Federally Qualified Health Center/Rural Health Clinic
Managed Care Differential Rate Request Form
INSTRUCTIONS

The Managed Care Differential Rate Request form is designed to comply with Federal and State regulations to establish a differential rate that reimburses a provider for the difference between their Prospective Payment System (PPS) rate and their Medi-Cal Managed Care reimbursement. The information provided on these forms is subject to the Medicare Reasonable Cost Principles in 42 CFR, Part 413 in accordance with the State's FQHC/RHC State Plan Amendment.

These forms must be complete and legible; incomplete forms will be returned for correction. If the forms are returned, instructions will be given noting the deficiencies and corrective action needed. Submit electronically to clinics@dhcs.ca.gov and send hard copies to:

Department of Health Care Services
Financial Audits Branch
Audit Review and Analysis Section
1500 Capital Avenue – MS 2109
P.O. Box 997413
Sacramento, CA 95899-7413

For assistance completing these forms, contact Audit Review and Analysis Section at (916) 650-6696.

MANAGED CARE DIFFERENTIAL RATE PROCESS

If your clinic participates in the Medi-Cal Managed Care program you should complete this form which provides information on your Managed Care Plan visits and payments. The Department of Health Care Services (DHCS) uses this information to establish your Code 18 differential rate. The purpose of the differential rate is to reimburse FQHC/RHC providers on an interim basis the estimated amount payable for Medi-Cal Managed Care visits.

Once the differential rate is established you may bill the Medi-Cal fiscal intermediary using Code 18 for each Medi-Cal Managed Care service that meets the definition of a Medi-Cal visit. Also bill the Fee-for-Service Medi-Cal Managed Care Plan for the patient's visit as well as the Medicare fiscal intermediary if dually eligible. At the end of the clinic's fiscal year, DHCS will determine total payments received from the Managed Care Plans, Medicare payments (for Managed Care crossover visits), and the Code 18 payments in order to reconcile these against the clinic's PPS rate. End of year reconciliations are designed to complete the payment cycle and ensure full PPS rate reimbursement for the applicable visits.

DOCUMENTATION

The reported data on this form is subject to field review by DHCS and must be supported by documentation such as remittance advice notices, explanation of benefits, or any other documentation that supports the reported data.

STATISTICAL DATA AND CERTIFICATION STATEMENT

Complete Part A, lines 1 through 7 with the requested information. If you need additional space to identify entities related either through ownership or by control, please attach additional pages with the name, location, and provider number(s) if applicable. Complete Part B, Certification Statement with the requested information. The individual signing this statement must be an officer or other authorized responsible person. An original signature is required.

DIFFERENTIAL RATE FORM

Enter the Clinic Name, Provider Numbers: Legacy and/or National Provider Identifier (NPI), and Fiscal Period.

1. Enter the Medi-Cal Managed Care Plan name(s) under Plan A – I as necessary.

2. Payment Information – check the appropriate box for actual or projected payments.

    - A. Enter the Managed Care Plan payments for Medi-Cal beneficiaries from each plan.
    - B. Enter the Medicare payments for Managed Care Plan crossover visits for each plan.
    - Total Managed Care Plan payments – Add payments from A and B.

3. Visit Information – check the appropriate box for actual or projected visits.

    - A. Enter the Managed Care Plan visits for Medi-Cal beneficiaries.
    - B. Enter the Managed Care Plan crossover visits for dual eligibles.
    - Total Managed Care Plan visits – Add visits from A and B.

PLEASE NOTE - RECONCILING CODE 18:

You must bill the fiscal intermediary for the Medi-Cal Managed Care visits throughout the year if you want the visits to be reconciled at the end of your clinic's fiscal year. DHCS will not be able to reconcile Medi-Cal Managed Care visits that have not been billed to the Medi-Cal program.

Billing Code 18 is not mandatory. If you choose not to bill the Code 18 visits DHCS will assume the provider has elected to be 'at risk' for their Medi-Cal Managed Care Plan services.