Medi-Cal Procedure/Drug Code Limitation Introduction

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In accordance with SB 857 and Welfare and Institutions Code (W&I Code), Section 14044, a Procedure/ Drug Code Limitation (P/DCL) may be imposed on a provider's use of one or more codes (CPT®, NDC or HCPCS) for a period of up to 18 months, if one of the following conditions exists:

- The Department of Health Care Services (DHCS) determines, by audit or other investigation, that excessive services, billings or abuse have occurred by a provider

- A provider's licensing authority or a court of competent jurisdiction limits a licensee's practice of medicine, where the limitation precludes the licensee from performing services that could otherwise be reimbursed

A provider placed on P/DCL sanction will not be able to receive reimbursement for those services under restriction. In addition, providers who fill orders for lab tests, drugs, medical supplies or any other restricted services prescribed or ordered by a provider under restriction will not be reimbursed.

The limitation becomes effective after DHCS gives the provider notice of the proposed limitation, and no appeal is submitted within 45 days or following the denial of an appeal.

DHCS reviews provider appeal evidence and issues the appeal decision within 45 days of receipt. If the appeal is not granted, the code-use limitations become effective 15 days after provider notification.

In a situation where the sanction could interfere with the provider's or other prescriber's ability to render health care services to a recipient, the burden to transfer the recipient's care to another qualified provider remains the responsibility of the provider.

The P/DCL may be used separately or in tandem with other existing anti-fraud and abuse efforts.

‹‹Legend››

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

Symbol	Description
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