Medi-Cal Update

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Print Medi-Cal Update 

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1. March 2012 Medi-Cal Provider Seminar

Throughout the year, the Department of Health Care Services (DHCS) and the new Fiscal Intermediary for Medi-Cal, Affiliated Computer Services (ACS), will conduct Medi-Cal training seminars. These seminars, which target both novice and experienced providers and billing staff, will cover the following topics:

- Changes to Medi-Cal billing
- Basic and advanced billing issues
- Provider-specific billing questions
- Specialty programs such as California Children's Services (CCS)

The next seminar is scheduled for March 13, 2012, through March 14, 2012, at the Almansor Court Conference Center in Alhambra, California. Providers can access a class schedule and RSVP for the seminars by visiting the Training page of the Medi-Cal Learning Portal (MLP) and clicking the seminar dates that they would like to attend.

Providers are encouraged to bookmark the Training page and refer to it often for current seminar information.

Providers may also schedule a custom billing workshop by contacting their Regional Representative in one of the following ways:

- Call Medi-Cal at 1-800-541-5555 and request to be contacted by a representative.
- Use the Lookup Regional Representative tool on the MLP.

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2. Updated Skilled Nursing Facility Reimbursement Rates

Effective retroactively for dates of service on or after August 1, 2011, final facility reimbursement rates for Free-Standing Nursing Facilities Level B (FS/NF-B) and Free-Standing Subacute Nursing Facilities Level B (FSSA/NF-B) have been established.

Claims paid at the prior interim rate for services on or after August 1, 2011 will be reprocessed for retroactive rate adjustments. The final facility rates are posted on the Long Term Care Reimbursement AB1629 page of the Department of Health Care Services (DHCS) website. Providers must use the new rates to bill for services on or after August 1, 2011. Assembly Bill (AB) 97 (Chapter 3, Statutes of 2011) implemented a 10 percent payment reduction for Long Term Care (LTC) facilities effective retroactively for dates of service on or after June 1, 2011. As a result, facilities will experience a decrease that will require recoupments by DHCS. Overpayments will automatically be collected. DHCS will evaluate provider claims and payments to determine

which providers must repay the State and by how much. DHCS will work with provider associations to alert all impacted providers. DHCS recognizes that recoupment and reduced payments will negatively impact a provider's cash flow. To help mitigate the damage, recoupment is over an extended period of time. As information becomes available pertaining to the timeframes for the updating of the 2011-2012 rates and the reprocessing of claims, it will be posted on the Long Term Care Reimbursement AB 1629 webpage.

Providers may bypass the retroactive recoupment process if they are able to provide a lump sum payment for the amount of money owed. Providers with questions regarding the automated Erroneous Payment Correction (EPC) process may contact the Medi-Cal Telephone Service Center (TSC) at 1-800-541-5555.

ABX1 19 (Chapter 4, Statutes of 2011) amends *Welfare and Institutions Code,* Section 14126.033(c)(4)(A), revising reimbursement rates effective August 1, 2011. ABX1 19 also terminates the 10 percent reduction on August 1, 2012, and provides a supplemental payment in the 2012–2013 rate year that is equivalent to the 10 percent reduction applied from June 1, 2011 to July 31, 2012.

The following provides information on how these changes will be implemented for the August 1, 2011 reimbursement rates.

Audit Data for 2009 Fiscal Period End Dates

The facility audit reports with 2009 fiscal period end dates will not be used to compute the August 1, 2011 facility rates.

Audit Appeals for 2008 Fiscal Period End Dates

An appeal that results in a revised audit with a 2008 fiscal period end date may result in a revised rate effective August 1, 2010. That revised August 1, 2010 rate will be applied for the appropriate rate year, and will be the basis for the August 1, 2011 rate.

Change of Ownership

Changes of ownership or changes of the licensed operator do not qualify for increases in reimbursement rates (LTC Bulletin 387, May 2009) associated with the change of ownership or of licensed operator.

If the previous operator participated in the Medi-Cal program, and an August 1, 2010 rate was computed, that rate will be the basis for the August 1, 2011 rate.

If the prior owner did not participate in the Medi-Cal program, the peer group rate effective August 1, 2011 will be applied. If the new FS/NF-B has submitted six months or more of audited cost data, a facility-specific rate will be computed. If the new FSSA/NF-B has submitted 12 months or more of audited cost data, a facility-specific rate will be computed.

Peer Groups

These seven geographic rates apply only to facilities that are newly certified or facilities that previously were decertified from Medi-Cal for six months or longer and are returning to the program.

Benchmarks

This refers to limits or caps placed on individual cost components (i.e. labor costs limited to the 90th percentile constitute the computed benchmark) that comprise the final facility rate. There are no updates to individual cost components. No change to the benchmarks will be made.

Fair Rental Value System

There are no updates to individual cost components. No change to the Fair Rental Value System (FRVS) rate will be made. However, each facility's age will be adjusted based on the current age of the facility, which includes any adjustment from approved Fiscal Year End 2009 capital costs.

Mandates

For the 2011–2012 rate year the State mandated Quality Assurance Fee (QAF) will be $14.33 for facilities with less than 100,000 days, and $13.43 for facilities with 100,000 days or greater.

For the 2011–2012 rate year, facilities are required to complete the Minimum Data Set 3.0. An additional $1.24 will be included in each facility's rate to cover costs associated with this new data.

California Code of Regulations, Title 8, Section 5199, created a mandate for LTC providers to protect employees against aerosol transmissible diseases. For the 2011–2012 rate year, facilities will be authorized an additional $.86 to cover costs associated with staff vaccinations.

Statewide Weighted Average

Out-of-state border providers will be reimbursed at the statewide weighted average of $177.65.

Bedhold Reduction

The leave of Absence/Bedhold reduction is $6.28.