

State of California Health and Human Services Agency
Department of Health Care Services

TOBY DOUGLAS
Director

EDMUND G. BROWN JR.
Governor

DATE: JUL 18 2011

MMCD All Plan Letter 11-016

TO: ALL MEDI-CAL MANAGED CARE HEALTH PLANS

SUBJECT: 2011-12 RATES FOR EMERGENCY-BASED INPATIENT SERVICES
PROVIDED BY OUT-OF-NETWORK ACUTE CARE HOSPITALS

The purpose of this All Plan Letter (APL) is to provide Medi-Cal managed care health with updated rates for emergency-based inpatient services provided to Plan enrollees during the 2011-12 rate period by general acute care hospitals that are not part of the Plan's provider network. These rates are also referred to as "Rogers Amendment" rates.¹ This APL supersedes the rates published in APL 10-007.

For purposes of this letter, the term "out-of-network" means an acute care hospital, including hospitals that contract with the Department of Health Care Services (DHCS) under the Medi-Cal Selective Provider Contracting Program (SPCP), that is not under contract with a Plan for inpatient services. In this APL, out-of-network is used instead of "non-contracted" to avoid confusion with the term's use for non-SPCP hospitals.

The average regional per diem SPCP contract rates in the table below were determined using the methodology provided in Welfare and Institutions Code section 14166.245, except that the payment amount shall not be reduced by 5 percent². As required by Government Code section 6254(q) and SPCP contract terms, SPCP rates for individual hospitals are confidential for four years and health plans and their contractors are prohibited from compelling an SPCP hospital to disclose or otherwise reveal its confidential SPCP rate information.

Separate rates are calculated for tertiary and non-tertiary hospitals. A "tertiary" hospital is a children's hospital specified in Welfare and Institutions Code section 10727, or a hospital that has been designated as a Level I or Level II trauma center by the Emergency Medical Services Authority established pursuant to Section 1791.1 of the Health and Safety Code. APL 10-011 also provides details on the meaning of tertiary hospitals:
<http://www.dhcs.ca.gov/formsandpubs/Pages/AllPlanLetters.aspx>.

¹ Section 6085 of the Federal Deficit Reduction Act of 2005 (Pub. L. 109-171)

² Section 6085 of the Federal Deficit Reduction Act of 2005 (Pub. L. 109-171)

Rogers Amendment rates for the 2011-12 rate period are as follows.

<i>Rogers Amendment SPCP Based Regional Average Rates for Out-of-Network Acute Care Hospital Emergency Inpatient Services Rate Period: 7/11/11 to 6/30/12</i>		
	Average Non Tertiary	Average Tertiary
Other	\$1,587	\$2,095
San Francisco / Bay Area	\$1,938	\$3,276
Southern California	\$1,393	\$2,265

Other = All California counties other than those listed below.

San Francisco / Bay Area = Counties of Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Santa Cruz, Solano, and Sonoma

Southern California = Counties of Los Angeles, Orange, Riverside, San Bernardino, and Ventura

If you have any questions please contact David Merritt, Health Program Specialist I, at (916) 552-9687 or david.merritt@dhcs.ca.gov.

Sincerely,

Original Signed by Tanya Homman

Tanya Homman, Chief
Medi-Cal Managed Care Division