Medicare/Medi-Cal Crossover Claims: Pharmacy Services Medi-Cal Pricing Examples

Page updated: August 2020

This section illustrates Medi-Cal payment examples of Medicare/Medi-Cal claims for pharmacy services billed on the CMS-*1500* claim, *Pharmacy Claim Form* (30-1), *Compound Drug Pharmacy Claim Form* (30-4) and correlating *Remittance Advice Details* (RAD) examples. Refer to the *Medicare/Medi-Cal Crossover Claims: Pharmacy Services* section in this manual for billing information.

Welfare and Institutions Code, Section 14109.5, limits Medi-Cal's payment of the deductible and coinsurance to an amount which, when combined with the Medicare payment, should not exceed the amount paid by Medi-Cal for similar services. This limit is applied to the sum total of the claim. Therefore, the combined Medicare/Medi-Cal payment for all services of a claim may not exceed the amount allowed by Medi-Cal for all services of the claim. For examples of Medi-Cal payments, see "Crossover Claim Payment Examples" on a following page in this section.

Payment on Crossover Claims

Medicare deductible and coinsurance amounts that are hard copy billed to the California MMIS Fiscal Intermediary are reimbursed in the same manner as if they were automatically transferred from the Part B carrier when billing using the *CMS-500* claim. Medi-Cal payment of compound and non-compound crossover drug claims billed on pharmacy claims 30-1 and 30-4 will use the National Drug Code (NDC) to determine the Medi-Cal rate and other pricing criteria such as dispensing fees. Medi-Cal payment is based upon the Medi-Cal allowable amount, minus any payment a provider has received from Medicare and from private insurance and beneficiary Share of Cost.

Payment on Medicare Non-Covered, Exhausted or Denied Services

Medicare non-covered, exhausted (where Medicare service limitations apply) or denied services billed directly by a provider to Medi-Cal as straight Medi-Cal claims are paid based upon the Medi-Cal allowable amount.

Remittance Advice Details (RAD)

The Medi-Cal *Remittance Advice Details* (RAD) reflects each crossover service processed. In most cases, the procedure code listed on the RAD is the Medi-Cal procedure code. If Medi-Cal is unable to correlate the Medicare procedure code, the Medicare procedure code is reflected on the RAD. In addition, the Medicare Allowed, Medi-Cal Allowed, Computed MCR AMT (Medicare payment) and Medi-Cal Paid amounts are shown. If Medi-Cal reduces or denies payment consideration for total claim services, an appropriate RAD message will be displayed.

Claims automatically submitted to Medi-Cal by a Part B carrier (except retail pharmacy drug claims billed to Medicare via National Drug Council for Prescription Drug Program [NCPDP]) that result in a zero Medi-Cal payment are not reflected on the *Remittance Advice Details* (RAD). However, automatic crossover claims with one or more procedures processed as a 444 cutback are reflected on the RAD. This alerts providers that they may rebill the 444 cutback procedures. (See "Charpentier Rebilling" in the *Medicare/Medi-Cal Crossover Claims: Pharmacy Services* section of this manual.)

RAD Messages

The most common RAD codes and messages relating to crossovers are listed below (refer to the RAD codes and messages sections in the Part 1 manual for a complete list):

‹‹RAD Messages Table››

Code	Message
002*	The recipient is not eligible for benefits under the Medi-Cal program or other special programs.
371*	Line detail crossover submitted incorrectly on Medi-Cal claim; submit only copy of Medicare claim and EOMB to: Crossover Unit P.O. Box 15700 Sacramento, CA 95852-1700
372	This crossover must be billed with line-specific information. Resubmit with line item information.

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‹‹**RAD Messages Table (continued)**››

Code	Message
395	This is a Medicare non-covered benefit. Rebill Medi-Cal on an original claim form except for aid code "80," QMB (Qualified Medicare Beneficiary Program) recipients.
442	Medicare payment meets or exceeds Medi-Cal maximum reimbursement.
443	Medi-Cal payment may not exceed the maximum amount allowed by Medi-Cal.
444†	For non-physician claims, see Charpentier billing instructions in the provider manual. Medi-Cal automated system payment does not exceed the Medicare allowed amount.

Crossover Claim Payment Examples

The dollar amounts in the following payment examples are for illustration only and do not necessarily represent Medi-Cal or Medicare allowed amounts. Payment of crossover services is made in accordance with *Welfare and Institutions Code*, Section 14109.5.

Medi-Cal payment examples are:

- *Figures 1a and 1b*. 395 Medicare Non-Covered Benefit.
- *Figures 2a and 2b*. 442 Cutback (Zero Pay).
- *Figures 3a and 3b*. 443 Cutback With Deductible.
- *Figures 4a and 4b*. 443 Cutback With No Deductible.
- *Figures 5a and 5b*. 444 Cutback (Charpentier Rebill).
- *Figures 6a and 6b.* Medicare Allowed Amount Adopted by Medi-Cal.

395 Medicare Non-Covered Benefit

Figure 1a. Sample Pricing for RAD Code 395 (Medicare Non-Covered Benefit).

PROC CODE	PROVIDER BILLED	MEDICARE ALLOWED	DEDUCT	COMPUTED MEDICARE AMOUNT	COINSUR	BILLED TO MEDI-CAL	MEDI-CAL ALLOWED	COMPUTED MEDI-CAL AMOUNT	DEDUCT PLUS COINSUR	PAID AMOUNT	RAD CODE
				"Medicare Allowed" minus "Deduct" X 80%	"Medicare Allowed" minus "Deduct" minus "Computed Medicare Amount"	"Deduct" plus "Coinsur"	Medi-Cal price on file or "Medicare Allowed", whichever is less. ("Medicare Allowed" is adopted and shown on the RAD if no Medi-Cal price is on file.)	"Medi-Cal Allowed" minus "Computed Medicare Amount"	"Deduct" plus "Coinsur"	The lesser of "Computed Medi-Cal Amount" or "Deduct plus Coinsur" (negative = 0)	
E0155	65.00	55.18	0.00	44.14	11.04	11.04	51.18				
E0273	50.00	0.00	0.00	0.00	0.00	0.00	0.00				0395
Claim Totals	115.00	55.18	0.00	44.14	11.04	11.04	51.18	11.04	11.04	11.04	

Figure 1b. RAD Code 395 Example.

CA MEDI-CAL
Remittance Advice Details

TO: CALIFORNIA PHARMACY
1000 ELM STREET
ANYTOWN, CA 95422-6720

REFER TO PROVIDER MANUAL FOR DEFINITION OF RAD CODES

PROVIDER NUMBER	CLAIM TYPE	WARRANT NO	ACS SEQ. NO	DATE	PAGE: 1 OF 1 PAGES
0123456789	MCARE CROSSOVER	39248026	20000617	12/03/07	

RECIPIENT NAME	RECIPIENT MEDI-CAL I.D. NO.	CLAIM CONTROL NUMBER	SERVICE DATES FROM MMDDYY	SERVICE DATES TO MMDDYY	ACCOM/ PROC. CODE	PATIE ACCOUNT NUMBER	DAYS	MEDICARE ALLOWED	MEDI-CAL ALLOWED	COMPUTED MEDICARE AMOUNT		PAID AMOUNT	RAD CODE
APPROVES (RECONCILE TO FINANCIAL SUMMARY)													
DOE	90000000A90015	4069852123000	092807 092807	092807 092807	E0155 E0273		0001 0001	55.18	55.18				0395
BLOOD DEDUCT	TOTAL 0.00	4069852123000 0.00	092807 COINS	092807 9.04-	CUTBACK	0.00	SOC	55.18 0 00	55.18	44.14		11.04	

EXPLANATION OF DENIAL/ADJUSTMENT CODES

0395 THIS IS A MEDICARE NON-COVERED BENEFIT, REBILL MEDI-CAL ON AN ORIGINAL CLAIM FORM, EXCEPT AID CODE 80 – QMB RECIPIENTS.

The Medi-Cal payment on this example is $11.04, which is the lesser of the computed Medi-Cal amount and the deductible plus coinsurance.

Line 2 of this example has a 395 RAD code. This is a Medicare non-covered benefit. To seek Medi-Cal reimbursement for this service, this claim line must be billed separately as a straight Medi-Cal claim. All 395 service lines on a single crossover claim should be billed together as a straight Medi-Cal claim.

Do not rebill any 395 service lines for Qualified Medicare Beneficiary (QMB) recipients, who are not eligible for Medi-Cal.

442 Cutback (Zero Pay)

Figure 2a. Sample Pricing for 442 Cutback (Zero Pay).

PROC CODE	PROVIDER BILLED	MEDICARE ALLOWED	DEDUCT	COMPUTED MEDICARE AMOUNT "Medicare Allowed" minus "Deduct" X 80%	COINSUR "Medicare Allowed" minus "Deduct" minus "Computed Medicare Amount"	BILLED TO MEDI-CAL "Deduct" plus "Coinsur"	MEDI-CAL ALLOWED Medi-Cal price on file or "Medicare Allowed", whichever is less. ("Medicare Allowed" is adopted and shown on the RAD if no Medi-Cal price is on file.)	COMPUTED MEDI-CAL AMOUNT "Medi-Cal Allowed" minus "Computed Medicare Amount"	DEDUCT PLUS COINSUR "Deduct" plus "Coinsur"	PAID AMOUNT The lesser of "Computed Medi-Cal Amount" or "Deduct plus Coinsur" (negative = 0)	RAD CODE
L5668LT	300.00	280.44	0.00	224.35	56.09	56.09	117.60				
L8400LT	15.00	14.57	0.00	11.66	2.91	2.91	11.88				
L8420LT	75.00	72.04	0.00	57.63	14.41	14.41	47.16				
L8470LT	20.00	18.00	0.00	14.40	3.60	3.60	18.00				444
Claim Totals	410.00	385.05	0.00	308.04	77.01	77.01	194.64	-113.40	77.01	0.00	442

Figure 2b. RAD Code 442 Example.

CA MEDI-CAL
Remittance Advice
Details

TO: CAL PHARMACY
1000 OAK STREET
ANYTOWN, CA 93332-6720

REFER TO PROVIDER MANUAL FOR DEFINITION OF RAD CODES

PROVIDER NUMBER	CLAIM TYPE	WARRANT NO	ACS SEQ. NO	DATE	PAGE: 1 OF 1 PAGES
0123456789	MCARE CROSSOVER	39248026	20000617	12/03/07	

RECIPIENT NAME	RECIPIENT MEDI-CAL I.D. NO.	CLAIM CONTROL NUMBER	SERVICE DATES FROM MMDDYY	SERVICE DATES TO MMDDYY	ACCOM/ PROC. CODE	PATIENT ACCOUNT NUMBER	DAYS	MEDICARE ALLOWED	MEDI-CAL ALLOWED	COMPUTED MEDICARE AMOUNT		PAID AMOUNT	RAD CODE
APPROVES (RECONCILE TO FINANCIAL SUMMARY)													
DOE	90000000A00106												
		4069852123000	102507	102507	L5668LT		0001	280.44	117.60				
			102507	102507	L8400LT		0001	14.57	11.88				
			102507	102507	L8420LT		0001	72.04	47.16				
			102507	102507	L8470LT		0001	18.00	18.00				444
	TOTAL	4069852123000	102507	102507				385.05	194.64	194.64-			442
BLOOD DEDUCT	0.00	DEDUCT 0.00	COINS	77.01	CUTBACK	77.01	SOC	0.00					

EXPLANATION OF DENIAL/ADJUSTMENT CODES

442 MEDICARE PAYMENT MEETS OR EXCEEDS MEDI-CAL MAXIMUM REIMBURSEMENT.

In this example, the amount paid by Medicare exceeded the Medi-Cal maximum reimbursement, resulting in a zero Medi-Cal payment.

Typically, an automatic crossover claim resulting in a zero Medi-Cal payment will not be reflected on the RAD. However, if one or more procedures process as a 444 cutback, the automatic zero Medi-Cal payment crossover claim will be reflected on the RAD. This alerts providers that they may rebill the 444 cutback procedures (excluding physician services). (Refer to "Charpentier Rebilling" in the *Medicare/Medi-Cal Crossover Claims: Pharmacy Services* section of this manual.)

443 Cutback With Deductible

Figure 3a. Sample Pricing for 443 Cutback (With Deductible).

PROC CODE	PROVIDER BILLED	MEDICARE ALLOWED	DEDUCT	COMPUTED MEDICARE AMOUNT	COINSUR	BILLED TO MEDI-CAL	MEDI-CAL ALLOWED	COMPUTED MEDI-CAL AMOUNT	DEDUCT PLUS COINSUR	PAID AMOUNT	RAD CODE
				"Medicare Allowed" minus "Deduct" X 80%	"Medicare Allowed" minus "Deduct" minus "Computed Medicare Amount"	"Deduct" plus "Coinsur"	Medi-Cal price on file or "Medicare Allowed", whichever is less. ("Medicare Allowed" is adopted and shown on the RAD if no Medi-Cal price is on file.)	"Medi-Cal Allowed" minus "Computed Medicare Amount"	"Deduct" plus "Coinsur"	The lesser of "Computed Medi-Cal Amount" or "Deduct plus Coinsur" (negative = 0)	
E0860V7	50.00	34.71	34.71	0.00	0.00	34.71	34.35				
Claim Totals	50.00	34.71	34.71	0.00	0.00	34.71	34.35	34.35	34.71	34.35	443

Figure 3b. RAD Code 443 Example.

CA MEDI-CAL
Remittance Advice Details

TO: PHARMACY HEALTH CARE
1000 SMITH STREET
ANYTOWN, CA 98888-4444

REFER TO PROVIDER MANUAL FOR DEFINITION OF RAD CODES

PROVIDER NUMBER	CLAIM TYPE	WARRANT NO	ACS SEQ. NO	DATE	
0123456789	MCARE CROSSOVER	39248026	20000617	12/03/07	PAGE: 1 OF 1 PAGES

RECIPIENT NAME	RECIPIENT MEDI-CAL I.D. NO.	CLAIM CONTROL NUMBER	SERVICE DATES FROM MMDDYY	SERVICE DATES TO MMDDYY	ACCOM/ PROC. CODE	PATIENT ACCOUNT NUMBER	DAYS	MEDICARE ALLOWED	MEDI-CAL ALLOWED	COMPUTED MEDICARE AMOUNT		PAID AMOUNT	RAD CODE
APPROVES (RECONCILE TO FINANCIAL SUMMARY)													
DOE	90000000A90016	5207859082800	092807	092807	E0860V7		0001	34.71	34.35				
BLOOD DEDUCT	TOTAL 0.00	5207859082800 DEDUCT 34.71	092807 COINS	092807 00 00	CUTBACK	0 36	SOC	34.71 0 00	34.35			34.35	443

EXPLANATION OF DENIAL/ADJUSTMENT CODES

443 MEDI-CAL PAYMENT MAY NOT EXCEED THE MAXIMUM AMOUNT ALLOWED BY MEDI-CAL

In this example, the deductible and coinsurance amount ($34.71) exceeds the Medi-Cal maximum amount ($34.35), resulting in a cutback.

443 Cutback With No Deductible

Figure 4a. Sample Pricing for 443 Cutback (With No Deductible).

PROC CODE	PROVIDER BILLED	MEDICARE ALLOWED	DEDUCT	COMPUTED MEDICARE AMOUNT "Medicare Allowed" minus "Deduct" X 80%	COINSUR "Medicare Allowed" minus "Deduct" minus "Computed Medicare Amount"	BILLED TO MEDI-CAL "Deduct" plus "Coinsur"	MEDI-CAL ALLOWED Medi-Cal price on file or "Medicare Allowed", whichever is less. ("Medicare Allowed" is adopted and shown on the RAD if no Medi-Cal price is on file.)	COMPUTED MEDI-CAL AMOUNT "Medi-Cal Allowed" minus "Computed Medicare Amount"	DEDUCT PLUS COINSUR "Deduct" plus "Coinsur"	PAID AMOUNT The lesser of "Computed Medi-Cal Amount" or "Deduct plus Coinsur" (negative = 0)	RAD CODE
E0135V7	100.00	75.52	0.00	60.42	15.10	15.10	58.73				
K0001V6	75.00	49.20	0.00	39.36	9.84	9.84	49.20				
Claim Totals	175.00	124.72	0.00	99.78	24.94	24.94	107.93	8.15	24.94	8.15	443

Figure 4b. RAD Code 443 Example.

CA MEDI-CAL
Remittance Advice Details

TO: SMITH'S PHARMACY
P.O. BOX 400
ANYTOWN, CA 90108-3458

REFER TO PROVIDER MANUAL FOR DEFINITION OF RAD CODES

PROVIDER NUMBER	CLAIM TYPE	WARRANT NO	ACS SEQ. NO	DATE	PAGE: 5 OF 6 PAGES
0123456789	MCARE CROSSOVER	39248026	020441377	12/03/07	

RECIPIENT NAME	RECIPIENT MEDI-CAL I.D. NO.	CLAIM CONTROL NUMBER	SERVICE DATES FROM MMDDYY	SERVICE DATES TO MMDDYY	ACCOM/ PROC. CODE	PATIENT ACCOUNT NUMBER	DAYS	MEDICARE ALLOWED	MEDI-CAL ALLOWED	COMPUTED MEDICARE AMOUNT		PAID AMOUNT	RAD CODE
DOE	9000000090015	5254850415300	092807 092807	092807 092807	E0135V7 K0001V6		0001 0001	75.52 49.20	58.73 49.20				
BLOOD DEDUCT	TOTAL 0.00	5254850415300 DEDUCT 0.00	092807 COINS	092807 24.94	CUTBACK	16 79	SOC	124.72 0 00	107.93	99.78- SALES TX INCL		8.15	443

EXPLANATION OF DENIAL/ADJUSTMENT CODES

443 MEDI-CAL PAYMENT MAY NOT EXCEED THE MAXIMUM AMOUNT ALLOWED BY MEDI-CAL.

The Medi-Cal payment on this claim is $8.15, which is the lesser of the computed Medi-Cal amount and the deductible and coinsurance.

444 Cutback (Charpentier Rebill)

Figure 5a. Sample Pricing for 444 Cutback (Charpentier Rebill).

PROC CODE	PROVIDER BILLED	MEDICARE ALLOWED	DEDUCT	COMPUTED MEDICARE AMOUNT	COINSUR	BILLED TO MEDI-CAL	MEDI-CAL ALLOWED	COMPUTED MEDI-CAL AMOUNT	DEDUCT PLUS COINSUR	PAID AMOUNT	RAD CODE
				"Medicare Allowed" minus "Deduct" X 80%	"Medicare Allowed" minus "Deduct" minus "Computed Medicare Amount"	"Deduct" plus "Coinsur"	Medi-Cal price on file or "Medicare Allowed", whichever is less. ("Medicare Allowed" is adopted and shown on the RAD if no Medi-Cal price is on file.)	"Medi-Cal Allowed" minus "Computed Medicare Amount"	"Deduct" plus "Coinsur"	The lesser of "Computed Medi-Cal Amount" or "Deduct plus Coinsur" (negative = 0)	
E0919V6	25.00	11.91	0.00	9.53	2.38	2.38	11.91				444
Claim Totals	25.00	11.91	0.00	9.53	2.38	2.38	11.91	25.07	25.07	25.07	

Figure 5b. RAD Code 444 Example.

CA MEDI-CAL
Remittance Advice
Details

TO: PHARMCO
2255 F STREET
ANYTOWN, CA 92345-3000

REFER TO PROVIDER MANUAL FOR DEFINITION OF RAD CODES

PROVIDER NUMBER	CLAIM TYPE	WARRANT NO	ACS SEQ. NO	DATE	PAGE: 7 OF 8 PAGES
0123456789	MCARE CROSSOVER	39248026	020226134	10/03/07	

RECIPIENT NAME	RECIPIENT MEDI-CAL I.D. NO.	CLAIM CONTROL NUMBER	SERVICE DATES FROM MMDDYY	SERVICE DATES TO MMDDYY	ACCOM/ PROC. CODE	PATIENT ACCOUNT NUMBER	DAYS	MEDICARE ALLOWED	MEDI-CAL ALLOWED	COMPUTED MEDICARE AMOUNT		PAID AMOUNT	RAD CODE
DOE	90000000A90015	5200858954500	092807	092807	E0910V6		0001	11.91	11.91				444
BLOOD DEDUCT	TOTAL 0.00	5200858954500 DEDUCT 0.00	092807 COINS	092807 25.07	CUTBACK	0 00	SOC	125.36 0 00	125.36	100.29-		25.07	

EXPLANATION OF DENIAL/ADJUSTMENT CODES

444 FOR NON-PHYSICIAN CLAIMS, SEE CHARPENTIER BILLING INSTRUCTION IN THE PROVIDER MANUAL. (MEDI-CAL/MEDICARE REIMBURSEMENT)

Providers may rebill Medi-Cal for supplemental payment for Medicare/Medi-Cal Part B services, excluding physician services. This supplemental payment applies to crossover claims when Medi-Cal's allowed rates or quantity limitations exceed the Medicare allowed amount. (Refer to "Charpentier Rebilling" in the *Medicare/Medi-Cal Crossover Claims: Pharmacy Services* section of this manual.)

Medicare Allowed Amount Adopted by Medi-Cal

Figure 6a. Sample Pricing Example for Medicare Allowed Amount Adopted by Medi-Cal.

PROC CODE	PROVIDER BILLED	MEDICARE ALLOWED	DEDUCT	COMPUTED MEDICARE AMOUNT "Medicare Allowed" minus "Deduct" X 80%	COINSUR "Medicare Allowed" minus "Deduct" minus "Computed Medicare Amount"	BILLED TO MEDI-CAL "Deduct" plus "Coinsur"	MEDI-CAL ALLOWED Medi-Cal price on file or "Medicare Allowed", whichever is less. ("Medicare Allowed" is adopted and shown on the RAD if no Medi-Cal price is on file.)	COMPUTED MEDI-CAL AMOUNT "Medi-Cal Allowed" minus "Computed Medicare Amount"	DEDUCT PLUS COINSUR "Deduct" plus "Coinsur"	PAID AMOUNT The lesser of "Computed Medi-Cal Amount" or "Deduct plus Coinsur" (negative = 0)	RAD CODE
K0005	50.00	36.00	0.00	28.80	7.20	7.20	36.00				
K0195	10.00	6.70	0.00	5.36	1.34	1.34	6.70				
Claim Totals	60.00	42.70	0.00	34.16	8.54	8.54	42.70	8.54	8.54	8.54	

Figure 6b. RAD Example of Medicare Allowed Amount Adopted by Medi-Cal.

CA MEDI-CAL
Remittance Advice Details

TO: PRIMEDIA PHARMACY
P.O. BOX 9876
ANYTOWN, CA 94400-9876

REFER TO PROVIDER MANUAL FOR DEFINITION OF RAD CODES

PROVIDER NUMBER	CLAIM TYPE	WARRANT NO	ACS SEQ. NO	DATE	PAGE: 1 OF 1 PAGES
0123456789	MCARE CROSSOVER	39248026	080138635	10/03/07	

RECIPIENT NAME	RECIPIENT MEDI-CAL I.D. NO.	CLAIM CONTROL NUMBER	SERVICE DATES FROM MMDDYY	SERVICE DATES TO MMDDYY	ACCOM/ PROC. CODE	PATIENT ACCOUNT NUMBER	DAYS	MEDICARE ALLOWED	MEDI-CAL ALLOWED	COMPUTED MEDICARE AMOUNT		PAID AMOUNT	RAD CODE
DOE	90000000A90015	5191860787200	092807 092807	092807 092807	K0005 K0195		0001 0001	36.00 6.70	36.00 6.70				
BLOOD DEDUCT	TOTAL 0.00	5191860787200 DEDUCT 0.00	092807 COINS	092807 8.54	CUTBACK	00 00	SOC	42.70 0 00	42.70	34.16-		8.54	
EXPLANATION OF DENIAL/ADJUSTMENT CODES													

Medi-Cal adopts Medicare's allowed amount and shows that amount on the RAD when Medi-Cal has no price on file. The full deductible and/or coinsurance are paid.

Pharmacy Part B Crossover Claim with Coinsurance

Figure 7a. Sample Pricing for RAD Code 442 Cutback (Zero Pay).

NDC	QUANTITY	PROVIDER BILLED	MEDICARE ALLOWED	DEDUCT	COMPUTED MEDICARE AMOUNT	COINSUR	BILLED TO MEDI-CAL	MEDI-CAL RATE	MEDI-CAL ALLOWED	COMPUTED MEDI-CAL AMOUNT	DEDUCT PLUS COINSUR	PAID AMOUNT	RAD CODE
					"Medicare Allowed" minus "Deduct" X 80%	"Medicare Allowed" minus "Deduct" minus "Computed Medicare Amount"	"Deduct" plus "Coinsur"	"Rate times Quantity" plus Dispensing Fee	Medi-Cal price on file or "Medicare Allowed", whichever is less. ("Medicare Allowed" is adopted and shown on the RAD if no Medi-Cal price is on file.)	"Medi-Cal Allowed" minus "Computed Medicare Amount"	"Deduct" plus "Coinsur"	The lesser of "Computed Medi-Cal Amount" or "Deduct plus Coinsur" (negative = 0)	
49502069729	720	239.00	186.35	0.00	149.08	37.27	37.27	(0.1450 x 720) + 7.25 = 111.65	111.65	<37.43>	37.27	0.00	442
Claim Totals		239.00	186.35	0.00	149.08	37.27	37.27	111.65	111.65	<37.43>	37.27	0.00	442

Figure 7b. RAD Code 442 Example.

CA MEDI-CAL

Remittance Advice

Details

TO: CALIFORNIA PHARMACY
1000 ELM STREET
ANYTOWN, CA 95422-6720

REFER TO PROVIDER MANUAL FOR DEFINITION OF RAD CODES

PROVIDER NUMBER	CLAIM TYPE	WARRANT NO	ACS SEQ. NO	DATE	PAGE: 1 OF 1 PAGES
PHA12345F	MCARE CROSSOVER	39248030	20000630	09/05/05	

RECIPIENT NAME	RECIPIENT MEDI-CAL I.D. NO.	CLAIM CONTROL NUMBER	SERVICE DATES FROM MMDDYY	SERVICE DATES TO MMDDYY	ACCOM/ PROC. CODE	PATIENT ACCOUNT NUMBER	DAYS	MEDICARE ALLOWED	MEDI-CAL ALLOWED	COMPUTED MEDICARE AMOUNT		PAID AMOUNT	RAD CODE
APPROVES (RECONCILE TO FINANCIAL SUMMARY)													
BRIGHT LULA	123456123	5526089112300	080205	083105	49502059729	P123A56789	0030	186.35	111.65				
	TOTAL	5526089112300	080205	083105 37.27	CUTBACK	37.27	SOC	186.35 0.00	111.65	149.08		0.00	442
BLOOD DEDUCT	0.00	DEDUCT 0.00	COINS										

EXPLANATION OF DENIAL/ADJUSTMENT CODES

0442 MEDICARE PAYMENT MEETS OR EXCEEDS MEDI-CAL MAXIMUM REIMBURSEMENT.

The Medi-Cal payment on this example is $0.00, which is the lesser of the computed Medi-Cal amount and the deductible plus coinsurance.

This example shows the pricing computation for a non-compound NCPDP crossover claim with coinsurance only. Payment is calculated by using the Medi-Cal rate on file for the NDC number and quantity billed less the Medicare Payment.

Pharmacy Part B Crossover Claim with Coinsurance & Deductible

Figure 8a. Sample Pricing Example for Medicare Allowed Amount Adopted by Medi-Cal

NDC	QUANTITY	PROVIDER BILLED	MEDICARE ALLOWED	DEDUCT	COMPUTED MEDICARE AMOUNT	COINSUR	BILLED TO MEDI-CAL	MEDI-CAL RATE	MEDI-CAL ALLOWED	COMPUTED MEDI-CAL AMOUNT	DEDUCT PLUS COINSUR	PAID AMOUNT	RAD CODE
					"Medicare Allowed" minus "Deduct" X 80%	"Medicare Allowed" minus "Deduct" minus "Computed Medicare Amount"	"Deduct" plus "Coinsur"	"Rate times Quantity" plus Dispensing Fee	Medi-Cal price on file or "Medicare Allowed", whichever is less. ("Medicare Allowed" is adopted and shown on the RAD if no Medi-Cal price is on file.)	"Medi-Cal Allowed" minus "Computed Medicare Amount"	"Deduct" plus "Coinsur"	The lesser of "Computed Medi-Cal Amount" or "Deduct plus Coinsur" (negative = 0)	
49502069729	720	200.00	100.00	50.00	40.00	10.00	60.00	(0.1450 x 720) + 7.25 = 111.65	100.00	60.00	60.00	60.00	
Claim Totals		200.00	100.00	50.00	40.00	10.00	60.00	111.65	100.00	60.00	60.00	60.00	

Figure 8b. RAD Example of Medicare Allowed Amount Adopted by Medi-Cal.

CA MEDI-CAL
Remittance Advice Details

TO: CALIFORNIA PHARMACY
1000 ELM STREET
ANYTOWN, CA 95422-6720

REFER TO PROVIDER MANUAL FOR DEFINITION OF RAD CODES

PROVIDER NUMBER	CLAIM TYPE	WARRANT NO	ACS SEQ. NO	DATE	PAGE: 1 OF 1 PAGES
0123456789	MCARE CROSSOVER	39248025	20000617	09/02/07	

RECIPIENT NAME	RECIPIENT MEDI-CAL I.D. NO.	CLAIM CONTROL NUMBER	SERVICE DATES FROM MMDDYY	SERVICE DATES TO MMDDYY	ACCOM/ PROC. CODE	PATIENT ACCOUNT NUMBER	DAYS	MEDICARE ALLOWED	MEDI-CAL ALLOWED	COMPUTED MEDICARE AMOUNT		PAID AMOUNT	RAD CODE
APPROVES (RECONCILE TO FINANCIAL SUMMARY)													
DOE	90000000A90016	5526089112300	070107	073107		P123A5 6789	0030	100.00	100.00				
BLOOD DEDUCT	TOTAL 0.00	5526089112300 DEDUCT 50.00	070107 COINS	073107 10.00	CUTBACK	0.00	SOC	100.00 0.00	100.00	40.00		60.00	
EXPLANATION OF DENIAL/ADJUSTMENT CODES													

The Medi-Cal payment on this example is $60.00. In this example, the provider billed Medicare $200.00 and Medicare allowed $100.00 for this claim. There is a $50.00 deductible and a $10.00 coinsurance amount. Medicare pays the provider $40.00 for this claim, which is computed as: Medicare Allowed Amount – Deductible Amount × 80%; ($100.00 – $50.00) × 80% = $40.00.

This claim will cross over to Medi-Cal for payment. The system will compute this claim for Medi-Cal payment using the following new pricing method:

1. Determine the NDC rate on file with Medi-Cal by using the NDC on the claim detail line. In the preceding example, the Medi-Cal NDC rate on file is $0.1450 for NDC 49502-0697-29.
2. Determine the Medi-Cal rate for the dispensing fee. In the preceding example, the Medi-Cal Dispensing fee is $7.25.

Note: If the system does not find NDC pricing on the Medi-Cal File, then the system will deny the claim and the provider will have to hard copy bill on a pharmacy claim form.

Pharmacy Part B Compound Drug Crossover Claim

Figure 9a. Sample Pricing Example for Part B Pharmacy Compound Drug Crossover Claim.

NDC	QUANTITY	PROVIDER BILLED	MEDICARE ALLOWED	DEDUCT	COMPUTED MEDICARE AMOUNT	COINSUR	BILLED TO MEDI-CAL	MEDI-CAL RATE	MEDI-CAL ALLOWED	COMPUTED MEDI-CAL AMOUNT	DEDUCT PLUS COINSUR	PAID AMOUNT	RAD CODE
					"Medicare Allowed" minus "Deduct" X 80%	"Medicare Allowed" minus "Deduct" minus "Computed Medicare Amount"	"Deduct" plus "Coinsur"	"Rate times Quantity" plus Dispensing Fee	Medi-Cal price on file or "Medicare Allowed", whichever is less. ("Medicare Allowed" is adopted and shown on the RAD if no Medi-Cal price is on file.)	"Medi-Cal Allowed" minus "Computed Medicare Amount"	"Deduct" plus "Coinsur"	The lesser of "Computed Medi-Cal Amount" or "Deduct plus Coinsur" (negative = 0)	
49502069729	10	20.00	10.00	0.00	8.00	2.00	2.00	10.00	10.00	2.00	2.00	2.00	
12345678999	10	20.00	20.00	0.00	16.00	4.00	4.00	10.00	10.00	<6.00>	4.00	<6.00>	
98762543654	10	60.00	50.00	0.00	40.00	10.00	10.00	40.00	40.00	0.00	10.00	0.00	
54321154321	10	70.00	50.00	10.00	32.00	8.00	18.00	50.00	50.00	18.00	18.00	18.00	
76543289101	10	70.00	50.00	10.00	32.00	8.00	18.00	60.00	60.00	28.00	18.00	28.00	
Claim Totals		240.00	180.00	20.00	128.00	32.00	52.00	170.00	170.00	42.00	52.00	42.00	

Figure 9b. RAD Example of Part B Pharmacy Compound Drug Crossover Claim.

CA MEDI-CAL
Remittance Advice
Details

TO: CALIFORNIA PHARMACY
1000 ELM STREET
ANYTOWN, CA 95422-6720

REFER TO PROVIDER MANUAL FOR DEFINITION OF RAD CODES

PROVIDER NUMBER	CLAIM TYPE	WARRANT NO	ACS SEQ. NO	DATE	PAGE: 1 OF 1 PAGES
0123456789	MCARE CROSSOVER	39248029	20000618	11/01/07	

RECIPIENT NAME	RECIPIENT MEDI-CAL I.D. NO.	CLAIM CONTROL NUMBER	SERVICE DATES FROM MMDDYY	SERVICE DATES TO MMDDYY	ACCOM/ PROC. CODE	PATIENT ACCOUNT NUMBER	DAYS	MEDICARE ALLOWED	MEDI-CAL ALLOWED	COMPUTED MEDICARE AMOUNT		PAID AMOUNT	RAD CODE
APPROVES (RECONCILE TO FINANCIAL SUMMARY)													
DOE	90000000A90016	5526099112300	100107	103107		P123A5 6789	0030	180.00	170.00				
BLOOD DEDUCT	TOTAL 0.00	5526099112300 DEDUCT 20.00	100107 COINS	103107 32.00	CUTBACK	0.00	SOC	180.00 0.00	170.00	128.00		42.00	
EXPLANATION OF DENIAL/ADJUSTMENT CODES													

The Medi-Cal payment on this example is $42.00. The example shown is for a compound drug NCPDP crossover pharmacy Part B claim. There are five ingredients for this claim.

The provider billed Medicare $240.00 and Medicare allowed $180.00 for this claim. There is a $20.00 deductible and a $32.00 coinsurance amount. Medicare pays the provider $128.00 for this claim, which is computed as: Medicare Allowed Amount – Deductible Amount × 80%; ($180.00 – $20.00) × 80% = $128.00.

This claim will cross over to Medi-Cal for payment. The system will compute this claim for Medi-Cal payment using the following pricing method:

1. Determine the NDC rate on file with Medi-Cal by using the NDC on the claim detail line.
2. Determine the Medi-Cal rate for the dispensing fee.

Notes:

a. For compound drugs, computing the Medi-Cal Amount Paid using the Bottom Line Pricing methodology will result in the system netting the negative Medi-Cal Amount Paid against other ingredients for NDC Code 12345678999.

b. The computed Medi-Cal Allowed Amount is $60.00 for NDC Code 76543289101. However, through the Bottom Line Pricing methodology, Medi-Cal will not pay more than the Medicare Allowed Amount of $50.00 in this example.

c. If the system does not find NDC pricing on the Medi-Cal File, then the system will deny the claim and the provider will have to hard copy bill on a pharmacy claim form.

‹‹Legend››

‹‹Symbols used in the document above are explained in the following table.››

Symbol	Description
‹‹	This is a change mark symbol. It is used to indicate where on the page the most recent change begins.
››	This is a change mark symbol. It is used to indicate where on the page the most recent change ends.
*	If denial code 002 or 371 is received from Medi-Cal, the claim should be resubmitted to the California MMIS Fiscal Intermediary Crossover Unit with a copy of the Medicare claim, the MRN/RA, and the RAD reflecting the denial. It is not necessary to submit a CIF under these crossover circumstances.
†	Refer to "Charpentier Rebilling" in the *Medicare/Medi-Cal Crossover Claims: CMS-1500* section of this manual.