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Department of Health Care Services



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May 14, 2009

PPL No. 09-011

TO: Local Governmental Agency (LGA) Coordinators for the County-Based Medi-Cal Administrative Activities (CMAA) and Targeted Case Management (TCM) Programs

SUBJECT: **Eighty-Percent Minimum Accuracy Requirement for Secondary Documentation**

The purpose of this Policy and Procedure Letter (PPL) is to notify the LGA MAA/TCM Coordinators of the eighty-percent (80%) minimum accuracy requirement for secondary documentation effective July 1, 2009.

In addition to what is stated in *PPL 06-020*, which clarifies the meaning of secondary documentation, this requirement means that 80% of the secondary documentation samples provided on a time survey must be accurate for those time survey results to be included in the MAA invoice and/or TCM Cost Report. In general, acceptable secondary documentation is defined as documentation that accurately reflects MAA and/or TCM activities.

For example, if a MAA participant codes to three MAA reimbursable activities, and secondary documentation consists of written samples on the back of the time survey form, and each activity has two written samples, there will be a total of six samples. If one sample is incorrect, then the accuracy of the time survey is 83%, (five correct samples/six total samples) and this time survey can still be included in the invoice. If, however, two samples are incorrect, then the accuracy of the time survey is 67% (four correct samples/six total samples), and the time survey cannot be included in the invoice.

The 80% accuracy determination will be assessed separately for MAA and TCM. For example, if one time survey is disallowed for MAA, it will not automatically be disallowed for purposes of TCM claiming. However, if two samples are provided for TCM, and one of those samples isn't accurate, then that time survey will not meet the 80% accuracy requirement for TCM and will be referred to Audits and Investigation (A&I). A&I may propose audit adjustments to reflect any disallowed time survey(s) via an audit report of the TCM Cost Report based on the applicable time survey. The audit report will identify the re-computed TCM encounter rate which may result in the recovery of program overpayments.

Local Governmental Agency (LGA) Coordinators for the County-Based
Medi-Cal Administrative Activities (CMAA) and Targeted Case
Management (TCM) Programs

Page 2

May 14, 2009

The purpose of secondary documentation is to support the claim, ensure greater program integrity, and demonstrate understanding of the program. It is required that secondary documentation is kept in the audit file with the original time surveys.

As a result of time survey being removed from the time survey universe, MAA personnel expenditures associated with that time survey must be removed from any paid or unpaid MAA invoices for that time survey period, removed from Cost Pool 1 (SPMP) or 2 (Non-SPMP), as applicable and placed in either Cost Pool 3 (Non-Claimable) or 6 (Allocated Cost & Revenue), as applicable.

For additional clarification regarding what is meant by the term secondary documentation, please refer to *PPL 06-020* and the secondary documentation materials found on the DHCS CMAA and TCM websites under Manuals & Training, Time Survey Training Materials.

If you have any questions or require further assistance regarding this Policy and Procedure Letter, please contact your Program Analyst.

Sincerely,

ORIGINAL SIGNED BY BOB BAXTER FOR ELIZABETH TOUHEY

Elizabeth Touhey, Chief
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cc: Ms. Cathleen Gentry
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