



September 13, 2023

All Plan Letter 23-019

Proposition 56 Directed Payments for Physician Services

Dear Provider,

The Department of Healthcare Services (DHCS) released All Plan Letter (APL) 23-019, Directed Payments for Physician Services on July 23, 2023, superseding APL 19-015.

As a reminder, Assembly Bill (AB) 120 allocated Proposition 56 funding to support physician services. Kern Health Systems (KHS) must pay eligible rendering providers for qualifying services as outlined in APL 23-019. The uniform dollar add-on amounts vary by CPT code and specified dates of services, please refer to APL 23-019, **Table A** for more information on rates.

As a reminder, Federally Qualified Health Centers (FQHC), Rural Health Clinics (RHS), American Indian Health Service Programs (AIHSP), and Cost-Based Reimbursement Clinics are not eligible to receive Physician Services add-on directed payment funds.

Providers excluded from participation in Medicare or Medi-Cal/Medicaid Programs are also not eligible to receive Family Planning add-on directed payment funds.

As a reminder, Kern Health Systems (KHS) will make two separate payments. The first payment will be for the original claim submission, paying per Medi-Cal fee schedule/or contracted rate. The second payment will occur the following month for the supplemental payment amount outlined in the APL. KHS utilizes PaySpan to provide remittance advice which will include sufficient information to uniquely identify the qualifying service for which payment was made. To obtain access to PaySpan, please contact 877-331-7154.

Payment will be made in accordance based on the timely payments standards outlined in the contract for a clean claim or accepted encounter which meets the criteria outlined above. General claim processing rules apply.

Additional information regarding APL 23-019, Directed Payments for Physician Services, is available on the State of California – Health and Human Services Agency, Department of Health Care Services website:

<https://www.dhcs.ca.gov/formsandpubs/Documents/MMCDAPLsandPolicyLetters/APL2023/APL23-019.pdf>

PROVIDER Bulletin



KERN HEALTH
SYSTEMS

Providers wishing to file a grievance as a result of payment or process issues related to APL 23-019, or for any additional questions, please contact your Provider Relations Representative at 800-391-2000 or reference KHS Policy 4.03-P, Provider Disputes Regarding Issues other than Claims:

<https://www.kernfamilyhealthcare.com/providers/policies-and-procedures/>

KHS posts all bulletins on the KHS website, www.kernfamilyhealthcare.com, choose Provider, then Bulletins.

For any questions, please contact your Provider Relations Representative at 1-800-391-2000.

Sincerely,

Melissa McGuire
Deputy Director of Provider Network
Kern Health Systems