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Revision to Capitation Rates for January 1, 2021 through December 31, 2021 from the original certification dated January 28, 2021 and revision letter dated December 1, 2021

Subject: Revised Two-Plan, Geographic Managed Care (GMC), Regional and County Organized Health Systems (COHS, including whole child model [WCM]) Models capitation rate development and certification for the rating period of January 1, 2021 through December 31, 2021 (CY 2021)

Dear Mr. Davtian:

The California Department of Health Care Services (DHCS) contracted with Mercer Government Human Services Consulting (Mercer) to develop actuarially sound capitation rates for use during the calendar year (CY 2021) rating period. The original capitation rates were developed by Mercer and certified in a report dated January 28, 2021. Please see the attached document detailing the original capitation rate development process (*CA CY 2021 (01 01 2021 - 12 31 2021) Rate Cert Report 2021 01 28.pdf*). Subsequent to the submission of that report, a revision to the CY 2021 capitation rates was needed due to the delayed carve-out of the pharmacy benefit from managed care, updates to risk adjustment cost weights to reflect the inclusion of pharmacy services, extension of the 10% fee increase for long-term care (LTC) facilities, and updates to the pharmacy Maximum Allowable Cost (MAC) adjustment for Community Health Group in San Diego County. Please see the attached document detailing these updates only (*CA CY 2021 (01 01 2021 - 12 31 2021) Rate Revised Cert Report 2021 12.pdf*).

This revision to the capitation rates is necessary to separate capitation rates applicable for beneficiaries with satisfactory immigration status (referred to as the SIS population) and beneficiaries with unsatisfactory immigration status (referred to as the UIS population). Further, for the UIS population, it is necessary to split the capitation payment rates into the rates applicable for services eligible for federal match (namely, pregnancy-related and emergency services) and into rates applicable for services not eligible for federal match (non-pregnancy-related and non-emergency services).

For the capitation rates inclusive of federally eligible services for the UIS population and total capitation rates for the SIS population, this revision describes the updates that were made and provides the certification of actuarial soundness required by 42 CFR §438.4. For the capitation rates inclusive of state only services for the UIS population, this revision describes the updates that were made and provides

the certification of actuarial soundness to satisfy California Welfare and Institutions Code, Section 14301.1, and other provisions in California State law as applicable. All capitation rates referenced within this certification revision will be included within the same managed care contracts.

This revision was developed to provide the requisite rate documentation to DHCS and to support the Centers for Medicare & Medicaid Services (CMS) rate review process, in addition to providing DHCS requisite rate documentation to satisfy State law.

Overview

The revised capitation rates for the DHCS Two-Plan, GMC, Regional and COHS (including WCM) models managed care programs, as well as the Coordinated Care Initiative Medi-Cal Only and partial dual-eligible beneficiaries, were developed in accordance with rate-setting guidelines established by CMS and include the changes described in this revision letter. Highlights of the changes are described for the various rate components in the remainder of this revision letter.

All Rate-setting Elements Other than the Breakdown of the Original Certified Rates into UIS and SIS Components

There have been no changes made to any rate-setting component aside from the aforementioned separation of the certified rates into applicable UIS and SIS components. As a result, all plan-specific rates, county average rates, and applicable PMPM add-on rate components (and the development of those components) remain unchanged from documentation provided previously. For more detail related to these unchanged elements of the certification, please refer to the original certification report, revision letter, and their corresponding supporting documents. The capitation rates that were provided in those previous reports serve as the starting point of the update for the UIS and SIS capitation rate updates.

Within this document, the term original capitation rates will be referenced. The original capitation rates being referenced refer to the final capitation rates prior to the separation of the capitation rates for the UIS and SIS populations. These rates were certified within the original certification dated January 28, 2021 and revision letter dated December 1, 2021.

Please note that consistent with the original certification and amendment, the original capitation rates for Partnership Health Plan of California (PHC) used to separate into capitation rates for the UIS and SIS populations is the combined rate across both rating regions in which PHC operates. This combined rate represents a membership-weighted average of the rates within each region developed for PHC based on prospective membership projections. As such, whenever a capitation rate is referenced for PHC, it will be the combined rate across all regions.

Revision — Separation of Capitation Rates into Federally Eligible UIS and SIS Components

General Process Overview

Within the original capitation rates, distinct rate increments by category of aid (COA) group (and supplemental payment grouping) were provided in the exhibits showing the calculation of the final capitation rates. The distinct rate increments provided previously are detailed below. The rate increments shown below served as the starting point for the rate update calculations.

- Blended Rates — Blended rates refer to the blended plan-specific rates and risk-adjusted county average capitation rates. As noted in the original certification document, plan-specific rates receive 25% credibility while the risk-adjusted county average rates receive 75% credibility in the blended rates calculation. Within the prior Excel file provided containing the capitation rates (*FINAL CY 2021 Medi-Cal Detail CRCS Package LB Rate Smry 2021 12.xlsx*), these are the capitation rates found within the [Sum - Blended Rate] tab. Note that supplemental payment groupings are also considered when referring to “blended rates” within this certification revision.

The remaining rate increments can be found within the same Excel file noted above, but within the [Sum-Add-On Details] tab within that file.

- Managed Care Organization (MCO) Tax
- Proposition 56 (Prop 56) Physician Directed Payments
- Prop 56 Trauma Screenings
- Prop 56 Developmental Screenings
- Prop 56 Family Planning
- Prop 56 Value-Based Payment (VBP)
- Pass Through Hospital Quality Assurance Fee (HQAF)
- Pharmacy (Rx) Add-On
- COVID-19 Testing and Treatment Add-On
- Pass Through Benioff Children’s Hospital Oakland (BCHO)
- Pass Through Martin Luther King Community Hospital (MLK)
- Kaiser Specialty Mental Health PMPM Add-On in Sacramento County

For each rate increment by COA group, the following metrics were developed to separate capitation rates for the UIS and SIS populations, and further break the UIS population rates into federal and

state-only components. Additionally, a description of how each metric was used to derive the separate capitation rates is described as well.

- UIS acuity factor compared to the total population
  - This factor represents the expected PMPM cost relativity of the UIS population compared to the total population (UIS and SIS combined). This factor was calculated separately for each increment, MCO, and COA group or supplemental payment grouping. To derive the total capitation rates across federally eligible and state only services for the UIS population, the original capitation rates by increment were used as the starting point, and multiplied by the UIS acuity factor. This created the total capitation rate for the UIS population, and was done separately for each increment, MCO, and COA group or supplemental payment grouping.
  - To derive the updated capitation rates for the SIS population, actual CY 2021 member months (or supplemental payment counts) and the original capitation rates (UIS and SIS combined) were used as the starting point, and the actual UIS member months and UIS total capitation rates were backed out of the original capitation rates. Actual member months were used in this calculation to maintain budget neutrality in total revenue paid to the MCOs. The intent of this rate update is that total revenue that has already been paid to the MCOs remains unchanged, even though capitation rates are now split by UIS and SIS members.
- Percentage of dollars for UIS members for pregnancy-related and emergency services
  - As noted previously, only pregnancy-related and emergency services are understood to be eligible for federal match for the UIS population. As a result, it was necessary to estimate the percentage of PMPM spend for services that are pregnancy-related or emergency specific to the UIS population. Metrics were calculated to estimate the percentage of the capitation rates that are for pregnancy-related and emergency services, separately. This process was done for each increment, MCO, and COA group or supplemental payment grouping. To derive the federally eligible UIS capitation rates, the percentage of PMPM spend assumed to be federally eligible were multiplied by the total UIS capitation rates. The remaining services not eligible for federal match will be funded in full by the State.
  - Pregnancy-related percentages and emergency percentages were calculated separately, and summed together, in the process to develop the federal portion of the UIS capitation rates. This was necessary since pregnancy-related services are eligible at a Federal Medical Assistance Percentage (FMAP) of 65%, while emergency services are subject to 90% FMAP for beneficiaries with an ACA Expansion aid code and 50% for all other beneficiaries.

Please see the attached Excel files titled *Final CY 2021 Medi-Cal UIS & SIS Rate Summary 2023.04.xlsx* and *Final CY 2021 CCI Medi-Cal Only & Partial Dual UIS & SIS Rate Summary 2023.04.xlsx* for all of the details on these calculations. Further, see the excerpt below which details the general calculation that is routinely repeated in these latest Excel documents. As previously described, population counts (or supplemental payment counts) ({A}, {B} and {C} below) are part of this rate development as well as the original blended rates {D} (or add-on amounts), the recently developed UIS acuity factors {E}, and the pregnancy-related and emergency services percentages {G} and {H}. The final

calculated rates {I}, {J}, and {K} are derived values based on these other inputs as depicted in the graphic below.

{A}	{B}	{C}	{D}	{E}	{F}	{G}	{H}	{I}	{J}	{K}
Total Mem. Months*	SIS Mem. Months*	UIS Mem. Months*	BLENDED RATES (25% Plan specific & 75% Risk Adjusted)	UIS Acuity Factor	TOTAL UIS RATES [{D} * {E}]	Prenatal Service Percentage	Emergency Service Percentage	UIS FEDERAL RATES [{F} * ({G} + {H})]	UIS STATE-ONLY RATES [{F} - {I}]	SIS RATES [({D} * {A} - {F} * {C}) / {B}]

Acuity Factor and Federal Percentage Development

Within this section of this certification revision, the data, assumptions, and methodology used to derive both the UIS acuity factors and percentage of services that are pregnancy-related and emergency are described for each increment. The general process noted above was used for all rate increments, but each increment had different analyses to derive the necessary metrics.

In the development of the UIS acuity factors and federal percentages, DHCS supplied a list of beneficiaries with unsatisfactory immigration status for all applicable time periods. Member month counts from CY 2018 were used to align with the base data period for CY 2021 capitation rates, while CY 2019 counts were also used in the analysis for the behavioral health treatment (BHT) supplemental payment, since CY 2018 and CY 2019 was used in the development of this rate component. Further, UIS member information from the January 1, 2020 – June 30, 2020 period were used in the analysis for the Hepatitis C supplemental payment, consistent with the base data used to develop this component. All analyses described in this section relied on this identification of UIS members.

Blended Rates

Within this subsection, the data, assumptions, and methodology used to derive the UIS factors and federal percentages are described for COA group-based rates as well as supplemental payment groupings. Note that for the supplemental payment groupings, none of the other increments are applicable to these rates. As a result, supplemental payment groupings are only described in this subsection.

Acuity Factor Development

In the development of the UIS acuity factors for the COA-based capitation rates, enrollment and MCO-submitted encounter data from CY 2018 (the base data year) was reviewed. At the MCO, COA, and category of service (COS) level, CY 2018 member months and costs from the encounter data were grouped separately for the UIS population and for the population in total. These were the only available data sources to review UIS PMPM spend versus the total populations' PMPM spend. This analysis created PMPM values by MCO, COA, and COS for the UIS population compared to the total population. Note however that pharmacy services were not included in this analysis; these services follow their own acuity factor development process described later in this document since pharmacy costs in CY 2021

are developed and documented as a rate add-on. As such, whenever COS are referred to generally or in total within this section regarding Blended Rates, pharmacy services are not included.

To derive the UIS acuity factors, a credibility adjustment and smoothing process was performed. Credibility adjustments were needed because in many instances, the UIS population for a certain MCO, COA, and COS was small. The first step in this process was to run each PMPM through smoothing ranges for the total population by MCO, COA, and COS. The starting point for the ranges was the same as the smoothing ranges developed for the broader capitation rates, as described in the original certification (statewide ranges were used that varied by COA and COS). If the PMPM value for the total population passed the smoothing ranges, all data for that MCO, COA, and COS were deemed credible (both the total population data and the data specific to the UIS population). By COA and COS, all credible MCO PMPM values that passed the smoothing ranges were aggregated to create statewide average PMPMs for the UIS and total populations, separately.

As a result of this process, two different UIS acuity factors were calculated for each MCO, COA, and COS; one calculated as the MCO-specific UIS PMPM divided by the MCO-specific total population PMPM, and the other calculated as the statewide average UIS PMPM divided by the statewide average total population PMPM. Using these two UIS acuity factors for each MCO and COA, a credibility percentage was assigned to the MCO-specific UIS acuity factor, dependent on the data point passing the smoothing ranges and the size of the plan/COA combination. If the MCO/COA's UIS population size was at least 25,000 member months for CY 2018, the MCO and COA combination was given full credibility. If the MCO and COA's UIS population size was less than 25,000 member months in CY 2018, the MCO was given a credibility factor calculated as the square root of the MCO's CY 2018 member months divided by 25,000. Further, all MCO-specific credibility factors were dampened by a 0.75 factor, so that the maximum credibility given to any one MCO/COA's UIS acuity factor was 75%. All remaining credibility was given to the statewide average UIS acuity factor by MCO, COA, and COS. If a given MCO's data did not pass the smoothing ranges, 100% credibility was given to the statewide average acuity factor. This credibility adjustment process created the UIS acuity factors applicable for each MCO, COA, and COS combination.

Next, specific to the Adult and ACA Expansion populations only, a further adjustment was made to each acuity factor at the MCO, COA and COS level. Effective January 1, 2020, the State expanded managed care coverage to beneficiaries aged 19-25, regardless of their immigration status. This expansion of managed care enrollment mainly affected the Adult and ACA Expansion COA groups and is specific to the UIS population. Within the original capitation rates developed for the total population (UIS and SIS combined), no explicit rate adjustment was made for this policy change, due to an anticipation that the incoming population would not cost materially different from the total population and due to its relatively small size compared to the total population. However, when this population expansion is reviewed specific to the UIS population, the materiality of this expansion is larger at this level. To account for this incoming population, each acuity factor at the MCO, COA (Adult and ACA Expansion only) and COS level was adjusted by assuming the incoming 19-25 population came in at a 1.0 acuity factor relative to the total population, which is consistent with the fact that no explicit rate adjustment was originally made for this population. This adjustment had the effect of dampening the acuity factors based on the CY 2018 data alone to a value closer to 1.0.

The final step to calculate the UIS acuity factor applied to the original capitation rates was to aggregate the UIS acuity factors across all COS lines by MCO and COA. To do this, the MCO/COA/COS-specific UIS acuity factors developed from the process described above were applied to a credibility adjusted total population PMPM by MCO, COA, and COS. The aggregate UIS acuity factor was then calculated as the aggregate (all COS except for Rx) UIS PMPM derived from this process divided by the aggregate (all COS except for Rx) total population PMPM. The UIS acuity factors are displayed at the MCO and COA level and can be found in the Excel exhibits in the files titled *Final CY 2021 Medi-Cal UIS & SIS Rate Summary 2023.04.xlsx* and *Final CY 2021 CCI Medi-Cal Only & Partial Dual UIS & SIS Rate Summary 2023.04.xlsx*. Please note that consistent with the analysis method noted above, these acuity factors do not include pharmacy services, as these services addressed as a rate add-on described later in this document.

For the supplemental payment groupings, different analyses were performed depending on the supplemental payment. These analyses are described below.

- Home- and Community-Based Services High
  - UIS acuity factors were developed for the home- and community-based services (HCBS) High supplemental payment rates. As noted in the original certification letter, MCOs receive the HCBS High supplemental payment if a beneficiary utilizes community-based adult services (CBAS) or Multipurpose Senior Services Program (MSSP) services in a given month or utilizes an In-Home Supportive Services (IHSS) service and is classified as “severely impaired”. To derive the UIS acuity factors, a roster of members who received the HCBS High supplemental payment in CY 2018 was used in conjunction with encounter data for CBAS services (as CBAS represents approximately 90% or more of the services covered within the HCBS High supplemental payment in all counties). Based on this review, the mix of CBAS utilizers was clearly higher in multiple counties for the UIS population when compared to the total population. As a result, UIS acuity factors were derived based on the CBAS encounter per utilizer per month costs for UIS members divided by the CBAS encounter per utilizer per month costs for the total population. For San Diego, Santa Clara, and San Mateo counties, this analysis showed no material difference in the supplemental payment rates for UIS versus the total population. As a result, the acuity factor is assumed to be 1.0 in these counties.
- Maternity
  - For the maternity supplemental payment, the UIS acuity factor is assumed to be 1.0. As such, the maternity supplemental payment rates already developed for the total population are the same for both the UIS and SIS populations. One of the largest components of potential maternity supplemental payment rate differences is the mix of vaginal and C-section deliveries. The 1.0 acuity factor assumption was based on a review of the vaginal and C-section mix differences between the UIS, SIS, and total populations. Within this review of CY 2018 encounter data specific to the delivery events, it was observed that the mix of C-section delivery events was relatively similar for the UIS, SIS, and total populations. Further, in some counties with a smaller UIS population, it is expected that the C-section delivery mix to be volatile over time and not credible to use in the development of a separate maternity supplemental payment. As a result of this analysis, no adjustments were made to the maternity supplemental payment rates.

- Behavioral Health Treatment
  - For the BHT supplemental payment rates, the UIS acuity factor is assumed to be 1.0. This was based on analysis where BHT supplemental payment counts were reviewed for the UIS population and also the total population. In this analysis, it was noted that the number of supplemental payments paid for UIS members was extremely small. In CY 2021, only 2,663 BHT supplemental payments were made for UIS members statewide. This represents 0.7% of total payments in CY 2021. As a result of this extremely small number of BHT utilizers within the UIS population, there is not enough credibility in the UIS population to calculate a rate specific to UIS members. Therefore, no supplemental payment rate differences are assumed for the UIS population versus the SIS population.
- Hepatitis C
  - For the Hepatitis C supplemental payment, the UIS acuity factor is assumed to be 1.0. To justify this assumption, encounter data specific to Hepatitis C drug therapy mix into June 2020 was reviewed, and no significant differences were found in this review between the UIS and total populations. As a result, the Hepatitis C supplemental payment rate is the same for both UIS and SIS members.

Federal Percentage Development

It should be noted that there was an update to the data logic to identify services eligible for federal match when compared to the logic used for the Bridge Period update. Namely, the logic utilized to identify dialysis and emergency medical transportation services was revised. Upon further review of the coding logic, it was noted that many codes used to identify dialysis were not included in the prior logic, while the logic to identify emergency medical transportation services was too broad (contained codes that were not necessarily indicative that the transportation service was indeed emergency). The updates to the logic can be found in Appendix A.

The table below shows the year over year change in the upper bound federal UIS rates from the Bridge Period to CY 2021 (statewide rates weighted on CY 2021 UIS member months). The increases seen in the Adult, ACA Expansion, SPD, and SPD/Full-Dual COA groups are mainly driven by this logic update. The updated data analysis has shown that there is a significant amount of dialysis services being provided to the UIS population when compared to the SIS population, and is a large driver for the reason UIS members tend to cost significantly more than SIS members.

COA Group	Bridge Period	CY 2021	% Change
Child	$ 46.91	$ 46.49	-0.9%
Adult	$ 225.34	$ 241.14	7.0%
ACA Optional Expansion	$ 271.88	$ 327.77	20.6%
SPD	$ 471.96	$ 653.49	38.5%
SPD/Full-Dual	$ 157.30	$ 170.65	8.5%
LTC	$ 1,799.03	$ 1,884.11	4.7%
LTC/Full-Dual	$ 58.39	$ 51.12	-12.5%
OBRA	$ 317.81	$ 227.02	-28.6%
All COA	**$ 215.91**	**$ 253.77**	**17.5%**

In the development of the percentage of the COA-based UIS capitation rates that are for federally eligible services, CY 2018 encounter data for the UIS population was utilized by analyzing both pregnancy-related and emergency services PMPM spend as a percentage of total UIS PMPM spend. As noted previously, the percentage of UIS dollars for pregnancy-related services and the percentage of UIS dollars for emergency services were analyzed and developed separately. Within the coding logic, various flags in the data were derived and services were flagged as either pregnancy-related or emergency using a hierarchy logic so that each encounter only flagged once as either pregnancy-related or emergency. No encounters were flagged twice in the event that a service could be flagged as both pregnancy-related and emergency related. For the coding logic used to derive the federal percentages (both emergency and pregnancy-related services), please see Appendix A. As noted in the acuity factor development section, this analysis excludes Rx services.

In terms of the hierarchy used for the federal percentages, the first service flagged in the hierarchy was labor and delivery services, and these services were identified as emergency related services. Then, pregnancy-related services were identified next in the hierarchy and the remaining emergency services were last in the hierarchy. Using this hierarchy logic, pregnancy-related and emergency services were grouped and separated in the analysis, in order to derive the applicable pregnancy-related and emergency percentages.

The result of this was PMPM amounts by MCO, COA, and COS for the UIS population for pregnancy-related and emergency services, as a percentage of the total UIS PMPMs, separately. In the development of the percentages utilized for the federal capitation rate development, smoothing ranges were developed at the COA and COS level separately for pregnancy-related and emergency services. The smoothing ranges were developed based on a review of each MCO's data points for the same COA and COS combination. In the smoothing process, if a plan-specific percentage fell within the smoothing range, this value was accepted and used in the calculation of a statewide average percentage of total UIS dollars. This was done separately for pregnancy-related and emergency percentages. The result of this was a statewide average percentage of total UIS PMPM spend that is for pregnancy-related and emergency services, by COA and COS.

To develop the MCO/COA/COS-specific pregnancy-related and emergency percentages, the statewide pregnancy-related and emergency percentages (by COA and COS) were applied to a credibility adjusted UIS PMPM by MCO, COA, and COS. The aggregate pregnancy-related and emergency percentages

were then calculated as the aggregate (all COS except Rx) UIS pregnancy-related PMPM and emergency PMPM (separately) derived from this process divided by the aggregate (all COS except Rx) total UIS PMPM. The UIS pregnancy-related and emergency percentages are displayed at the MCO and COA level and can be found in the Excel exhibits in the files titled *Final CY 2021 Medi-Cal UIS & SIS Rate Summary 2023.04.xlsx* and *Final CY 2021 CCI Medi-Cal Only & Partial Dual UIS & SIS Rate Summary 2023.04.xlsx*. Consistent with the acuity factor development, these pregnancy-related and emergency percentages exclude Rx services, as these are paid via rate add-on described later in this document.

For the supplemental payment groupings, the assumed federal percentages are as follows:

- HCBS High — Since only CBAS and MSSP services are covered within this supplemental payment, none of the costs associated with this supplemental payment were assumed to be federally eligible. This is because these services are inherently not emergency-related and any of these services provided to pregnant women are immaterial.
- Maternity — Since the maternity supplemental payment covers the costs of the delivery event only, 100% of the costs associated with the supplemental payment were assumed to be federally eligible. This is consistent with labor and delivery services being 100% federally claimable.
- BHT — Since the BHT supplemental payment reimburses plans for members utilizing BHT services, which are generally applied behavioral analysis services, none of these costs were considered federally eligible, as they are inherently not emergency services and any of these services provided to pregnant women are immaterial.
- Hepatitis C — It is assumed that Hepatitis C drug therapy treatments are not emergency services and any drug therapies provided to pregnant women are immaterial. As a result, none of the costs associated with this supplemental payment were considered to be federally eligible.

MCO Tax

Acuity Factor Development

Since the MCO Tax is a member “head” tax, there is no acuity associated with this rate component. As a result, the acuity factor for the MCO tax is assumed to be 1.0. The MCO Tax rate for UIS members is the same as SIS members as a result.

Federal Percentage Development

The MCO Tax is assumed to be 100% federally eligible, since there are federally eligible capitation rates specific for the UIS beneficiaries. To derive the pregnancy-related and emergency percentages, the statewide percentage of pregnancy-related and emergency services across all MCOs, COA groups, and supplemental payment groupings was calculated for the UIS population separately. These percentages were applied to the MCO-specific MCO Tax PMPMs to derive the federal pregnancy-related and emergency MCO Tax PMPMs applicable for each MCO. The sum of these two PMPMs is the total federal PMPM amount and is the same as the total MCO Tax PMPM amount for the UIS beneficiaries.

Prop 56 Physician, Trauma Screening, Developmental Screening, and Family Planning

The development of the UIS acuity factors and federal percentages was very similar for the Prop 56 Physician, Trauma Screening, Development Screening, and Family Planning directed payments. The details of this development are described below.

Acuity Factor Development

To derive the UIS acuity factors for the Prop 56 directed payments described in this subsection, CY 2018 encounter data was reviewed specific to the applicable codes subject to enhanced payments, separately for each directed payment described in this subsection. PMPM amounts for each directed payment were developed from the encounter data by applying the enhanced payments by code (which can be found in the original certification) to the utilization of the codes inherent within the encounter data. PMPM amounts were developed by MCO and COA group for both the UIS population and total population in this fashion. The UIS PMPMs were then divided by the total population PMPMs to derive the UIS acuity factors by MCO and COA group.

For both the Prop 56 Physician and Family Planning directed payments, the final UIS acuity factors applied to the original Prop 56 PMPMs were those developed at the statewide level, separate for each COA group. For these two directed payments, material differences in PMPMs for the UIS population versus the total population were noted, which drove the UIS acuity factors shown within the exhibits. Statewide averages by COA group were used to smooth variations seen in the data, which was specific to the Prop 56 codes.

For the Trauma and Developmental Screening directed payments, no discernable differences between UIS PMPMs and the total PMPMs were observed. As a result, the UIS acuity factor for both of these directed payments are 1.0 for all COA groups.

Federal Percentage Development

In the development of the federal percentages for these Prop 56 directed payments, none of the utilization was considered emergency related, since the codes applicable for enhanced payments are not emergency related codes. However, each directed payment was analyzed for the potential to be federally claimable as pregnancy-related services, in the event that an applicable code was billed for a service provided to a pregnant woman. To evaluate the percentage of these PMPMs that are pregnancy-related, delivery events were identified using encounter data as well as a supplemental payment record file provided by DHCS, indicating members who received a maternity supplemental payment in CY 2018 and into CY 2019. Then, any service provided to these beneficiaries within 238 days (34 weeks) before the delivery event were flagged as pregnancy-related services. Only claims from CY 2018 were used in this process (deliveries into CY 2019 were necessary to include to get a more complete list of services in CY 2018 where a member was pregnant; for example, a member who gives birth in March 2019 would be pregnant within CY 2018). This process was consistent with logic described in Appendix A for pregnancy-related services.

In doing this analysis, it was found that pregnancy-related services made up an immaterial amount of total services for all of Prop 56 directed payments in this subsection, with the exception of the physician directed payments. As a result, none of the associated costs for UIS members were assumed to be

federally eligible, with the exception of the physician directed payment. For the physician directed payment, a statewide percentage of pregnancy-related services PMPM as a percentage of the total Prop 56 Physician PMPM for UIS members was derived (separate by COA group). The percentages utilized can be found within the Excel files titled *Final CY 2021 Medi-Cal UIS & SIS Rate Summary 2023.04.xlsx* and *Final CY 2021 CCI Medi-Cal Only & Partial Dual UIS & SIS Rate Summary 2023.04.xlsx*.

Prop 56 VBP

The development of the UIS acuity factors and federal percentages for the Prop 56 VBP add-on had a specific approach due to the nature of the directed payment. The details of this development are described below.

Acuity Factor Development

To derive the UIS acuity factors for the Prop 56 VBP directed payment, a subset of only UIS members was utilized within the prior modeling of the add-on PMPMs. The UIS PMPM amounts produced were reviewed statewide and by COA, relative to the prior amounts. The UIS PMPMs were then divided by the total population PMPMs to derive the UIS acuity factors by COA group.

Federal Percentage Development

The development of the federal percentages for the VBP add-on leveraged the fact that two of the 17 metrics for the VBP directed payment align with pregnancy-related services. UIS VBP add-on amounts were calculated using only the pregnancy-related metrics. These pregnancy-related add-on amounts relative to the original add-on amounts produce the appropriate federal percentage associated with the UIS add-ons (by COA group). The percentages utilized can be found within the Excel files titled *Final CY 2021 Medi-Cal UIS & SIS Rate Summary 2023.04.xlsx* and *Final CY 2021 CCI Medi-Cal Only & Partial Dual UIS & SIS Rate Summary 2023.04.xlsx*.

Pharmacy Add-On

Acuity Factor Development

As noted in the development of the UIS acuity factors for the blended rates, acuity factors were developed by MCO, COA, and COS using a credibility adjustment process where MCO-specific UIS factors were credibility weighted with the statewide average UIS factors. These were then applied to a credibility adjusted total population PMPM by MCO, COA, and COS. Then the aggregate UIS acuity factor applied to the rates was calculated as the aggregate (all COS except Rx) UIS PMPM derived from this process divided by the aggregate (all COS except Rx) total population PMPM. This same process was utilized for the pharmacy add-on, but limited only to pharmacy services.

The UIS acuity factors developed from the blended rates process were applied to the pharmacy add-on PMPMs for the pharmacy COS to create a UIS pharmacy add-on PMPM. This was done for all MCOs and COA groups for each of the pass-through payments listed in this subsection.

Federal Percentage Development

The process used in the calculation of the federal percentages for the blended rates was also analogous to the process used for the pharmacy add-on referenced in this subsection. To derive the pregnancy-related and emergency percentages, the statewide pregnancy-related and emergency percentages developed at the statewide level by COA for the pharmacy COS (described in the Blended Rates subsection) were applied to the UIS pharmacy add-on PMPMs by COA. The UIS pregnancy-related and emergency percentages are displayed at the MCO and COA level and can be found in the Excel exhibits in the files titled *Final CY 2021 Medi-Cal UIS & SIS Rate Summary 2023.04.xlsx* and *Final CY 2021 CCI Medi-Cal Only & Partial Dual UIS & SIS Rate Summary 2023.04.xlsx*.

COVID-19 Testing and Treatment Add-On

Acuity Factor Development

Since the COVID testing and treatment add-on has the potential to cover any service category, the acuity factor is assumed to be the same as the blended rates at the COA level which covers all non-Rx services. In later rate development periods, a similar adjustment is applied in earlier phases of rate development, and therefore included in the blended rates.

Federal Percentage Development

Consistent with the acuity factor applied to this add-on, the pregnancy-related and emergency percentages are assumed to be the same as the blended rates at the COA level.

Pass-Through HQAF, BCHO, and MLK

To develop the acuity factors for the pass-through payments, the analysis previously described in the Blended Rates subsection was leveraged for the HQAF, BCHO, and MLK add-on payments.

Acuity Factor Development

As noted in the development of the UIS acuity factors for the blended rates, acuity factors were developed by MCO, COA, and COS using a credibility adjustment process where MCO-specific UIS factors were credibility weighted with the statewide average UIS factors. These were then applied to a credibility adjusted total population PMPM by MCO, COA, and COS. Then the aggregate UIS acuity factor applied to the rates was calculated as the aggregate (all COS) UIS PMPM derived from this process divided by the aggregate (all COS) total population PMPM. This same process was utilized for the pass-through payments, but limited to services applicable for the pass-through payments.

Within the original certification and supporting exhibits, HQAF, BCHO, and MLK pass-through PMPMs are provided. Within the development of the UIS acuity factors, all three of these pass-through payments were broken down to the COS level. The HQAF PMPMs were broken down into Inpatient Hospital, Outpatient Facility, and Emergency Room COS components. The BCHO PMPMs were broken down into Inpatient Hospital, Outpatient Facility, Emergency Room, Primary Care Physician, Specialty Physician, Other Medical Professional, and Mental Health-Outpatient COS components. Finally, the MLK PMPM

only contains an Inpatient Hospital COS component. The UIS acuity factors developed from the blended rates process were applied to the pass-through payment PMPMs by COS to create a UIS pass-through PMPM by COS. The aggregate (all COS) UIS pass-through PMPM was divided by the aggregate (all COS) total population pass-through PMPM to derive the pass-through UIS acuity factor applied to the UIS rate calculation. This was done for all MCOs and COA groups for each of the pass-through payments listed in this subsection.

The only exception to this process was for the BCHO pass-through payment for the seniors and persons with disabilities (SPD) population. Since BCHO is a children's hospital, the mix of children under age 21 was reviewed for the UIS SPD population for both plans in Alameda County. From this review, it was found that 0% of the UIS SPD population was under age 21 in CY 2018. Due to this, the amount of the BCHO pass-through payment for the UIS population is expected to be very small. An acuity factor of 0.01 was used for both plans in Alameda County for the SPD population. This acuity factor recognizes the possibility of the UIS SPD population receiving services at BCHO, but that it is expected to be very small for the UIS population.

Federal Percentage Development

The process used in the calculation of the federal percentages for the blended rates was also analogous to the process used for the pass-through payments referenced in this subsection (HQAF, BCHO, and MLK). To derive the pregnancy-related and emergency percentages, the statewide pregnancy-related and emergency percentages developed at the statewide level by COA and COS (described in the Blended Rates subsection) were applied to the UIS pass-through PMPMs by COA and COS. The aggregate pregnancy-related and emergency percentages were then calculated as the aggregate (all COS) UIS pregnancy-related pass-through PMPM and emergency pass-through PMPM (separately) divided by the aggregate (all COS) total UIS pass-through PMPM. The UIS pregnancy-related and emergency percentages are displayed at the MCO and COA level and can be found in the Excel exhibits in the files titled *Final CY 2021 Medi-Cal UIS & SIS Rate Summary 2023.04.xlsx* and *Final CY 2021 CCI Medi-Cal Only & Partial Dual UIS & SIS Rate Summary 2023.04.xlsx*.

Specific to pass-through payments, please see the table below that shows the total amount of pass-through payments within the CY 2021 time period, based on the revised UIS and SIS capitation rates and actual CY 2021 member months. Note also that pass-through payment amounts included in the capitation rates for AIDS Health Foundation are also included in the figures, even though this program is not a part of this certification. This table is being shown to demonstrate compliance with 42 CFR 438.6(d).

	CY 2021 Pass Through Payments			
	HQAF	BCHO	MLK	Total
UIS Federal	$ 136,326,509	$ 495,011	$ 1,458,480	$ 138,280,000
UIS State-Only	$ 40,584,095	$ 349,417	$ 300,222	$ 41,233,734
SIS	$ 1,649,762,927	$ 20,861,357	$ 24,169,433	$ 1,694,793,717
Total	**$ 1,826,673,532**	**$ 21,705,784**	**$ 25,928,136**	**$ 1,874,307,452**

Kaiser Specialty Mental Health

Acuity Factor Development

To develop the UIS acuity factor for the Kaiser specialty mental health add-on PMPM in Sacramento County, disease prevalence statistics for UIS members versus the total population were reviewed. The disease prevalence statistics reviewed were the Psychiatric category conditions within the Chronic Illness and Disability Payment System and Pharmacy risk-adjustment model. The base data period used in the risk-adjustment process was February 2019 through January 2020 with an enrollment snapshot of June 2020. Members were flagged into the Psychiatric categories based on these parameters, and members who were flagged as UIS at any point in CY 2017 or CY 2018 were reviewed as the UIS beneficiaries in this process.

In particular, the Psychiatric, High category was reviewed in detail. The Psychiatric, High category is mostly made up of members diagnosed with schizophrenia disorder, and are members more likely to be accessing specialty mental health services. By reviewing the prevalence in this condition of the UIS population versus the total population, it was determined that no material difference in prevalence within this condition existed between both populations. Further, the population size for the UIS population is small and no fully credible conclusions could be drawn. As a result, the UIS acuity factor for the Kaiser specialty mental health add-on in Sacramento County was set to 1.0 in all instances.

Federal Percentage Development

All costs associated with the Kaiser Specialty Mental Health PMPM add-on are assumed to be state only. Therefore, there is no federal PMPM for the Kaiser Specialty Mental Health PMPM add-on.

Certification and Final Rates

This certification assumes items in the Medicaid State Plan or Waiver, as well as the MCO contract, have been approved by CMS.

In preparing the capitation rates described, Mercer has used and relied upon enrollment, eligibility, claim, reimbursement level, benefit design, and financial data and information supplied by DHCS, its MCOs, and its vendors. DHCS, its MCOs and its vendors are solely responsible for the validity and completeness of this supplied data and information. Mercer has reviewed the summarized data and information for internal consistency and reasonableness, but we did not audit it. In Mercer's opinion, it is appropriate for the intended rate-setting purposes. However, if the data and information are incomplete or inaccurate, the values shown in this report and associated exhibits may differ significantly from values that would be obtained with accurate and complete information; this may require a later revision to this report.

Because modeling all aspects of a situation or scenario is not possible or practical, Mercer may use summary information, estimates, or simplifications of calculations to facilitate the modeling of future events in an efficient and cost-effective manner. Mercer may also exclude factors or data that are immaterial in our judgment. Use of such simplifying techniques does not, in our judgment, affect the

reasonableness, appropriateness, or attainability of the results for the Medicaid program. Actuarial assumptions may also be changed from one certification period to the next because of changes in mandated requirements, program experience, changes in expectations about the future, and other factors. A change in assumptions is not an indication that prior assumptions were unreasonable, inappropriate, or unattainable when they were made.

Mercer certifies that the Two-Plan, GMC, Regional and COHS (including WCM) models' capitation rates for CY 2021, January 1, 2021 through December 31, 2021, were developed in accordance with generally accepted actuarial practices and principles, and are appropriate for the Medi-Cal covered populations and services under the managed care contract. Capitation rates are "actuarially sound" if, for the business for which the certification is being prepared and for the period covered by the certification, projected capitation rates and other revenue sources provide for all reasonable, appropriate and attainable costs. For purposes of this definition, other revenue sources include, but are not limited to, expected reinsurance and governmental stop-loss cash flows, governmental risk adjustment cash flows and investment income. For purposes of this definition, costs include, but are not limited to, expected health benefits, health benefit settlement expenses, administrative expenses, the cost of capital, and government-mandated assessments, fees and taxes. The undersigned actuaries are members of the American Academy of Actuaries and meet its qualification standards to certify to the actuarial soundness of Medicaid managed care capitation rates.

Capitation rates developed by Mercer are actuarial projections of future contingent events. All estimates are based upon the information and data available at a point in time, and are subject to unforeseen and random events. Therefore, any projection must be interpreted as having a likely, and potentially wide, range of variability from the estimate. Any estimate or projection may not be used or relied upon by any other party or for any other purpose than for which it was issued by Mercer. Mercer is not responsible for the consequences of any unauthorized use. Actual MCO costs will differ from these projections. For the UIS federal and the SIS capitation rates, Mercer has developed these rates on behalf of DHCS to demonstrate compliance with the CMS requirements under 42 CFR 438.4 and in accordance with applicable law and regulations. For the state only capitation rates for the UIS population, Mercer has developed these rates on behalf of DHCS to satisfy State law, including California Welfare and Institutions Code, Section 14301.1, and other provisions in California State law as applicable. Use of these rates for any purpose beyond that stated may not be appropriate.

MCOs are advised that the use of these rates may not be appropriate for their particular circumstance, and Mercer disclaims any responsibility for the use of these rates by MCOs for any purpose. Mercer recommends that any MCO considering contracting with DHCS should analyze its own projected medical expense, administrative expense, and any other premium needs for comparison to these rates before deciding whether to contract with DHCS.

DHCS understands that Mercer is not engaged in the practice of law, or in providing advice on taxation matters. This report, which may include commenting on legal or taxation issues or regulations, does not constitute and is not a substitute for legal or taxation advice. Accordingly, Mercer recommends that DHCS secures the advice of competent legal and taxation counsel with respect to any legal or taxation matters related to this report or otherwise.

This certification report assumes the reader is familiar with the Medi-Cal program, Medi-Cal eligibility rules and actuarial rating techniques. It has been prepared exclusively for DHCS and CMS, and should not be relied upon by third parties. Other readers should seek the advice of actuaries, or other qualified professionals competent in the area of actuarial rate projections, to understand the technical nature of these results. Mercer is not responsible for, and expressly disclaims liability for, any reliance on this report by third parties.

To the best of Mercer's knowledge, there are no conflicts of interest in performing this work.

DHCS agrees to notify Mercer within 30 days of receipt of this report if it disagrees with anything contained in this report or is aware of any information or data that would affect the results of this report that has not been communicated or provided to Mercer or incorporated herein. The report will be deemed final and acceptable to DHCS if nothing is received by Mercer within such 30-day period.

If you have any questions on the above or the certification report, please feel free to contact Mike Nordstrom at [redacted], Jim Meulemans at [redacted] or Robert O'Brien at [redacted]

Sincerely,

[redacted]

Michael E. Nordstrom, ASA, MAAA
Partner

[redacted]

James J. Meulemans, ASA, MAAA, FCA
Partner

[redacted]

Robert J. O'Brien, ASA, MAAA
Principal

Appendix A — Pregnancy-related and Emergency Service Identification Logic

This appendix details the logic and codes that were used in the identification of pregnancy-related and emergency services, which make up the federally eligible capitation rates for the UIS population. The process utilized contained logic and codes developed both by DHCS and Mercer. In this process, each encounter for the UIS population was flagged (yes or no) into different types of categorizations identified as either pregnancy-related or emergency services. After each encounter was categorized into these flags, a hierarchy was used to ensure each encounter only flagged into one category. Finally, based on the final category for each encounter, each encounter was then classified as pregnancy-related, emergency, or neither. Encounters identified as pregnancy-related or emergency were the basis of the development of the pregnancy-related and emergency percentages and the federally eligible capitation rates for the UIS population.

Below is a list of the different types of emergency and pregnancy-related categories. Additionally, an indication as to whether the categorization is emergency or pregnancy-related is also shown. Detailed codes and logic for each category are listed later in this Appendix. Note that the service types were identified separately for non-pharmacy and pharmacy claims. Additionally, the order of the categorizations below correspond to the hierarchy used as well.

Non-Rx Encounters

1. Labor and Delivery (Emergency) — Labor and delivery is separated out from other maternity-related services since labor and delivery is considered emergency for claiming purposes.

2. Maternity DHCS (Pregnancy-related) — The State maintains an existing set of business rules or logic/criteria it uses to identify applicable maternity-related services for fee-for-service (FFS) claiming on the UIS population. This category corresponds to this logic. Mercer reviewed the State's logic to ensure agreement that the services identified by the logic would be related to a maternity-related service. Mercer's assessment was that the logic included was a reasonable basis for the identification of the maternity services.

3. Maternity Mercer (Pregnancy-related) — Mercer maintains a set of codes and coding methodology to identify maternity-related services in encounter data for capitation rate development purposes. Mercer's coding and methodology was developed by and is continually refined by Mercer's team of clinicians and coding and data specialists.

4. Pregnancy-related "Catch All" (Pregnancy-related) — This logic identified live birth or delivery events. Using that birth/delivery event date, all encounters were pulled within CY 2018 for these members with dates of service 238 days prior to the delivery event (pregnancy-related services). The 238-day threshold (34 weeks) was selected because based on information from the National Center for Health Statistics, only 3% of babies are born before 34 weeks of pregnancy. That means 97% of all births are at 34 weeks of pregnancy or later. This 238-day threshold is viewed as conservative because it does not account for the first few weeks of pregnancy for most births (90% of births are at 37 weeks or later). The assumption here is that virtually every service delivered during pregnancy is ultimately for the benefit of the unborn child.

5. Emergency Medical Transportation (Emergency)
6. Emergency Facility (Emergency)
7. Emergency Other (Emergency)
8. Inpatient Admissions that Originated Through the Emergency Room (Emergency)
9. Dialysis (Emergency)
10. Emergency DHCS (Emergency) — Similar to the Maternity DHCS categorization, the State maintains existing business rules or logic/criteria is uses to identify emergency-related services for FFS claiming on the UIS population. Mercer reviewed the State's logic to ensure agreement that the services identified by the logic would be related to an emergency-related service. Mercer's assessment was that the logic included was a reasonable basis for the identification of the emergency services.

Rx Encounters

1. Stand-alone Pregnancy Medications (Pregnancy-related)
2. Scripts Dispensed to Members while Pregnant "Catch All" (Pregnancy-related) — Similar to the pregnancy-related "catch all" categorization for non-Rx encounters, this category identifies delivery events and flags all scripts dispensed to these members 238 prior to the delivery event.
3. Scripts Dispensed Within One Day of Emergency Room/Inpatient Hospital Discharge (Emergency)
4. Anti-rejection Drugs (Emergency)

Detailed Codes and Logic

Note that in the logic provided below, which is shown for non-pharmacy claims (e.g., inpatient, outpatient, professional) and pharmacy claims separately, overlap does occur. As noted previously, all encounters flagging into multiple categories were ultimately only flagged into one category due to the hierarchical logic applied.

Non-Rx Encounters

1. Labor and Delivery Criteria

The following conditions must be satisfied for an encounter to be considered a Labor and Delivery encounter:

Criteria set 1:

- The encounter has one of the following diagnosis codes:

  O6010X0', 'O6010X1', 'O6010X2', 'O6010X3', 'O6010X4', 'O6010X5', 'O6010X9', O6012X0', 'O6012X1', 'O6012X2', 'O6012X3', 'O6012X4', 'O6012X5', 'O6012X9', 'O6013X0', 'O6013X1',

'O6013X2', 'O6013X3', 'O6013X4', 'O6013X5', 'O6013X9', 'O6014X0', 'O6014X1', 'O6014X2', 'O6014X3', 'O6014X4', 'O6014X5', 'O6014X9', 'O6020X0', 'O6020X1', 'O6020X2', 'O6020X3', 'O6020X4', 'O6020X5', 'O6020X9', 'O6022X0', 'O6022X1', 'O6022X2', 'O6022X3', 'O6022X4', 'O6022X5', 'O6022X9', 'O6023X0', 'O6023X1', 'O6023X2', 'O6023X3', 'O6023X4', 'O6023X5', 'O6023X9', 'O670', 'O678', 'O679', 'O68', 'O690XX0', 'O690XX1', 'O690XX2', 'O690XX3', 'O690XX4', 'O690XX5', 'O690XX9', 'O691XX0', 'O691XX1', 'O691XX2', 'O691XX3', 'O691XX4', 'O691XX5', 'O691XX9', 'O692XX0', 'O692XX1', 'O692XX2', 'O692XX3', 'O692XX4', 'O692XX5', 'O692XX9', 'O693XX0', 'O693XX1', 'O693XX2', 'O693XX3', 'O693XX4', 'O693XX5', 'O693XX9', 'O694XX0', 'O694XX1', 'O694XX2', 'O694XX3', 'O694XX4', 'O694XX5', 'O694XX9', 'O695XX0', 'O695XX1', 'O695XX2', 'O695XX3', 'O695XX4', 'O695XX5', 'O695XX9', 'O6981X0', 'O6981X1', 'O6981X2', 'O6981X3', 'O6981X4', 'O6981X5', 'O6981X9', 'O6982X0', 'O6982X1', 'O6982X2', 'O6982X3', 'O6982X4', 'O6982X5', 'O6982X9', 'O6989X0', 'O6989X1', 'O6989X2', 'O6989X3', 'O6989X4', 'O6989X5', 'O6989X9', 'O699XX0', 'O699XX1', 'O699XX2', 'O699XX3', 'O699XX4', 'O699XX5', 'O699XX9', 'O700', 'O701', 'O7020', 'O7021', 'O7022', 'O7023', 'O703', 'O704', 'O709', 'O720', 'O721', 'O722', 'O723', 'O730', 'O731', 'O740', 'O741', 'O742', 'O743', 'O744', 'O745', 'O746', 'O747', 'O748', 'O749', 'O750', 'O751', 'O752', 'O753', 'O754', 'O755', 'O7581', 'O7582', 'O7589', 'O759', 'O76', 'O770', 'O771', 'O778', 'O779', 'O80', 'O82', 'Z370', 'Z371', 'Z372', 'Z373', 'Z374', 'Z3750', 'Z3751', 'Z3752', 'Z3753', 'Z3754', 'Z3759', 'Z3760', 'Z3761', 'Z3762', 'Z3763', 'Z3764', 'Z3769', 'Z377', 'Z379'

OR

- The encounter has one of the following procedure codes:

  '59400','59409','59410','59510','59514','59515','59610','59612','59614','59618','59620','59622','59899','01960','01961'

OR

- The encounter has one of the following inpatient surgical codes:

  '10D00Z0', '10D00Z1', '10D00Z2', '10D07Z3', '10D07Z4', '10D07Z5', '10D07Z6', '10D07Z7', '10D07Z8', '10D17Z9', '10D17ZZ', '10D18Z9', '10D18ZZ', '10E0XZZ'

Criteria set 2:

- Identify the inpatient encounter tied to the delivery event (delivery event falls between start and end dates of service, where COS equals Inpatient). Consider all encounters within this span of time to be Labor and Delivery encounters.

2. Maternity DHCS

All of the below criteria must be satisfied for a UIS member to be recognized as pregnant in order to claim FFP. This was taken from Business Rules 001A and 006 from SDN 17041–TSD document provided by DHCS.

The following codes are first checked for abortions, which will not flag if they fall within any of the coding ranges below:

- Procedure codes ‘59840', '59841', '59850', '59851', '59852', '59855', '59856', '59857', '59866', 'X7724', 'X7726', 'Z0336', '01964', '01966', 'S0190', 'S0191', 'S0199', 'Z2004'

OR

- Diagnosis codes beginning with '634','635','636','637',’V617’, ‘O04’, ‘O07’ or ‘Z0371’ through ‘Z0379’,’Z332’

OR

- Inpatient claim type code with the following inpatient surgical codes: '10A07ZX','10A07ZZ','10A08ZZ','10A00ZZ','10A03ZZ','10A04ZZ','10A07Z6','10A07ZW','3E0E3TZ' ,'3E0E7TZ','3E0E8TZ'

Any one of the following conditions (criteria set) must be satisfied:

Criteria set 1:

- The primary or secondary diagnosis codes are any of the ICD–9 codes mentioned in Appendix table row code set one of DHCS SDN 17041–TSD document:

  ‘630’ through ‘63391’, ‘63400’ through ‘6399’, ‘64000’ through ‘64982’, ‘650’ through ‘65993’,

  ‘66000’ through ‘66994’, ‘67000’ through ‘677’, ‘67800’ through ‘67914’, ‘V220’ through ‘V222’,

  ‘V230’ through ‘V239’, ‘V240’ through ‘V242’, ‘V270’ through ‘V279’, ‘V280’ through ‘V289’,

  ‘V617’, ‘V7242’, ‘V8901’ through ‘V8909’, ‘V9100’ through ‘V9199’.

OR

- The primary or secondary diagnosis codes are any of the ICD–10 codes mentioned in Appendix table row code set two of DHCS SDN 17041–TSD document:

  ‘A34’, ‘F53’, ‘M830’, ‘O000’ through ‘O039’, ‘O050’ through ‘O069’, ‘O0800’ through ‘O0993’, ‘O10011’ through ‘O169’, ‘O200’ through ‘O2993’, ‘O30001’ through ‘O481’, ‘O6000’ through ‘O779’, ‘O80’, ‘O82’, ‘O85’ through ‘O9279’, ‘O94’ through ‘O9989’, ‘Z3400’ through ‘Z3493’, ‘Z36’, ‘Z3400’ through ‘Z3493’, ‘Z3A00’ through ‘Z3A49’,‘Z370’ through ‘Z379’, ‘Z390’ through ‘Z392’.

Criteria set 2:

- The primary, secondary procedure code or any other procedure code for in-patient encounters is one of the codes mentioned in Appendix table row code set three of DHCS SDN 17041–TSD document:

  ‘680’, ‘720’, ‘724’, ‘728’, ‘734’, ‘736’, ‘738’, ‘740’, ‘741’, ‘742’, ‘743’, ‘744’, ‘750’, ‘751’, ‘752’, ‘754’, ‘75’7’, ‘758’, 6662’, 6901’, 6902’, 6951’, 6952’, ‘7221’, ‘7229’, ‘7231’, ‘7239’, ‘7251’, ‘7252’, ‘7253’, ‘7254’, ‘7271’, ‘7279’, ‘7301’, ‘7309’, ‘7321’, ‘7322’, ‘7351’, ‘7359’, ‘7391’, ‘7392’, ‘7393’, ‘7394’,

‘7399’, ‘7491’, ‘7499’, ‘7531’, ‘7532’, ‘7533’, ‘7534’, ‘7535’, ‘7536’, ‘753’7’, ‘7538’, ‘7550’, ‘7551’, ‘7552’, ‘7561’, ‘7562’, ‘7569’, ‘7591’, ‘7592’, ‘7593’, ‘7594’, ‘7599’.

OR

- The primary or secondary procedure code, or any other procedure code for inpatient encounters are any of the below ICD–10 codes mentioned in Appendix table row code set four of DHCS SDN 17041–TSD document:

  ‘0W8NXZZ’, ‘0WQNXZZ’, ‘10900Z9’, ‘10900ZA’ through ‘10900ZD’, ‘10900ZU’, ‘10903Z9’, ‘10903ZA’ through ‘10903ZD’, ‘10903ZU’, ‘10904Z9’, ‘10904ZA’ through ‘10904ZD’, ‘10904ZU’, ‘10907Z9’, ‘10907ZA’ through ‘10907ZD’, ‘10907ZU’, ‘10908Z9’, 10908ZA’ through ‘10908ZD’, ‘10908ZU’, ‘10D00Z0’ through ‘10D00Z2’, ‘10D07Z3’ through ‘10D07Z8’, ‘10D17ZZ’, ‘10D18ZZ’, ‘10E0XZZ’, ‘10H003Z’, ‘10H00YZ’, ‘10H073Z’, ‘10H07YZ’, ‘10J00ZZ’, ‘10J03ZZ’, ‘10J04ZZ’, ‘10J07ZZ’, ‘10J08ZZ’, ‘10J0XZZ’, ‘10J10ZZ’, ‘10J13ZZ’, ‘10J14ZZ’, ‘10J17ZZ’, ‘10J18ZZ’, ‘10J1XZZ’, ‘10J20ZZ’, ‘10J23ZZ’, ‘10J24ZZ’, ‘10J27ZZ’, ‘10J28ZZ’, ‘10J2XZZ’, ‘10P003Z’, ‘10P00YZ’, ‘10P073Z’, ‘10P07YZ’, ‘10q00ye’ through ‘10Q00YH’, ‘10Q00YJ’ through ‘10Q00YN’, ‘10Q00YP’ through ‘10Q00YT’, ‘10Q00YV’, ‘10Q00YY’, ‘10Q00ZE’ through ‘10q00zh’, ‘10q00zj’ through ‘10q00zn’, ‘10q00zp’ through ‘10Q00ZT’, ‘10Q00ZV’, ‘10Q00ZY’, ‘10Q03YE’ through ‘10Q03YH’, ‘10Q03YJ’ through ‘10Q03YN’, ‘10Q03YP’ through ‘10Q03YT’, ‘10Q03YV’, ‘10Q03YY’, ‘10Q03ZE’ through ‘10Q03ZH’, ‘10Q03ZJ’ through ‘10Q03ZN’, ‘10Q03ZP’ through ‘10Q03ZT’, ‘10Q03ZV’, ‘10Q03ZY’, ‘10Q04YE’ through ‘10Q04YH’, ‘10Q04YJ’ through ‘10Q04YN’, ‘10Q04YP’ through ‘10Q04YT’, ‘10Q04YV’, ‘10Q04YY’, ‘10Q04ZE’ through ‘10Q04ZH’, ‘10Q04ZJ’ through ‘10Q04ZN’, ‘10Q04ZP’ through ‘10Q04ZT’, ‘10Q04ZV’, ‘10Q04ZY’, ‘10Q07YE’ through ‘10Q07YH’, ‘10Q07YJ’ through ‘10Q07YN’, ‘10Q07YP’ through ‘10Q07YT’, ‘10Q07YV’, ‘10Q07YY’, ‘10Q07ZE’ through ‘10Q07ZH’, ‘10Q07ZJ’ through ‘10Q07ZN’, ‘10Q07ZP’ through ‘10Q07ZT’, ‘10Q07ZV’, ‘10Q07ZY’, ‘10Q08YE’ through ‘10Q08YH’, ‘10Q08YJ’, through ‘10Q08YN’, ‘10Q08YP’ through ‘10Q08YT’, ‘10Q08YV’, ‘10Q08YY’, ‘10Q08ZE’ through ‘10Q08ZH’, ‘10Q08ZJ’, through ‘10Q08ZN’, ‘10Q08ZP’ through ‘10Q08ZT’, ‘10Q08ZV’, ‘10Q08ZY’, ‘10S07ZZ’, ‘10S0XZZ’, ‘10T20ZZ’, ‘10T23ZZ’,‘10T24ZZ’, ‘10Y03ZE’, ‘10Y03ZH’, ‘10Y03ZJ’ through ‘10Y03ZN’, ‘10Y03ZP’ through ‘10Y03ZT’, ‘10Y03ZV’, ‘10Y03ZY’, ‘10Y04ZE’ through ‘10Y04ZH’, ‘10Y04ZJ’ through ‘10Y04ZN’, ‘10Y04ZP’ through ‘10Y04ZT’, ‘10Y04ZV’, ‘10Y04ZY’, ‘10Y07ZE’ through ‘10Y07ZH’, ‘10Y07ZJ’ through ‘10Y07ZN’, ‘10Y07ZP’ through ‘10Y07ZT’, ‘10Y07ZV’, ‘10Y07ZY’, ‘30273H1’, ‘30273J1’, ‘30273K1’, ‘30273L1’, ‘30273M1’, ‘30273N1’, ‘30273P1’, ‘30273Q1’, ‘30273R1’, ‘30273S1’, ‘30273T1’, ‘30273V1’, ‘30273W1’, ‘30277H1’, ‘30277J1’, ‘30277K1’, ‘30277L1’, ‘30277M1’, ‘30277N1’, ‘30277P1’, ‘30277Q1’, ‘30277R1’, ‘30277S1’, ‘30277T1’, ‘30277V1’, ‘30277W1’, ‘3E053VJ’, ‘3E0DXGC’, ‘3E0E305’, ‘3E0E33Z’, ‘3E0E36Z’, ‘3E0E37Z’, ‘3E0E3BZ’, ‘3E0E3GC’, ‘3E0E3HZ’, ‘3E0E3KZ’, ‘3E0E3NZ’, ‘3E0E3SF’, ‘3E0E705’, ‘3E0E73Z’, ‘3E0E76Z’, ‘3E0E77Z’, ‘3E0E7BZ’, ‘3E0E7GC’, ‘3E0E7HZ’, ‘3E0E7KZ’, ‘3E0E7NZ’, ‘3E0E7SF’, ‘3E0E805’, ‘3E0E83Z’, ‘3E0E86Z’, ‘3E0E87Z’, ‘3E0E8BZ’, ‘3E0E8GC’, ‘3E0E8HZ’, ‘3E0E8KZ’, ‘3E0E8NZ’, ‘3E0E8SF’, ‘4A0H74Z’, ‘4A0H7CZ’, ‘4A0H7FZ’, ‘4A0H7HZ’, ‘4A0H84Z’, ‘4A0H8CZ’, ‘4A0H8FZ’, ‘4A0H8HZ’, ‘4A0HX4Z’, ‘4A0HXCZ’, ‘4A0HXFZ’, ‘4A0HXHZ’, ‘4A0J72Z’, ‘4A0J74Z’, ‘4A0J7BZ’, ‘4A0J82Z’, ‘4A0J84Z’, ‘4A0J8BZ’, ‘4A0JX2Z’, ‘4A0JX4Z’, ‘4A0JXBZ’, ‘4A1H74Z’, ‘4A1H7CZ’, ‘4A1H7FZ’, ‘4A1H7HZ’, ‘4A1H84Z’, ‘4A1H8CZ’, ‘4A1H8FZ’, ‘4A1H8HZ’, ‘4A1HX4Z’, ‘4A1HXCZ’, ‘4A1HXFZ’, ‘4A1HXHZ’,

‘4A1J72Z’, ‘4A1J74Z’, ‘4A1J7BZ’, ‘4A1J82Z’, ‘4A1J84Z’, ‘4A1J8BZ’, ‘4A1JX2Z’, ‘4A1JX4Z’, ‘4A1JXBZ’.

Criteria set 3:

- The procedure code for outpatient or medical or crossover encounters are any of the codes mentioned in Appendix table row code set five of DHCS SDN 17041–TSD document.

  ‘00842’, ‘01958’ through ‘01969’, ‘59000’ through ‘59076’, ‘59100’ through ‘59160’, ‘59300’ through ‘59350’, ‘59400’, ‘59409’, ‘59414’, ‘59510’, ‘59514’, ‘59525’, ‘59610’, ‘59612’, ‘59618’, ‘59620’, ‘59831’ through ‘59857’, ‘59870’ through ‘59899’, ‘76801’ through ‘76828’, ‘76946’, ‘80055’, ‘81508’, ‘81511’, ‘82106’, ‘82731’, ‘88267’, ‘88269’, ‘S0190’, ‘S0197’, ‘S0199’, ‘Z1030’, ‘Z1032’, ‘Z1034’, ‘Z1036’, ‘Z1038’, ‘Z6200’ through ‘Z6500’.

OR

- Claim type is one of the following:

  i. Claim Type 01 = Pharmacy (Pharmacy Claims not going through percentage calculation routine)

  ii. Claim Type 03 = Inpatient

  iii. Claim Type 04 = Outpatient

  iv. Claim Type 05 = Medical

  v. Claim Type 06 = Crossover

AND

- The provider type is not ‘009’ (Lab/Radiology); AND
- Any one of the following criteria must be satisfied.

  - The claim type is 04 OR 05

  AND

  - The encounter has any one of the following CPT or CPSP (Comprehensive Perinatal Services Program) procedure codes:

    ‘59000’ through ‘59025’, ‘59030’ through ‘59051’, ‘59070’ through ‘59076’, ‘59100’ through ‘59151’, ‘59200’, ‘59400’, ‘59412’, ‘59300’ through ‘59325’, ‘59425’ through ‘59426’, ‘59510’, ‘59610’, ‘59618’, ‘59870’ through ‘59899’, ‘S0197’, ‘Z1032’, ‘Z1034’, ‘Z1036’, ‘Z6200’ through ‘Z6204’, ‘Z6206’, ‘Z6210’, ‘Z6306’, ‘Z6300’ through ‘Z6304’, ‘Z6400’ through ‘Z6412’, ‘Z6500’

  OR

- The encounter's primary or secondary diagnosis code is any one of the following ICD-10 diagnosis codes:

  "O0900","O0901","O0902","O0903","O0910","O0911","O0912","O0913","O09211","O09213","O09214","O09219","O09291","O09291","O09292","O09293","O09299","O0930","O0931","O0932","O0933","O0940","O0941","O09511","O09512","O09513","O09519","O09521","O09522","O09523","O09529","O09611","O09612","O09613","O09619","O09621","O09622","O09623","O09629",O0970","O0971","O09811","O09812","O09819","O09821","O09822","O09823","O09829","O09891","O09892","O09893","O09899","O0990","O0991","O0992","O0993","O09A0","O09A1","O09A2","O09A3","O3680X0","O3680X1","O3680X2","O3680X3","Z0279","Z3201","Z331","Z333","Z3400","Z3401","Z3402","Z3403","Z3480","Z3481","Z3482","Z3483","Z3490","Z3491","Z3492","Z360","Z361","Z362","Z363","Z364","Z365","Z3681","Z3682","Z3683","Z3684","Z3685","Z3686","Z3687","Z3688","Z3689","Z3689","Z368A","Z369"

3. Maternity Mercer

Any of the following conditions (criteria set) must be satisfied for an encounter to be considered a Maternity Mercer encounter:

The following codes are first checked for abortions, which will not flag if they fall within any of the coding ranges below:

- Procedure codes '59840', '59841', '59850', '59851', '59852', '59855', '59856', '59857', '59866', 'X7724', 'X7726', 'Z0336', '01964', '01966', 'S0190', 'S0191', 'S0199', 'Z2004'

OR

- Diagnosis codes beginning with '634','635','636','637','V617', 'O04', 'O07' or 'Z0371' through 'Z0379','Z332'

OR

- Inpatient claim type code with the following inpatient surgical codes: '10A07ZX','10A07ZZ','10A08ZZ','10A00ZZ','10A03ZZ','10A04ZZ','10A07Z6','10A07ZW','3E0E3TZ','3E0E7TZ','3E0E8TZ'

Criteria set 1:

- The encounter has one of the following ICD–9 diagnosis codes:

  Diagnosis code beginning with 'V22', 'V23', 'V24', 'V27', 'V28' AND the encounter shows PGM_CD=09 FFS Medi-Cal.

OR

Criteria set 2:

- The encounter has an inpatient primary or secondary surgical code beginning with:

'72' (forceps, vacuum and breech deliveries), '73' (other procedures inducing or assisting delivery), '74' (cesarean section), '75' (other obstetric procedures) excluding '750' (intra-amniotic injection for abortion) AND the encounter shows PGM_CD=09 FFS Medi-Cal.

OR

Criteria set 3:

- The encounter has a procedure code of '59000' to '59899'.

OR

Criteria set 4:

- The encounter has a procedure code of '720', '0720', '721', '0721', '722', '0722', '724', '0724', '729', '0729', '112', '0112', '122', '0122', '132', '0132', '142', '0142', '152', '0152', '232', '0232'.

OR

Criteria set 5:

- The encounter has one of the following ICD–9 diagnosis or inpatient primary or secondary surgical codes with a PGM_CD of 09 FFS Medi-Cal.

  i. Diagnosis codes: '66971', '66970', '6697'.

  ii. Inpatient primary or secondary surgical codes beginning with '74'.

OR

Criteria set 6:

- The encounter has one of the following ICD–9 diagnosis codes or inpatient primary or secondary surgical codes with a PGM_CD of 09 FFS Medi-Cal:

  i. Diagnosis codes: Beginning with '650', '64001', '64081', '64091', '64101', '64111', '64121', '64131', '64181', '64191', '64201', '64211', '64221', '64231', '64241', '64251', '64261', '64271', '64291', '64202', '64212', '64222', '64232', '64242', '64252', '64262', '64272', '64292', '64301', '64311', '64321', '64381', '64391', '64511', '64521', '64601', '64611', '64612', '64621', '64622', '64631', '64641', '64642', '64651', '64652', '64661', '64662', '64671', '64681', '64682', '64691', '64701', '64711', '64721', '64731', '64741', '64751', '64761', '64781', '64791', '64702', '64712', '64722', '64732', '64742', '64752', '64762', '64782', '64792', '64801', '64811', '64821', '64831', '64841', '64851', '64861', '64871', '64881', '64891', '64802', '64812', '64822', '64832', '64842', '64852', '64862', '64872', '64882', '64892', '64901', '64902', '64911', '64912', '64921', '64922', '64931', '64932', '64941', '64942', '64951', '64961', '64962', '65101', '65111', '65121', '65131', '65141', '65151', '65161', '65181', '65191', '65201', '65211', '65221', '65231', '65241', '65251', '65261', '65271', '65281', '65291', '65301', '65311', '65321', '65331', '65341', '65351', '65361', '65371', '65381', '65391', '65401', '65411', '65421', '65431', '65441', '65451', '65461', '65471', '65481', '65491', '65402', '65412', '65432', '65442', '65452', '65462', '65472', '65482', '65492',

‘65501’, ‘65511’, ‘65521’, ‘65531’, ‘65541’, ‘65551’, ‘65561’, ‘65571’, ‘65581’, ‘65591’, ‘65601’, ‘65611’, ‘65621’, ‘65631’, ‘65641’, ‘65651’, ‘65661’, ‘65671’, ‘65681’, ‘65691’, ‘65701’, ‘65801’, ‘65811’, ‘65821’, ‘65831’, ‘65841’, ‘65881’, ‘65891’, ‘65901’, ‘65911’, ‘65921’, ‘65931’, ‘65941’, ‘65951’, ‘65961’, ‘65971’, ‘65981’, ‘65991’, ‘66001’, ‘66011’, ‘66021’, ‘66031’, ‘66041’, ‘66051’, ‘66061’, ‘66071’, ‘66081’, ‘66091’, ‘66101’, ‘66111’, ‘66121’, ‘66131’, ‘66141’, ‘66191’, ‘66201’, ‘66211’, ‘66221’, ‘66231’, ‘66301’, ‘66311’, ‘66321’, ‘66331’, ‘66341’, ‘66351’, ‘66361’, ‘66381’, ‘66391’, ‘66401’, ‘66411’, ‘66421’, ‘66431’, ‘66441’, ‘66451’, ‘66461’, ‘66481’, ‘66491’, ‘66501’, ‘66511’, ‘66531’, ‘66541’, ‘66551’, ‘66561’, ‘66571’, ‘66581’, ‘66591’, ‘66522’, ‘66572’, ‘66582’, ‘66592’, ‘66602’, ‘66612’, ‘66622’, ‘66702’, ‘66712’, ‘66801’, ‘66811’, ‘66821’, ‘66881’, ‘66802’, ‘66812’, ‘66822’, ‘66882’, ‘66891’, ‘66892’, ‘66901’, ‘66911’, ‘66921’, ‘66931’, ‘66941’, ‘66951’, ‘66961’, ‘66981’, ‘66991’, ‘66902’, ‘66912’, ‘66922’, ‘66932’, ‘66942’, ‘66982’, ‘66992’, ‘67002’, ‘67101’, ‘67111’, ‘67121’, ‘67131’, ‘67142’, ‘67151’, ‘67181’, ‘67191’, ‘67102’, ‘67112’, ‘67122’, ‘67152’, ‘67182’, ‘67192’, ‘67202’, ‘67301’, ‘67311’, ‘67321’, ‘67331’, ‘67381’, ‘67302’, ‘67312’, ‘67322’, ‘67332’, ‘67382’, ‘67401’, ‘67402’, ‘67412’, ‘67422’, ‘67432’, ‘67442’, ‘67451’, ‘67452’, ‘67482’, ‘67492’, ‘67501’, ‘67511’, ‘67521’, ‘67581’, ‘67591’, ‘67502’, ‘67512’, ‘67522’, ‘67582’, ‘67592’, ‘67601’, ‘67611’, ‘67621’, ‘67631’, ‘67641’, ‘67651’, ‘67661’, ‘67681’, ‘67691’, ‘67602’, ‘67612’, ‘67622’, ‘67632’, ‘67642’, ‘67652’, ‘67662’, ‘67682’, ‘67692’, ‘677’, ‘V27’, ‘V270’, ‘V272’, ‘V273’, ‘V275’, ‘V276’, ‘V279’

ii. Inpatient primary or secondary surgical codes beginning with ‘72’ (forceps, vacuum and breech deliveries), ‘73’ (other procedures inducing or assisting delivery), ‘75’ (other obstetric procedures) excluding ‘750’ (intra-amniotic injection for abortion).

OR

Criteria set 7:

- The encounter has one of the following procedure codes:

  ‘59510’, ‘59514’, ‘59515’, ‘59525’, ‘59618’, ‘59620’, ‘59622’, ‘01961’, ‘01968’.

OR

Criteria set 8:

- The encounter has one of the following procedure codes:

  ‘59400’, ‘59409’, ‘59410’, ‘59412’, ‘59414’, ‘59425’, ‘59426’, ‘59430’, ‘59610’, ‘59612’, ‘59614’, ‘01967’, ‘01960’, ‘57022’, ‘Z1002 ‘, ‘Z1006 ‘, ‘Z1010 ‘, ‘Z1014 ‘, ‘Z1024’, ‘Z9800’.

OR

Criteria set 9:

- The encounter has one of the following procedure codes:

  ‘720’, ‘0720’, ‘721’, ‘0721’, ‘722’, ‘0722’, ‘724’, ‘0724’, ‘729’, ‘0729’.

OR

Criteria set 10:

- The encounter is an inpatient encounter with one of the following ICD–9 diagnosis codes:

  '082', '07582'.

OR

Criteria set 11:

- The encounter is an inpatient encounter with one of the following ICD–10 diagnosis codes:

  'O6010X0', 'O6010X1', 'O6010X2', 'O6010X3', 'O6010X4', 'O6010X5', 'O6010X9', 'O6012X0', 'O6012X1', 'O6012X2', 'O6012X3', 'O6012X4', 'O6012X5', 'O6012X9', 'O6013X0', 'O6013X1', 'O6013X2', 'O6013X3', 'O6013X4', 'O6013X5', 'O6013X9', 'O6014X0', 'O6014X1', 'O6014X2', 'O6014X3', 'O6014X4', 'O6014X5', 'O6014X9', 'O6020X0', 'O6020X1', 'O6020X2', 'O6020X3', 'O6020X4', 'O6020X5', 'O6020X9', 'O6022X0', 'O6022X1', 'O6022X2', 'O6022X3', 'O6022X4', 'O6022X5', 'O6022X9', 'O6023X0', 'O6023X1', 'O6023X2', 'O6023X3', 'O6023X4', 'O6023X5', 'O6023X9', 'O670', 'O678', 'O679', 'O68', 'O690XX0', 'O690XX1', 'O690XX2', 'O690XX3', 'O690XX4', 'O690XX5', 'O690XX9', 'O691XX0', 'O691XX1', 'O691XX2', 'O691XX3', 'O691XX4', 'O691XX5', 'O691XX9', 'O692XX0', 'O692XX1', 'O692XX2', 'O692XX3', 'O692XX4', 'O692XX5', 'O692XX9', 'O693XX0', 'O693XX1', 'O693XX2', 'O693XX3', 'O693XX4', 'O693XX5', 'O693XX9', 'O694XX0', 'O694XX1', 'O694XX2', 'O694XX3', 'O694XX4', 'O694XX5', 'O694XX9', 'O695XX0', 'O695XX1', 'O695XX2', 'O695XX3', 'O695XX4', 'O695XX5', 'O695XX9', 'O6981X0', 'O6981X1', 'O6981X2', 'O6981X3', 'O6981X4', 'O6981X5', 'O6981X9', 'O6982X0', 'O6982X1', 'O6982X2', 'O6982X3', 'O6982X4', 'O6982X5', 'O6982X9', 'O6989X0', 'O6989X1', 'O6989X2', 'O6989X3', 'O6989X4', 'O6989X5', 'O6989X9', 'O699XX0', 'O699XX1', 'O699XX2', 'O699XX3', 'O699XX4','O699XX5', 'O699XX9', 'O700', 'O701', 'O7020', 'O7021', 'O7022', 'O7023', 'O703', 'O704', 'O709', 'O720', 'O721', 'O722', 'O723', 'O730', 'O731', 'O740', 'O741', 'O742', 'O743', 'O744', 'O745', 'O746', 'O747', 'O748', 'O749', 'O750', 'O751', 'O752', 'O753', 'O754', 'O755', 'O7581', 'O7589', 'O759', 'O76', 'O770', 'O771', 'O778', 'O779', 'O80', 'Z370', 'Z372', 'Z373', 'Z3750', 'Z3751', 'Z3752', 'Z3753', 'Z3754', 'Z3759', 'Z3760', 'Z3761', 'Z3762', 'Z3763', 'Z3764', 'Z3769', 'Z379', 'O010', 'O011', 'O019', 'O020', 'O0281', 'O0289', 'O029', 'O1002', 'O1012', 'O1022', 'O1032', 'O1042', 'O1092', 'O151', 'O2402', 'O2412', 'O2432', 'O24420', 'O24424', 'O24429', 'O2482', 'O2492', 'O252', 'O2662', 'O2672', 'O610', 'O611', 'O618', 'O619', 'O620', 'O621', 'O622', 'O623', 'O624', 'O628', 'O629', 'O630', 'O631', 'O632', 'O639', 'O640XX0', 'O640XX1', 'O640XX2', 'O640XX3', 'O640XX4', 'O640XX5', 'O640XX9', 'O641XX0', 'O641XX1', 'O641XX2', 'O641XX3', 'O641XX4', 'O641XX5', 'O641XX9', 'O642XX0', 'O642XX1', 'O642XX2', 'O642XX3', 'O642XX4', 'O642XX5', 'O642XX9', 'O643XX0', 'O643XX1', 'O643XX2', 'O643XX3', 'O643XX4', 'O643XX5', 'O643XX9', 'O644XX0', 'O644XX1', 'O644XX2', 'O644XX3', 'O644XX4', 'O644XX5', 'O644XX9', 'O645XX0', 'O645XX1', 'O645XX2', 'O645XX3', 'O645XX4', 'O645XX5', 'O645XX9', 'O648XX0', 'O648XX1', 'O648XX2', 'O648XX3', 'O648XX4', 'O648XX5', 'O648XX9', 'O649XX0', 'O649XX1', 'O649XX2', 'O649XX3', 'O649XX4', 'O649XX5', 'O649XX9', 'O650', 'O651', 'O652', 'O653', 'O654', 'O655', 'O658', 'O659', 'O660', 'O661', 'O662', 'O663', 'O6640', 'O6641', 'O665', 'O666', 'O668', 'O669', 'O711', 'O713', 'O714', 'O715', 'O716', 'O717', 'O7181', 'O7182', 'O7189', 'O719', 'O8802', 'O8812', 'O8822', 'O8832', 'O8882', 'O900', 'O901', 'O902', 'O9802', 'O9812', 'O9822', 'O9832', 'O9842', 'O9852', 'O9862', 'O9872', 'O9882', 'O9892',

‘O9902’, ‘O9912’, ‘O99214’, ‘O99284’, ‘O99314’, ‘O99324’, ‘O99334’, ‘O99344’, ‘O99354’, ‘O9942’, ‘O9952’, ‘O9962’, ‘O9972’, ‘O99814’, ‘O99824’, ‘O99834’, ‘O99844’, ‘O9A12’, ‘O9A22’, ‘O9A32’, ‘O9A42’, ‘O9A52’.

OR

Criteria set 12:

- The encounter has one of the following inpatient primary or secondary surgical codes:

  ‘0WQNXZZ’, ‘0UJD7ZZ’, ‘0JCB0ZZ’, ‘0JCB3ZZ’, ‘0US90ZZ’, ‘0US94ZZ’, ‘0US9XZZ’, ‘10H003Z’, ‘10H00YZ’, ‘10P003Z’, ‘10P00YZ’, ‘10P073Z’, ‘10P07YZ’, ‘10D07Z3’, ‘0W8NXZZ’, ‘10D07Z4’, ‘10D07Z5’, ‘10S07ZZ’, ‘10D07Z6’, ‘10D07Z8’, ‘10900ZC’, ‘10903ZC’, ‘10904ZC’, ‘10907ZC’, ‘10908ZC’, ‘0U7C7ZZ’, ‘10D07Z7’, ‘10J07ZZ’, ‘3E053VJ’, ‘10E0XZZ’, ‘10907ZA’, ‘10908ZA’, ‘10S0XZZ’, ‘10D00Z0’, ‘10D00Z1’, ‘10D00Z2’, ‘10D17ZZ’, ‘10D18ZZ’, ‘0UQ90ZZ’, ‘0UQ93ZZ’, ‘0UQ94ZZ’, ‘0UQ97ZZ’, ‘0UQ98ZZ’, ‘0UQC0ZZ’, ‘0UQC3ZZ’, ‘0UQC4ZZ’, ‘0UQC7ZZ’, ‘0UQC8ZZ’, ‘10D00Z0’, ‘10D17Z9’, ‘0KQM0ZZ’, ‘0HQ9XZZ’, ‘10D18Z9’, ‘10E0XZZ’.

4. Pregnancy-related “Catch All”

The following conditions must be satisfied for an encounter to be considered a Pregnancy-related encounter:

- Identify deliveries for members using the following criteria:

  i. A member must meet one of the following subsets of Mercer Maternity Criteria:

     a. Cesarean birth: Mercer Maternity Criteria 5, 7, or 10.

     b. Vaginal birth: Mercer Maternity Criteria 6, 8, 11, 12.

OR

  ii. A member must be included in Maternity Kick Payments file provided by DHCS, which is a file that lists each member who gave birth and the birth month for each member.

All encounters 238 days prior to the delivery event are considered Pregnancy-related encounters.

5. Emergency Medical Transportation

The below condition must be satisfied for an encounter to be considered an Emergency Medical Transportation encounter.

- The encounter has any one of the following procedure codes:

  'A0225','A0427','A0429','A0433','A0434'

6. Emergency Facility

The following conditions must be satisfied for an encounter to be considered an Emergency Facility encounter:

- EDS claim type is 04 Outpatient and Emergency Indicator equals YES.

AND

- Federally Qualified Health Center National Provider Identifier is not equal to 1.

7. Emergency Other

Any of the following conditions must be satisfied for an encounter to be considered an Emergency Other encounter:

- Place of service code is 0 Emergency Room.

OR

- The encounter has any one of the following procedure codes:

  '0450', '0451', '0452', '0459', '450', '451', '452', '459', '99281' through '99288'.

OR

- The encounter has any of the following primary or secondary surgical codes:

  '99281' through '99288'.

8. Inpatient Admissions that Originated Through the Emergency Room

The following condition must be satisfied for an encounter to be considered an Emergency Inpatient encounter:

- A member has both an Emergency Room and Inpatient encounter (using COS) with the same date of service.

9. Dialysis

The following condition must be satisfied for an encounter to be considered a Dialysis encounter:

- The encounter has any one of the following procedure codes:

  '90935', '90937', '90940', '90945', '90947', '90951', '90952', '90953', '90954', '90955', '90956', '90957', '90958', '90959', '90960', '90961', '90962', '90963', '90964', '90965', '90966', '90967', '90968', '90969', '90970', '90999', '99512', 'G0257', '0692T', 'S9335', 'S9339'
- Any member who had an encounter with one of the above procedure codes must also have been diagnosed with end-stage renal disease or acute kidney failure using the following diagnosis codes: 'N170', 'N171', 'N172', 'N178', 'N179', 'N185', 'N186'

10. Emergency DHCS

This was taken from Business Rule 005 from SDN 17041—TSD document provided by DHCS.

Any one of the below conditions must be satisfied for an encounter to have emergency service(s) for claiming FFP.

- The provider type is not '009' (Lab/Radiology)

AND

- The claim type is either 05 or 06

AND

- The emergency indicator (C54-CLM-EMERG-IND) in CP-F-54 file is 'Y.'

OR

- The claim type is either 04 or 06 and emergency indicator (C54-CLM-EMERG-IND) in CP-F-54 file is '81.'

OR

- The claim type is 03 and the emergency indicator (C54-CLM-EMERG-IND) in File CP-F-54 is '1.'

OR

- The claim type is 03

AND

- Claim form code (C54-CLM-FORM-CODE-0273) in CP-F-54 file is SPACE

AND

- The claim admit type(C54-IN-ADMIT-TYPE) in CP-F-54 file is either 1,3, 4, 6

OR

- The claim type is 03

AND

- Claim form code (C54-CLM-FORM-CODE-0273) in CP-F-54 file is 'U'

AND

- The claim admit type (C54-IN-ADMIT-TYPE) in CP-F-54 file is 1.

OR

- The claim type is either 04, 05, 06 and the encounter procedure codes is any of the codes mentioned in Appendix table row code set 6 of DHCS SDN 17041–TSD document:

  '15271' through '15278', '20527', '26341', '27267', '27268', '29582' through '29584', '32421', '32422', '32550', '32551', '33258', '43753', '46930', '49082' through '49084', '51100' through '51102', '51797', '59030', '59050', '59070', '59072', '59074', '59076', '59100', '59120', '59121, '59130', '59135', '59136', '59140', '59150', '59151', '59160', '59300', '59350', '59409', '59414', '59514', '59525', '59612', '59620', '59812', '59820', '59821', '59830', '59897', '60300', '62370', '64633' through '64636', '67041' through '67043', '67113', '67229', '68816', '88720', '88740', '88741', '90918' through '90990', '91100', '91105', '91110', '92071', '92072', '92950', '92953', '92970', '92971', '92975', '92977', '92978', '92979', '92980', '92981', '92982', '92984', '92987', '92990', '92995', '92996', '93651', '93652', '93998', '94002', '94003', '94656', '94657', '94728', '94729', '95885', '95887', '95938', '95939', '99281' through '99285', '99291', '99292', '99295', '96360', '96361', '96365' through '96376', '96379', '99296', '99297', '99464', '99477', 'C1830', 'C1886', 'C8929', 'C8930', 'Q4100' through 'Q4114', 'Q4122' through 'Q4130', 'S5000', 'S5001', 'Z1002', 'Z1010', 'Z1024', 'Z6000' through 'Z6042', 'Z7502', 'Z7504', 'Z7506', 'Z7508', 'Z7510', 'Z7610', 'Z7612'.

Rx Claims

1. Stand-alone Pregnancy Medications

The following condition must be satisfied for a medication to be considered a Stand-alone Pregnancy Medication:

- All encounters with one of the following NDC's

  '00003030520', '00063353014', '00124353075', '00150105305', '00166091723', '00182307262', '00223789605', '00223791505', '00298690267', '00304137255', '00314037675', '00314089175', '00351043445', '00351043545', '00364669053', '00378461501', '00381059805', '00385101775', '00402059805', '00418052131', '00454059805', '00456074105', '00517176701', '00517179101', '00536169565', '00537242175', '00551008305', '00588505975', '00591213201', '00647055805', '00684012905', '00779763260', '00814378338', '00832046905', '00839627925', '00904085205', '10039010401', '12071051878', '17022209301', '17236071195', '17236093995', '25332008802', '43797001511', '44437059805', '47202406001', '47649014503', '47679077520', '49137059805', '49884018601', '50272059805', '51309042205', '51432061720', '52047059805', '52406059805', '52584059805', '53638059805', '54274075409', '54569140800', '54569302000', '55150030901', '55150031001', '55494010010', '55494012060', '55726059805', '62559054015', '64011024301', '64011024702', '64011030103', '66993003883', '66993003901', '67457088605', '67457096701', '69238179701', '70505010010', '71225010401', '71225010501'.

2. Scripts Dispensed to Members While Pregnant "Catch All"

The following conditions must be satisfied for a medication to be considered a script that was dispensed while the member was pregnant:

- Identify deliveries for members using the following criteria:

i. A member must meet one of the following subsets of Mercer Maternity Criteria:

a. Cesarean birth: Mercer Maternity Criteria 5, 7, or 10.

b. Vaginal birth: Mercer Maternity Criteria 6, 8, 11, 12.

OR

ii. A member must be included in Maternity Kick Payments file provided by DHCS, which is a file that lists each member who gave birth and the birth month for each member.

All scripts dispensed 238 days prior to date of delivery are considered Pregnancy-related medications.

3. Scripts Dispensed Within One Day of Emergency Room/Inpatient Hospital Discharge

The following conditions must be satisfied for a medication to be considered a script dispensed within one day of emergency room/inpatient hospital discharge:

- A member has a medication dispensed for an Emergency Room visit and an Inpatient stay on the same date, or one day later.

AND

- The same medication cannot be prescribed for the member within the last four months (indicating a regularly prescribed medication).

4. Anti-rejection Medications

The following condition must be satisfied for a medication to be considered an Anti-Rejection medication:

- All encounters with one of the following NDC's:

'00004025901', '00004025905', '00004025943', '00004026001', '00004026043', '00004026129', '00008103001', '00008103002', '00008103003', '00008103004', '00008103005', '00008103006', '00008103007', '00008103008', '00008103014', '00008103015', '00008103105', '00008103110', '00008103205', '00008104005', '00008104010', '00008104105', '00008104110', '00008104205', '00054016325', '00054016329', '00054016625', '00054016629', '00054047021', '00054047121', '00054047221', '00074054130', '00074310832', '00074310932', '00074646332', '00074647932', '00074726950', '00078011022', '00078024015', '00078024061', '00078024115', '00078024161', '00078024615', '00078024661', '00078024815', '00078024861', '00078027422', '00078038566', '00078038666', '00078041420', '00078041461', '00078041520', '00078041561', '00078041720', '00078041761', '00078042220', '00078042261', '00078061605', '00078061705', '00078061805', '00093574019', '00093574065', '00093574119', '00093574165', '00093574219', '00093574265', '00093703189', '00093703289', '00093733401', '00093733405', '00093733419', '00093733493', '00093747701', '00093747705', '00172731000', '00172731046', '00172731100', '00172731146', '00172731200', '00172731246', '00172731320', '00185093230', '00185093287', '00185093330', '00185093386', '00185093387', '00378204501', '00378204505', '00378204601', '00378204605', '00378204701', '00378204705', '00378225001', '00378225005', '00378420178', '00378420278', '00378447201', '00378447205', '00469060767', '00469060773', '00469061710', '00469061711',

‘00469061771’, ‘00469061773’, ‘00469064773’, ‘00469065710’, ‘00469065711’, ‘00469065771’, ‘00469065773’, ‘00469067773’, ‘00469068773’, ‘00469123050’, ‘00469133050’, ‘00591222215’, ‘00591222315’, ‘00591222354’, ‘00591222455’, ‘00591335901’, ‘00781206701’, ‘00781206705’, ‘00781206789’, ‘00781210201’, ‘00781210301’, ‘00781210401’, ‘00781517501’, ‘00781517505’, ‘00781930201’, ‘00781930301’, ‘00781930401’, ‘00904642561’, ‘00904662361’, ‘00904662461’, ‘00904678504’, ‘00904678561’, ‘00904678604’, ‘00904678661’, ‘00904707861’, ‘16729001901’, ‘16729001916’, ‘16729004101’, ‘16729004201’, ‘16729004301’, ‘16729009401’, ‘16729009416’, ‘16729018929’, ‘16729026129’, ‘21695017000’, ‘21695017100’, ‘35356028000’, ‘42291075201’, ‘42291075301’, ‘42291075401’, ‘43353017809’, ‘43353017853’, ‘43353017860’, ‘43353017880’, ‘43353031709’, ‘43353031716’, ‘43353031753’, ‘43353031770’, ‘43353031780’, ‘49999093600’, ‘49999093630’, ‘49999093730’, ‘50090224500’, ‘50111088542’, ‘50111090943’, ‘50111092043’, ‘50268056011’, ‘50268056012’, ‘50268058111’, ‘50268058115’, ‘50268071811’, ‘50268071813’, ‘50742020701’, ‘50742020801’, ‘50742020901’, ‘51079002801’, ‘51079002820’, ‘51079037901’, ‘51079037920’, ‘51079050801’, ‘51079050820’, ‘51079050901’, ‘51079050920’, ‘51079072101’, ‘51079072120’, ‘51079081701’, ‘51079081720’, ‘51079081801’, ‘51079081820’, ‘51862045801’, ‘51862045847’, ‘51862046001’, ‘51862046047’, ‘54288013201’, ‘54288013501’, ‘54569256300’, ‘54569287200’, ‘54569287300’, ‘54868552200’, ‘54868623200’, ‘55111052501’, ‘55111052601’, ‘55111052701’, ‘55111065301’, ‘55111065401’, ‘59762070201’, ‘59762070203’, ‘59762070301’, ‘59762070302’, ‘59762070303’, ‘59762100101’, ‘59762100201’, ‘59762100301’, ‘59762120504’, ‘59762120506’, ‘60429001612’, ‘60429001712’, ‘60429005901’, ‘60429005905’, ‘60429007001’, ‘60429007005’, ‘60429037701’, ‘60429037801’, ‘60429037901’, ‘60432014050’, ‘60505013300’, ‘60505013400’, ‘60505035401’, ‘60505296507’, ‘60505296607’, ‘60505296701’, ‘60505296705’, ‘60505296707’, ‘60505296801’, ‘60505296805’, ‘60505296807’, ‘60505463003’, ‘60505463103’, ‘60505463203’, ‘60505619702’, ‘60687043801’, ‘60687043811’, ‘60687049401’, ‘60687049411’, ‘60951073470’, ‘60951073485’, ‘60951073570’, ‘60951073585’, ‘62053053905’, ‘62175038037’, ‘62175038137’, ‘62175038237’, ‘62584082711’, ‘62584082721’, ‘64380072006’, ‘64380072106’, ‘64380072206’, ‘64380072506’, ‘64380072507’, ‘64380072606’, ‘64380072607’, ‘66689030708’, ‘66689034702’, ‘67263037812’, ‘67263037912’, ‘67263039601’, ‘67263040701’, ‘67544120553’, ‘67544120560’, ‘67544120580’, ‘67877022501’, ‘67877022505’, ‘67877023022’, ‘67877026601’, ‘67877026605’, ‘67877027801’, ‘67877027901’, ‘67877028001’, ‘68084017701’, ‘68084017711’, ‘68084017801’, ‘68084017811’, ‘68084044901’, ‘68084044911’, ‘68084045001’, ‘68084045011’, ‘68084045101’, ‘68084045111’, ‘68084058701’, ‘68084058711’, ‘68084058801’, ‘68084058811’, ‘68084079501’, ‘68084079511’, ‘68084080101’, ‘68084080111’, ‘68084087925’, ‘68084087995’, ‘68084090711’, ‘68084090721’, ‘68084091525’, ‘68084091595’, ‘68084091825’, ‘68084091895’, ‘68084092125’, ‘68084092195’, ‘68084095625’, ‘68084095695’, ‘68258905201’, ‘68258907301’, ‘68258909901’, ‘68382013001’, ‘68382013005’, ‘68382013010’, ‘68382013019’, ‘68382013101’, ‘68382013105’, ‘68382013110’, ‘68382052001’, ‘68462068201’, ‘68462068301’, ‘68462068401’, ‘68462068501’, ‘68462068601’, ‘68992301001’, ‘68992301003’, ‘68992304001’, ‘68992304003’, ‘68992307501’, ‘68992307503’, ‘69238159403’, ‘69238159406’, ‘69452015320’, ‘69452015420’, ‘69452015520’, ‘70377001411’, ‘70377001511’, ‘70377001611’, ‘70748018601’, ‘70748018602’, ‘70748021716’, ‘70748021816’, ‘70748021901’, ‘70748022001’, ‘70748022101’, ‘70748026201’, ‘70748026202’, ‘71610003353’, ‘71610003360’, ‘71610003370’, ‘71610003375’, ‘71610003380’, ‘71610003390’, ‘71610003392’, ‘71610003394’, ‘71610003398.