

ENCLOSURE

Revised Pages for:
CALIFORNIA MEDICAID STATE PLAN
Under Transmittal of
STATE PLAN AMENDMENT (SPA)
08-003*

All new pages will have this SPA* number identified as the new TN No., so it will not be repeated for each new insert pages.

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Revised Pages for:
CALIFORNIA MEDICAID STATE PLAN

N. Alternative Payment Methodology for FQHCs and RHCs that Elect to Provide Dental Hygienist Services or Dental Hygienist in Alternative Practice Services as a Billable Visit

1. An FQHC or RHC may, on or after January 1, 2008, elect to provide the services of a dental hygienist or dental hygienist in alternative practice as a separate and discreet "billable visit" under an alternative payment methodology (APM). Multiple encounters with dental professionals that take place on the same day will constitute a single visit. For purposes of this Section N, the term "dental hygienist in alternative practice" means a person licensed pursuant to Section 1774 of the California Business and Professions Code.
2. An FQHC or RHC has an option to provide dental hygienist services or dental hygienist in alternative practice services as a billable visit, in the following situations:
 - (a) For those FQHCs or RHCs that have the cost of dental hygienist services or dental hygienist in alternative practice services included in their PPS reimbursement rate on or before January 1, 2008, and continue to provide those services, the FQHC or RHC may elect to have these services billed as a billable visit under this Section N. However if the APM total reimbursement results in an amount that is less (in the aggregate -- defined in paragraph N.2(c)) than under the methodology described in Section D, E, F, I, J, or K, whichever is applicable, then the FQHC or RHC will be compensated in accordance with the reconciliation process as defined in paragraph N.2.(e) below.

If an FQHC or RHC requests the APM, including separate billable visits, the FQHC or RHC must submit appropriate form(s) as prescribed by DHCS in order for DHCS to recalculate the PPS reimbursement rate to an APM reimbursement rate described in this Section N. The recalculated reimbursement rate will include the services of a dental hygienist or dental hygienist in alternative practice as a billable visit.

An FQHC or RHC that elects to have its PPS reimbursement rate recalculated under an APM reimbursement rate pursuant to this paragraph N.2 may continue to bill for all other FQHC or RHC visits at its existing per-visit PPS reimbursement rate, subject to reconciliation, until the rate adjustment for visits between an FQHC or RHC patient and a dental hygienist or dental hygienist in alternative practice has been approved. Any approved APM reimbursement rate shall be calculated within six months after the date that DHCS receives the FQHC's or RHC's form(s) as prescribed by DHCS. DHCS will also complete a revenue reconciliation (defined in paragraph N.2(e)) of the approved APM reimbursement rate to ensure that the APM total reimbursement results in an amount that is no less (in the aggregate -- defined in paragraph N.2 (c)) than what the FQHC or RHC would have received under the methodology described in Section D, E, F, I, J, or K, whichever is applicable. An approved APM reimbursement rate will be retroactive to the beginning of the fiscal year in which the FQHC or RHC submits the request, but in no case will the effective date be earlier than January 1, 2008.

No scope-of-service change request for dental hygienist services or dental hygienist in alternative practice services will be considered for an FQHC or RHC that elects the APM reimbursement rate pursuant to this paragraph N.2(a).

- (b) If an FQHC or RHC did not provide the services of a dental hygienist or dental hygienist in alternative practice before January 1, 2008, and later adds these services, a scope-of-service change may be requested as provided in Section K. After a scope-of-service change to add the additional service has been calculated and the PPS reimbursement rate has been revised to include the new service, an FQHC or RHC may elect the option to have dental hygienist services or dental hygienist in alternative practice services be reimbursed as a billable visit under the APM described in this Section N.
- (c) For purposes of this Section N, "in the aggregate" when referenced with respect to the APM, is defined as the total revenue a facility would receive, calculated by multiplying the applicable reimbursement rate by the total number of services provided by dental hygienist or dental hygienist in alternative practice services in a given year and adding that revenue to the PPS reimbursement rate multiplied by the total number of services provided in given year that are compensated using the PPS reimbursement rate.
- (d) For purposes of this Section N, "in the aggregate" when referenced with respect to the reimbursement rate under Section D, E, F, I, J, or K is defined as the total reimbursement which an FQHC or RHC would have been received using a PPS reimbursement rate (which does not include the services of a dental hygienist or dental hygienist in alternative practice as separate, billable visits) multiplied by the total number of services provided in a given year that are compensated using the PPS reimbursement rate.
- (e) If the estimated total aggregate revenue for an FQHC or RHC under paragraph (d) above is greater than what the FQHC or RHC received in accordance with paragraph (c) above, DHCS will reimburse an FQHC or RHC for the difference between the amount it received in accordance with paragraph (c) above and the amount it would have received in accordance with paragraph (d) above. This process applies to the circumstance described in the first paragraph of paragraph N.2(a).

3. For FQHCs or RHCs that fall under one of the circumstances described in subparagraph N.2(a) or (b) above, and elect readjustment of their reimbursement rate under this Section N, DHCS shall recalculate the rate and make the appropriate rate adjustment as an APM as long as the FQHC or RHC agrees to the APM reimbursement rate and if the APM results in a total reimbursement that is no less (in the aggregate) than what the FQHC or RHC would have received under the methodology described in Section D, E, F, I, J, or K, whichever is applicable. In circumstances where the APM results in a total reimbursement that is less than what the FQHC or RHC would have received under Section D, E, F, I, J, or K, whichever is applicable, DHCS will complete a revenue reconciliation as described in paragraph N.2.(d).

O. Additional Provisions Regarding Multiple Encounters

In addition to the multiple encounters as provided in paragraph C.3(b), more than one visit may be counted on the same day when the FQHC or RHC patient has a face-to-face encounter with a dental hygienist, or dental hygienist in alternative practice, and then also has a face-to-face encounter with any non-dental health provider, as provided in paragraph C.3(b). Multiple encounters with a dentist and a dental hygienist or dental hygienist in alternative practice that take place on the same day will constitute a single visit.