



# PP-GEMT MANAGED CARE NON-FEDERAL SHARE RECONCILIATION

## Background

Effective January 1, 2023, the Department of Health Care Services (DHCS) implemented the Public Provider Ground Emergency Medical Transport (PP-GEMT) Program. The non-federal share (NFS) of Medi-Cal expenditures for the PP-GEMT Program is supported by voluntary intergovernmental transfer (IGT) contributions. The amount voluntarily transferred by participating funding entities is based on the estimated Medi-Cal fee-for-service (FFS) and Medi-Cal managed care (MC) non-federal share of PP-GEMT payments. For further detail regarding voluntary IGT contributions, please refer to the IGT Certification form available on the PP-GEMT [website](#).

## Scope

The PP-GEMT reconciliation will only apply to funding entities who contributed to the applicable PP-GEMT rating period. To the degree necessary to fund the NFS for the PP-GEMT Program, amounts due to or owed by applicable Public Entities as a result of the reconciliation will be offset against, or added to, future transfers as applicable and as determined by DHCS. Should a provider elect to receive their offset amount in a different manner, they are able to notify [AB1705@dhcs.ca.gov](mailto:AB1705@dhcs.ca.gov).

## Timing

The PP-GEMT MC reconciliation will be conducted on a bi-annual basis for each prior rating period. DHCS will reconcile two (2) six-month service periods at a time.

## Methodology

Voluntary MC NFS collections for the applicable rating period will be reconciled against the actual NFS that was paid by DHCS to managed care plans (MCPs). Please note the following:

- Collections associated with the PP-GEMT administrative fee will also be adjusted in the reconciliation as those are assessed on NFS collection amounts. Unlike the FFS delivery system, MC does not reconcile on a provider claim basis.



Changes to the NFS identified during the reconciliation process will result in over/under adjustments included as a line-item on provider invoices. Providers no longer participating as a funding entity will be contacted as there is no invoice to adjust.

Please see an example below, which is being provided for illustrative purposes only:

|                   | <u>Service Period</u> | <u>NFS Collected</u> | <u>MCP NFS Payment</u> | <u>Difference*</u>  |
|-------------------|-----------------------|----------------------|------------------------|---------------------|
| Reconciliation #1 | Jan-23                | \$ 100,000.00        | \$ 90,000.00           | \$ 10,000.00        |
|                   | Feb-23                | \$ 100,000.00        | \$ 90,000.00           | \$ 10,000.00        |
|                   | Mar-23                | \$ 100,000.00        | \$ 90,000.00           | \$ 10,000.00        |
|                   | Apr-23                | \$ 100,000.00        | \$ 90,000.00           | \$ 10,000.00        |
|                   | May-23                | \$ 100,000.00        | \$ 90,000.00           | \$ 10,000.00        |
|                   | Jun-23                | \$ 100,000.00        | \$ 90,000.00           | \$ 10,000.00        |
|                   |                       |                      |                        | <b>\$ 60,000.00</b> |

*\*Difference displayed in the above example indicates \$60,000 is owed to providers.*

|                   | <u>Service Period</u> | <u>NFS Collected</u> | <u>MCP NFS Payment</u> | <u>Difference*</u>    |
|-------------------|-----------------------|----------------------|------------------------|-----------------------|
| Reconciliation #2 | Jul-23                | \$ 90,000.00         | \$ 100,000.00          | \$ (10,000.00)        |
|                   | Aug-23                | \$ 90,000.00         | \$ 100,000.00          | \$ (10,000.00)        |
|                   | Sep-23                | \$ 90,000.00         | \$ 100,000.00          | \$ (10,000.00)        |
|                   | Oct-23                | \$ 90,000.00         | \$ 100,000.00          | \$ (10,000.00)        |
|                   | Nov-23                | \$ 90,000.00         | \$ 100,000.00          | \$ (10,000.00)        |
|                   | Dec-23                | \$ 90,000.00         | \$ 100,000.00          | \$ (10,000.00)        |
|                   |                       |                      |                        | <b>\$ (60,000.00)</b> |

*\*Difference displayed in the above example indicates \$60,000 is owed to DHCS.*

In the MC delivery system, capitation rates may be amended. To the extent that a rate amendment results in a retroactive adjustment to MCP PP-GEMT payments, further adjustments to that service period’s reconciliation may be made.