 22 percent of the amount billed for that specific CPT/HCPCS code. In which there is no Medi-Cal or Medicare rate.
5. Guidelines for pricing supplies and items without a Medi-Cal rate:

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- a. If the provider doesn't have a contracted rate or an LOA, pricing will be calculated using the attached invoice.
  - b. The Invoice date for any service requiring an invoice for pricing must be prior to the date of service but no more than one year prior to the date of service.
  - c. For drugs approved on an authorization that are non-covered benefits or code J3490, pricing will be calculated from the NDC (85% of average wholesale price) listed in Med Impact.
6. If the provider is billing incorrectly, the claim will be denied, and the provider will be required to re-bill with a correct/valid CPT/HCPCS code.

**References:**

Alliance Policies:

Impacted Departments:

Regulatory:

Legislative:

Contractual (Previous Contract):

Contractual (2024 Contract):

DHCS All Plan or Policy Letter:

NCQA:

Supersedes:

Other References:

Attachments:

**Lines of Business This Policy Applies To**

- ☒ Medi-Cal  
☒ Alliance Care IHSS

**LOB Effective Dates**

(01/01/1996 – present)  
(07/01/2005 – present)

**Revision History:**

Reviewed Date	Revised Date	Changes Made By	Approved By
04/28/2020	05/06/2020	Susan Tarangioli, Administrative Assistant	Frank Souza, Claims Director
05/03/2022	06/27/2022	Sharlene Gianopoulos Claims Manager	Bryan Smith, Claims Director
03/29/2024	03/29/2024	Nicole Ly	Bryan Smith, Claims Director

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		<p>Administrative Assistant</p>	
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