Medi-Cal Rx Coordination of Benefits (COB) Reminder

April 8, 2022

This Medi-Cal Rx Coordination of Benefits (COB) reminder provides guidelines and tips for pharmacy providers billing Other Health Coverage (OHC).

OHC is defined as other health insurance that is primary to Medi-Cal. An eligible beneficiary for Medi-Cal Rx may also have OHC that covers their prescriptions and Medi-Cal supplies. This includes beneficiaries who have both Medi-Cal and Medicare, or who have Medi-Cal and commercial health insurance.

COB Explained

COB is the mechanism used to designate the order in which multiple carriers are responsible for benefit payments and prevention of duplicate payments. Pharmacies should refer to the *Coordination of Benefits* section in the *Medi-Cal Rx Provider Manual* for specific requirements and OHC carrier information.

The Department of Health Care Services (DHCS) is responsible for ascertaining liable third parties or OHC and ensuring the other payer is billed before Medi-Cal Rx.

- **OHC must be billed prior to billing Medi-Cal Rx.**

Claim Submission Information

Referenced information regarding general claim submission information, reject codes, prior authorizations (PA), claims cutoff, share of cost (SOC), and COBs may be found in the Claim Submission Reminders bulletin.

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Medi-Cal Rx payment is based upon the Medi-Cal Rx allowable amount, minus any payment a provider has received from Medicare, private insurance, and beneficiary SOC. Providers will be reimbursed up to Medi-Cal Rx's maximum allowed amount when combined with the primary insurance payment.

- **Medi-Cal Rx is always the payer of last resort unless a beneficiary also has the California AIDS Drug Assistance Program (ADAP).**

What is Needed on an OHC Claim?

- Pharmacy providers can check beneficiary eligibility and OHC information using one of the following methods:
  - Medi-Cal Rx Beneficiary Eligibility Lookup Tool (via the Medi-Cal Rx Provider Portal)
  - Point of Sale (POS)
  - Customer Service Center (CSC) toll-free number: 1-800-977-2273, available 24 hours a day, 7 days a week, 365 days per year.

- **Hearing-impaired callers can select option 7 for TTY.**

- Include the primary payer ID on your claim. For OHC other payer name and payer ID, refer to *Appendix G – OHC Carrier Information* in the *Medi-Cal Rx Provider Manual*. Once the other insurer has been billed, and they have either been partially paid or denied the claim, a pharmacy claim can then be submitted to Medi-Cal Rx containing the OHC details and other payer's response.
- For a list of the allowed other coverage codes (OCCs), refer to the table in the *Allowed Other Coverage Codes (OCC) for Standard OHC and Medicare Part D* section of the *Medi-Cal Rx Provider Manual*.

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Billing Order

When submitting a claim with OHC, obtain a denial from the primary payer before submitting a claim to Medi-Cal Rx. Once the primary payer has been billed, the pharmacy claim can then be submitted to Medi-Cal Rx containing OHC details and other payer's response. The Medi-Cal Rx pharmacy claim will then be processed accordingly.

When a beneficiary has Medi-Cal Rx, Medicare, and OHC, the provider must bill payers in the following order:

1. OHC insurance
2. Medicare-covered services
3. Medi-Cal Rx

Updating OHC

If the beneficiary indicates that they do not have OHC for pharmacy services, then the prescriber, pharmacy provider, or beneficiary can use the following resources to update the OHC record:

- **OHC Online Form:** *Other Health Coverage* (click the **OHC Removal[s] Form** button).
- **OHC Online Step-by-Step Reference Guide:** *Other Health Coverage Reference Guide*.
- **Reference Instructions:** *Adding or Removing Other Health Coverage for Medi-Cal Beneficiaries*.

Additional Resources

For additional Medi-Cal Rx information, refer to the *Coordination of Benefits (COB)* section of the *Medi-Cal Rx Provider Manual* or the "Coordination of Benefits" references in the *Medi-Cal Rx Payer Sheet*.

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