

# This Computes!



**Department of Health Care Services  
Children's Medical Services Network  
(CMS Net) - Information Bulletin #431**

## **Inactivation of the Medi-Cal Selective Provider Contracting Program (SPCP)**

Effective for hospital admissions on or after July 1, 2013, reimbursement for inpatient general acute care for private hospitals is based on an All Patient Refined - Diagnosis-Related Group (APR-DRG) reimbursement methodology. This is a change from the previous fee-for-service methodologies of negotiated per diem rates for hospitals that participated in the Selective Provider Contract Program (SPCP) and cost reimbursement for non-SPCP hospitals using Medi-Cal interim rates.

SPCP reimbursement methodology is no longer in effect for stays with an inpatient admission date on or after July 1, 2013. The associated requirements of the SPCP program provided for by sections 14087 and 14103.5 of the Welfare and Institution Code such as Health Facility Planning Areas (HFPA) and stabilization and transfer requirements for emergency admissions are no longer applicable for Medi-Cal, CCS, or GHPP admissions. Previously, within a closed HFPA only SPCP contracting hospitals could provide elective and emergency acute inpatient services to Medi-Cal beneficiaries. A non SPCP contracting hospital was required to stabilize a Medi-Cal beneficiary admitted on an emergency basis and then transfer the patient to an SPCP contracting hospital.

On and after July 1, 2013, all HFPA are effectively "open" areas. All hospitals enrolled as a Medi-Cal provider can serve Medi-Cal beneficiaries for both emergency and elective acute inpatient services, subject to approved TARS or SARs (SARs are authorized in accordance with CCS Program Standards).

Reference: [http://files.medi-cal.ca.gov/pubsdoco/newsroom/newsroom\\_20746\\_3Rev1.asp](http://files.medi-cal.ca.gov/pubsdoco/newsroom/newsroom_20746_3Rev1.asp)