

MEDI-CAL TRIBAL AND INDIAN HEALTH PROGRAM DESIGNEE ANNUAL MEETING

AUDITS AND INVESTIGATIONS – FQHC/RHC SECTION

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PRESENTER

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OVERVIEW

- Update on Medicare Payment Changes
- Process for adjusting code 2 and 18 rates
- Annual Reconciliation Request Process
- Update on Code Conversion

UPDATE ON MEDICARE PPS RATE

- Medicare is transitioning to Prospective Payment Systems (PPS) methodology for FQHC providers.
- Medicare rates may increase with the implementation of PPS.
- Code 2 and code 18 rates (wrap payments) may need to be adjusted so an overpayment does not occur.
- If you are paid fee-for-service by Medicare you will not need to adjust your code 2 and 18 rates.

ADJUSTING MEDICAL CODE 2 RATES

- Contact FQHC/RHC Section at clinics@dhcs.ca.gov and request an adjustment.
- You will need to provide copy of Medicare Cost Report noting clinics PPS Rate.

CALCULATION OF CODE 2 RATE

MOA rate		\$342
Less: Medicare PPS Rate	<u>\$200</u>	
Code 2 rate	\$142	

ADJUSTING THE CODE 18 RATE

- Complete Form DHCS 3100
- Forms and instructions are located on our webpage <http://www.dhcs.ca.gov/formsandpubs/forms/Pages/AuditsInvestigationsForms.aspx>

COMPLETING FORM DHCS 3100

- Certification Sheet (see attachment)
 - Clinic Name, NPI Number, Address, Signature certifying the information is true and correct etc.
- Page 1
 - Visit and payment information
 - Important to include all payments (capitated/fee-for-service/Medicare)

CALCULATION OF CODE 18 RATE

PPS rate (MOA rate)	\$342
Less: weighted average MC plan pmts per visit*	<u>\$200</u>
Code 18 rate (differential rate)	\$142

*Calculated using data submitted on DHCS form 3100

ADJUSTING CODE 2 AND 18 RATES

- The FQHC/RHC Section will send a rate sheet to Provider Enrollment Division (PED) to adjust rate.
- It typically takes two to four weeks for the rate to change in the PMF system.
- Code 2, 18 and 20 rates are adjusted going forward so that an Erroneous Payment Correction (EPC) is not created. The claims are adjusted through the reconciliation process.

ADJUSTING CODE 2, 18 AND 20 RATES

- Request to Update Rates' form (page 3) is included in the annual reconciliation request forms.
- You can request a rate adjustment at any time.

PURPOSE OF A RECONCILIATION REQUEST

- To insure a clinic receives the full PPS rate / MOA rate for all qualifying Differential visits
 - ❖ Types of Differential Visits
 - Code 02 – Medicare Crossover
 - Code 18 – Medi-Cal Managed Care
 - Code 20 – Medicare Advantage Plan

ANNUAL RECONCILIATION REQUEST

- Due Annually within 150 days after your fiscal year end.
- Must file forms even if you have a zero settlement.
- If not received timely clinic is put on withhold until forms received (currently this is not the policy for MOA providers).
- 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 Federally Qualified Health Center (FQHC) / Rural Health Clinic (RHC) State Plan Amendment.
- Subject to audit

ANNUAL RECONCILIATION REQUEST

- DHCS has three years from the date that DHCS received the Reconciliation Request to audit the report.
- A provider must maintain all documentation to support all reported visits/payments (i.e. remittance advices, explanation of benefits, documentation from the managed care plans supporting payments).
- All reported Medi-Cal Visits and Payments will be reconciled to the adjudicated visits compiled by the fiscal intermediaries and the Paid Claims Summary Report (PCSR Report).

ANNUAL RECONCILIATION REQUEST

- A provider can order a copy of the Medi-Cal payment data (Paid Claims Summary Report) from the fiscal intermediary (Xerox). The cost is \$400.
- The payment data can be ordered through Xerox by either calling 1-800-541-5555 or by emailing their request to **cdrorders@xerox.com**.
- E-mail **clinics@dhcs.ca.gov** with questions related to filling out the forms

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CODE CONVERSION

- System change to comply with HIPPA.
- The current local codes (code 1, 2, 3, 4...) will change to a combination of a revenue code and HCPCS code/CPT code.
 - Example:
 - Revenue Code 521 with HCPCS Code T1015

ADDITIONAL INFORMATION

Any additional questions can be sent to
Clinics@DHCS.ca.gov