



Communication Release



11/06/2025

Progress Note Guide

The Progress Note form was updated on October 27th. The [Sage-PCNX Progress Note Guide](#) has been updated to reflect changes made to the form including the restructuring of the Field Based Services subsection and the addition of the “Check all applicable services delivered as part of treatment.” The Sage-PCNX Progress Note Guide and other PCNX guides may be found on the SAPC Sage website: <http://publichealth.lacounty.gov/sapc/providers/sage/sage-pcnx.htm>.

EOB Summary by Date Export Sage Report

A new report called "EOB Summary by Date Export" has been released in Sage to help providers with reconciliation and monitoring. This report provides a summary of payment and adjustment information sourced from the Provider EOB Remittance Advice based on a selected EOB date range. The “Adjust Code” field reflects the general adjustment reason, with the two main types being CV for Contractor Void and SD for State Denial. This report is export-friendly and designed for use in Microsoft Excel.

 													
EOB Summary by Date Export From 8/28/2025 to 9/15/2025													
EOB ID	EOB Date	Contract Number	Fiscal Year	Expected Disburse	EOB Amount	Check Amount	Difference	Takeback	Adjust Code	Provider #	Agency	Check Number	Check Date
163089	9/8/2025	341234	FY2526	2,017.36	1,907.80		-1,907.80	-109.56	SD	1	Recovery, Inc.		
163090	9/8/2025	341234	FY2425	143.59	143.59		-143.59	-109.56		1	Recovery, Inc.		
163091	9/8/2025	341234	FY2526	2,135.89	118.53		-118.53	-2,126.92	CV	1	Recovery, Inc.		
163092	9/9/2025	341234	FY2526	560.37	560.37		-560.37	-2,126.92		1	Recovery, Inc.		
163093	9/9/2025	341234	FY2425	736.96	736.96		-736.96	-2,126.92		1	Recovery, Inc.		
163094	9/9/2025	341234	FY2526	319.18	101.42		-101.42	-2,344.68		1	Recovery, Inc.		
163095	9/9/2025	341234	FY2526	0.00	-2,135.89		2,135.89	-4,480.57	CV	1	Recovery, Inc.		
163096	9/9/2025	341234	FY2425	61.84	61.84		-61.84	-4,480.57		1	Recovery, Inc.		
163097	9/11/2025	341234	FY2526	560.37	560.37	\$520.27	-40.10			1	Recovery, Inc.	09112025-Check Number	9/11/2025
163105	9/15/2025	341234	FY2526	756.51	723.63	\$723.63	0.00	-32.88		1	Recovery, Inc.	123Hogwarts	9/15/2025
163066	8/28/2025	341234	FY2526		-156.39		156.39	-156.39	SD	1	Recovery, Inc.	1_DENIED_163066	8/28/2025
163098	9/11/2025	341234	FY2425		-30.92		30.92	-30.92	CV	1	Recovery, Inc.	1_DENIED_163098	9/11/2025
163106	9/15/2025	H005046	FY2425		-301.04		301.04	-301.04		1	Recovery, Inc.	1_DENIED_163106	9/15/2025
163107	9/15/2025	341234	FY2425		-96.72		96.72	-96.72		1	Recovery, Inc.	1_DENIED_163107	9/15/2025

Recouping Services with Missing Admission Diagnosis

The Department of Health Care Services (DHCS) requires services to contain the beneficiary's admission diagnosis. Services billed to SAPC that do not contain the admission diagnosis cannot be billed to DHCS.

As of this week, services billed to SAPC that do not contain an admission diagnosis will be:

- Denied automatically upon submission with a "Eligibility Not Found/Verified in CalPM" denial reason, **or**
- Recouped by SAPC for "No Admission Diagnosis Present"/CO 16 MA65 denial reason

Admission Diagnosis SAPC Resources:

- [QI & UM Checklist of Required Documentation](#): Provides information on what documents and forms are required when submitting a request for a service authorization. *Note that the document indicates the Sage form name as "Provider Diagnosis (ICD-10)", however, the form name in Sage-PCNX is "Diagnosis".
- [DSM-5 Substance Use Diagnosis](#): Provides a table of diagnoses applicable for SUD and the appropriate ICD-10 code to use for billing purposes.
 - These applicable diagnoses must be used as the Admission type of diagnosis for billing and medical necessity for services to be reimbursable under DMC-ODS.
- [Provider Manual v10.0](#): Contains multiple references regarding allowable diagnoses.
- [FY 25-26 DMC-ODS Billing Manual \(Pages 111-122\)](#): Contains reference to covered diagnoses per DHCS.
- [Correcting Diagnosis Errors in Sage](#): Instructions on how to correct common data entry or date errors for the Diagnosis form in Sage.

Sage Billing Quick Guide - CENS DMC Services

SAPC Finance has published the **CENS DMC Services** Sage Quick Billing Guide. This guide provides information to support CENS provider agencies in billing for CENS services billable to Drug Medi-Cal (DMC). More specifically, this guide covers the following topics:

- Identifying billable codes on the Rates Matrix
- Services covered under the CENS billable codes
- Identifying CENS PAuth numbers in Sage
- Billing CENS services in Sage-PCNX (primary Sage users)
- Billing CENS services via 837 (secondary Sage users)

The guide is available for download here: <http://publichealth.lacounty.gov/sapc/docs/providers/sage/finance/CENS-Sage-Billing-Guide.pdf>

Sage Billing Quick Guide – Provider Authorizations (PAuths)

SAPC Finance has published the **Provider Authorizations (PAuths)** Sage Quick Billing Guide. This guide provides a high-level overview of the information required to support SAPC-contracted treatment provider agencies in billing for services delivered via Provider Authorizations (PAuths). More specifically, this guide covers the following topics:

- How to find PAuth Numbers in Sage
- How to identify the codes configured under a PAuth
- Recovery Services PAuth
- CENS PAuth

- Field Based Services Transportation PAuth
- Screening No-Admission PAuth

The guide is available for download here: <http://publichealth.lacounty.gov/sapc/docs/providers/sage/finance/Sage-Quick-Billing-Guide-PAuths.pdf>

Removal of H0049 from CENS PAuth

Effective 11/10/2025, H0049 will be removed as a billable service from the CENS PAuth. Providers should rebill only if denied by DHCS as either a duplicate (CO 96 M80) or lockout. SAPC's State Adjudication and Analysis Unit (SAAU) is currently investigating and will notify impacted providers via email. Also, CENS providers are advised to instead rebill for screening using H2017.

For guidance on how to bill for H2017, please review the [Billing for Screening Job Aid](#).

FY 24-25 Treatment Billing Deadlines

FY 24-25 treatment billing deadlines have been updated. Submit original and replacement claims for FY 24-25 services by the deadlines listed below:

- For dates of services from **7/1/2024 to 12/31/2024**, the deadline to submit is **Friday, January 30, 2026**.
- For dates of services from **1/1/2025 to 6/30/2025**, the deadline to submit is **Thursday, April 30, 2026**.

In preparation of the billing deadlines, the following is recommended:

- Don't wait until the last week to submit claims. Submit claims at least once a month before the deadline to allow for any corrections needed for Local and State denials.
 - Review all currently denied services to ensure services have been corrected and replaced (as able).
 - Review available contract amount and request augmentation if necessary.
 - Lastly, open a [Request Billing Assistance](#) ticket for any support needed to resolve outstanding FY 24-25 questions.
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Diagnosis Form Required for Billing

As noted in the All-Treatment Provider Meeting on 11/4/2025, each client is required to have an "Admission" Type of Diagnosis on the Diagnosis form in Sage-PCNX. The Date of Diagnosis for "Admission" types will prepopulate with the date the client Episode was opened, regardless of whether the client has been readmitted to different programs with the agency. Subsequent diagnosis should be "Update" diagnosis. The Type of Diagnosis field in PCNX has been simplified to only allow Admission and Update diagnosis types.

Type Of Diagnosis *

Admission Update

Date Of Diagnosis *

05/01/2025 Date Prepopulated- DO NOT EDIT T Y

Failure to have an admission diagnosis may result in denials and/or recoupment from Finance as it prevents billing to the State.

As a reminder, the primary diagnosis for DMC-ODS clients must be an approved substance use related diagnosis. For a full list of covered diagnosis see Appendix 5 of the [FY 25/26 DHCS DMC-ODS Billing Manual](#) . For outpatient clients in the assessment period please see [BHIN 22-013](#) for approved Z codes for diagnosis.

Primary to Secondary Provider Conversion

SAPC provides an annual enrollment opportunity for all Provider Agencies to convert from a Primary User to Secondary User of the Sage Electronic Health Record (EHR) System. If your agency would like to convert from Primary to Secondary Sage User status, please send an official, signed request addressed to the SAPC-IT at SAPCProvConvReq@ph.lacounty.gov no later than **January 31, 2026**.

Provider agencies that meet this deadline will receive an acknowledgement letter and will be required to begin the necessary testing of their EHR system by March 31, 2026. Testing processes need to be completed no later than June 30th. During this testing process period, the provider is required to:

1. Identify a minimum of two contact persons at your agency who will be responsible for creating and submitting all 837 test files. These two individuals will also be responsible for responding and addressing all SAPC requests related to this conversion.
2. If needed, submit Sage User Creation forms for any new or modified user accounts per standard procedure.
3. Engage the EHR vendor or Information Technology staff to complete all necessary configuration of the agency's EHR by the identified timeline and in accordance with SAPC specifications.
4. Create and submit test 837 files and resolve identified issues.
5. Once testing is done in the TRAIN environment, create and submit a small number of claims in the Live Environment until the agency has achieved at least an 80% adjudication approval rate.

Once the conversion is successfully completed, a Sage Secondary Provider Certificate will be issued by SAPC. After the certification, the provider will officially be a secondary provider and will be given instructions on how to submit their claims via the 837 process going forward.

Highlights from Previous Communications

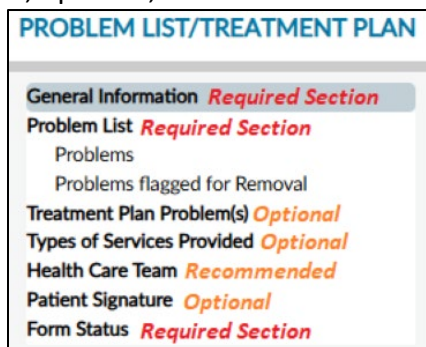
Women's Health History Form Updates: Effective Monday 10/27/2025, the Expected Due Date field in the Women's Health History form will be hidden. This field will no longer be required for completion. The following fields are still required to be completed:

- Add, Edit or Delete a Record
- Client ID
- Episode Number
- Selected Record
- Assessment Date
- Date of Last Menstrual Period (2300-DTP-03) [needed for billing purposes]
- Pregnancy Start Date [needed for billing purposes]
- Pregnancy End Date [should be entered for existing record to close out the pregnancy period and for clients who enter treatment within the 1-year postpartum period]
- Have you started prenatal care at another facility?
- Initial treatment Date (2300-DTP-03) [needed for billing purposes]

While this form is encouraged to be used with all clients who express pregnancy intention, this form is only required for PPW-Perinatal clients and those in a 1-year post-partum period receiving services at a PPW contracted program. Failure to complete this form prior to billing will result in State denials, as this form generates a Pregnancy Indicator on outbound claims to the State.

Progress Note Form Updates: Field Based Services: Effective Monday 10/27/2025, the Travel Time subsection has been renamed to Field Based Services. This subsection only contains the conditionally required Field Based Service Location field that is enabled when the Method of Service delivery is “Field Based Services.” All other fields in this section—including Date of Travel, Time to Destination Start and End Times, and Time from Destination Start and End Times—have been disabled and hidden. Historical entries remain visible in the Progress Note Printout.

Problem List/Treatment Plan Requirements: As a reminder, per CalAIM Documentation Reform, all DMC-ODS patients require a Problem List except for OTP patients who still require Treatment Plans. SAPC has noted discrepancies with completion of the Problem List/Treatment Plan form, where the Problem List section of the form is left blank. The image below indicates which sections are required, optional, and recommended for completion.



Problem Lists are reviewed during adjudication of reauthorizations and during SAPC audit cycles. Failure to identify at least one SUD related Problem in the Problem List section may result in denials of re-authorizations and/or Corrective Action Plan (CAP). Primary Sage Users who also need to complete a treatment plan for CARF or Joint Commission accreditation, may use the Treatment Plan Problem(s) section to add elements not covered in the Problem List section; however, the Problem List section is still required and Problem List required components should be documented in the Problem List section. Please see the [Problem List/Treatment Plan Form Job Aid for Primary Sage Users](#) for instructions on completing the form.

CO 96 MA43 State Denials: Recently, recoupments with a denial code of CO 96 MA43 indicated that the client has an “unsatisfactory immigration status.” However, the actual reason for the recoupments is a lack of eligibility. The denial

should be addressed as if fixing a CO 177 denial, by ensuring the correct CIN is listed in the Financial Eligibility and that the patient had active Medi-Cal at the time of service. Additional guidance can be found in the [Sage Guide to Claim Denial Resolution and Crosswalk v 5.0](#). The most common reasons for the recoupments were that the CIN number listed in the Financial Eligibility Form was incorrect when compared against the MEDS file, or that the client did not have active Medi-Cal at the time of service.

Billing for Screening and Initial Engagement Activities: As part the new Appointment and Referral Connections process, providers have identified additional questions related to various billing activities for services surrounding the screening and admission process. As such, SAPC is providing the following clarification on billing for screening and initial engagement activities as presented in the [March 5, 2024 All Treatment Provider Meeting](#). As a reminder, all clients must be initially screened for the appropriate level of care for direct to provider referrals, that were not referred by SASH, CENS or CORE. The only exception to this requirement is if the screening provider offers all available ASAM levels of care, in which case, the agency will be able to offer an appropriate LOC regardless of the screening results. Additionally, once a screening is completed, the provider will be required to complete a Referral Connections form in Sage, which will serve as the required documentation. When providers are engaging with a client to motivate and encourage them to engage in treatment where the client has not been formally screened or assessed, the provider can still utilize the Recovery Services model to bill for those engagement activities. Providers would utilize the same Recovery Service PAuth and billing codes (H2015 and H2017) for billing purposes and corresponding documentation. Once the client is able to be admitted, then the provider can submit for a full authorization or an initial engagement authorization as appropriate.

In reference to the March 5, 2024, All Treatment Provider Meeting, Slide 17 of the [Clinical Services Division presentation](#) outlines the different scenarios, including when to seek authorization, complete the CalOMS and how to bill for each step of the admission process. SAPC is updating the training videos regarding the screening process and Referral Connections with this information and additional updates that have been incorporated since the initial implementation in order to help better address common questions SAPC has been receiving. These will be available in the [SAPC-LNC](#) system in November. Providers are encouraged to reach out to Sage@ph.lacounty.gov with any feedback on the Appointment and Referral Connections workflow.

Medical Record Printouts: SAPC's Sage Management Division has been developing a more cohesive and comprehensive method to print medical records within Sage. Printouts of clinical documentation are available as reports and are formatted to match the layout of the associated document and to include all relevant electronic signatures. Form printouts are intended to allow providers to give patients a copy for their own records or if a record request is solicited. Printouts for the following documents are now available in LIVE and have been assigned to all clinical user roles. Searching for "printout" in Sage's search bar will generate the list of available printouts. Note that printouts are meant to be exported as PDFs only.

- Diagnosis
- Monthly Activity Report
- Patient Handbook Acknowledgement
- Progress Note
- Problem List/Treatment Plan
- RBH Discharge
- Referral Connections
- Service Connections Log
- Update Client Data
- Youth and Young Adult Screener

Multiple State Denial Recoupments for Service Codes 0953, H0012, and S5000/1: When service codes 0953, H0012, and S5000/1 are denied by the state, the recoupment for each claim is divided into two separate instances. This occurs

because SAPC pays providers a higher rate than DHCS reimburses. Currently, Sage functionality does not allow the total amount to be recouped in one instance. The second recoupment, which is the difference between SAPC rate and the state rate, is a manual process that currently occurs every two weeks but will now be done weekly to assist providers with rebilling the denied claims more quickly.

New LNC Training - Release of Information: SAPC has added the Sage-PCNX: Release of Information Training to the [Learning & Network Connections \(LNC\)](#) Platform. This training reviews how to document a patient's authorization to release protected health information (PHI) within the SAPC provider network using the Release of Information-In Network form. The training was added to all clinical and operation training sets and as an individual module.
