

Targeted Case Management (TCM) Cost Report Training Day 1

Presented by:

Department of Health Care Services
Safety Net Financing Division
Audits and Investigations Division
Targeted Case Management Units

Introductions

Housekeeping

- **Housekeeping**
- **Formatting of the Presentation**
- **Questions (If time allows...)**
 - Write questions on the provided note cards
 - Place filled out note cards in the box on registration table during the day

New Cost Report Changes

- **Consolidation** - Report Costs for all Service Providers in a Single Cost Report per an LGA.
- **Recognition** - Proper Revenue and Expense Matching.
- **Reconciliation** - Include a Reconciliation Procedure Required by SPA #10-010.
- **Simplification** – Linked Worksheets.

Consolidation: Old Cost Report Format

Target Population 1 (FY10/11)

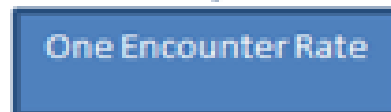
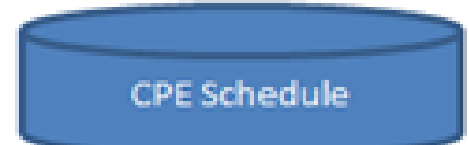
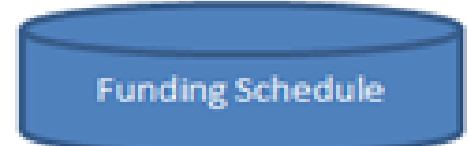
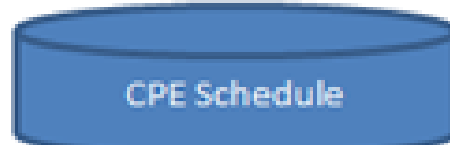
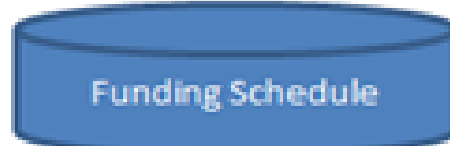
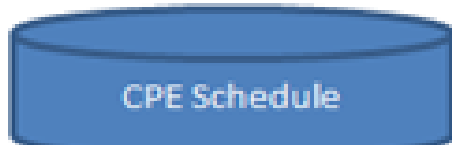
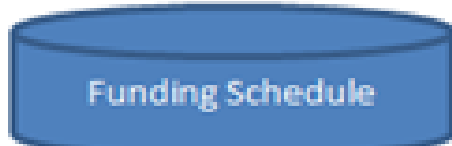
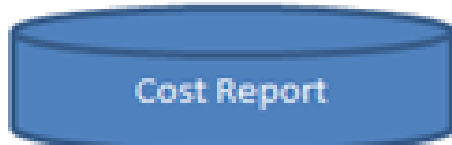
Target Population 2 (FY10/11)

Target Population 3 (FY10/11)

Budget Unit 1 (Since FY11/12)

Budget Unit 2 (Since FY11/12)

Budget Unit 3 (Since FY11/12)



Consolidation: New Cost Report Format

Budget Unit 1
General Ledger

Budget Unit 2
General Ledger

Budget Unit 3
General Ledger

Budget Unit 1
Funding Schedule

Budget Unit 2
Funding Schedule

Budget Unit 3
Funding Schedule

Budget Unit 1
CPE Schedule

Budget Unit 2
CPE Schedule

Budget Unit 3
CPE Schedule



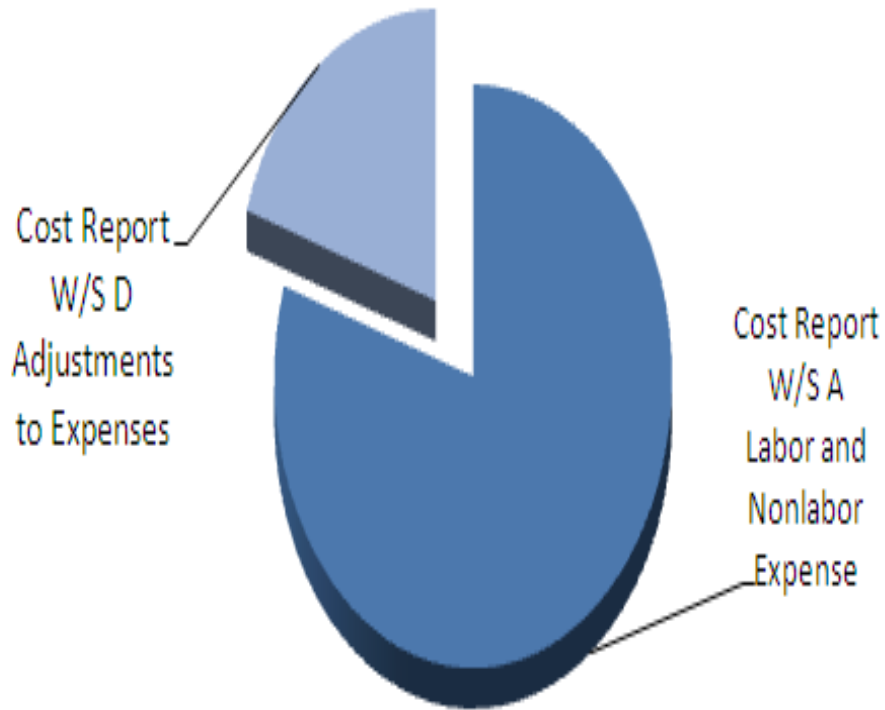
One Encounter Rate

Recognition

Old Cost Report Format

New Cost Report Format

General Ledger Usage



Reclassifications and Adjustments



Time Survey Allocation

Overhead Allocation

Reconciliation

TCM SPA # 10-010

- LGAs will be reimbursed for their allowable cost incurred for providing TCM services rendered to target populations.
- Interim payments will be reconciled to reimbursable cost through a reconciliation process.

Simplification

Old Cost Report Format

- CBO was required to file CBO cost report.
- TCM Expenses were allocated based on individual Time Survey.
- LGAs were required to transfer data manually from unlinked schedules, such as funding schedule and allowable funding schedule.

New Cost Report Format

- CBO is not required to file an individual cost report. Funding payment to a CBO is required.
- TCM Expenses are allocated based on Averaged Time Survey.
- All data will flow through correctly between tabs in one master workbook (enter data **only in the purple cells**).

New Cost Report Components

I. Information Worksheet

II. TCM Program Cost for Services Provided by the Governmental Entities

- Worksheet A – Salaries, Benefits, and Other Expenses
- Worksheet A-1 – Provider’s Reclassifications
- Worksheet A-2 – Provider’s Adjustments
- Worksheet B - Cost Allocations
- Worksheet C – Time Survey PTO Redistribution

New Cost Report Components (cont.)

III. TCM Program Costs for Services Provided by the Non-Governmental Subcontractors

- Worksheet E – Contributing Public Agency Payments to Non-Governmental Subcontractors for the Provisions of TCM Services.
- Worksheet E-1 – Non-Government Subcontractors Funding Adjustments.

New Cost Report Components (cont.)

IV. Allowable Funding / Revenues Eligible for FFP

- Worksheet D – CPE Funding to the Governmental entities in providing TCM services.
- Worksheet D-1 – Funding Adjustments to the Governmental Entities.
- Worksheet E – CPE Funding to the Non-Government Subcontractors for the Provisions of TCM Services.
- Worksheet E-1 – Non-Government Subcontractors Funding Adjustments.

New Cost Report Components (cont.)

V. Summary of Encounters

- Worksheet F – Summary of TCM Encounters

VI. Summary of Program Rate, Reimbursable Cost, Reconciliation of Interim Payment, and New Interim Medi-Cal TCM Encounter Payment Rate (IMTEPR)

- Worksheet G – Summary

COST REPORT TEMPLATE

INFORMATION WORKSHEET

Part I - Provider Cost Report
Certification

Part II – Provider Identification

Information Worksheet:

Part I- Provider Cost Report Certification

Provider Cost Report Certification

Part I

TARGETED CASE MANAGEMENT (TCM) ANNUAL COST REPORT

LGA _____

LGA NPI _____

Reporting Period _____

Misrepresentation or falsification of information contained in this cost report may be punishable by criminal, civil and administrative action, fine and/or imprisonment under federal law. Furthermore, if services identified in this report were provided or procured through the payment directly or indirectly from the federal government, such misrepresentation or falsification may constitute a violation of the Federal False Claims Act, which is punishable by criminal, civil and administrative action, fines and imprisonment.

I hereby certify that I have read and understand the instructions and the information accompanying electronically filed cost reports.

I certify that to the best of my knowledge and belief, the information provided in this cost report is true and correct from the books and records of my organization.

The information provided in this cost report for targeted case management (TCM) services pursuant to Title 22 of California Code of Regulations, sections 14132.44(f) and 14132.45, and this cost report have not previously been reported for any other program. I have provided the TCM rate that will be used as the basis for the calculation of the costs. I have not misrepresented or falsified the costs reported in this cost report. I understand that misrepresentation of the costs reported in this cost report may constitute a violation of the Federal False Claims Act.

Reporting Period:

- The year the services were provided.
- NOT the year the cost report is filed.

I have examined the information provided and certified that it is true and correct.

and

I have read and understand the instructions and the information accompanying electronically filed cost reports.

I certify that to the best of my knowledge and belief, the information provided in this cost report is true and correct from the books and records of my organization. I have provided the TCM rate that will be used as the basis for the calculation of the costs. I have not misrepresented or falsified the costs reported in this cost report. I understand that misrepresentation of the costs reported in this cost report may constitute a violation of the Federal False Claims Act.

Print Name

Signature

Information Worksheet

Part II – Provider Identification Input

Developing a Budget Unit

- For all intents and purposes, a Budget Unit is the equivalent to a cost center.
- The Medicare Provider Reimbursement Manual (CMS 15-1, 2302.8) defines a Cost Center as, “An organizational unit, generally a department or its subunit, having a common functional purpose for which direct and indirect costs are accumulated, allocated and apportioned”.
- Your allocated external and internal indirect costs should appear in your TCM budget unit’s general ledger.

Information Worksheet:

Part II - Provider Identification Input

Developing a Budget Unit (cont.)

- A **TCM Budget Unit** is defined as the organizational unit identifiable within an the LGA organization chart and general ledger that provides TCM and other non-TCM services by staff within this unit.
- A TCM Budget Unit should include 100% labor costs of all staff within this unit as well as non-labor costs incurred for providing all services for which this unit is responsible.

Information Worksheet

Part II – Provider Identification Input

Enter the following data on the appropriate lines and columns identified by the **purple cells**.

- LGA Name
- Reporting Period (ex. July 1, 2011 through June 30, 2012)
- LGA and/or Local Governmental Subcontractor (if applicable)
- Name of Private Non-governmental TCM Subcontractor (if applicable)
- Number of Non-governmental Entities (if applicable)

Information Worksheet Scenario

Information Worksheet Exercise 1

Worksheet A

Total Expenses per Governmental
Entity – Salaries, Benefits, and
Other Expenses

Worksheet A

Total Expenses per Governmental Entity – Salaries, Benefits, and Other Expenses

Purpose:

Worksheet A provides for recording the trail balance of expense accounts from your accounting books and records for a defined TCM budget unit. It also provides for the necessary reclassifications and adjustments to certain expenses for the provisions of TCM services.

Worksheet A

Total Expenses per Governmental Entity – Salaries, Benefits, and Other Expenses

Line Descriptions:

TCM Line - For labor and non-labor costs related to the provision of TCM services.

Non-TCM Line - For labor and non-labor costs NOT related to the provision of TCM services.

Worksheet A

Total Expenses per Governmental Entity – Salaries, Benefits, and Other Expenses

Line descriptions (cont.)

General & Admin Line - Represents the cost of activities that are necessary and supports the overall operation of the TCM services as a whole within the defined budget unit.

Indirect Line - Represents any cost that cannot be directly identified with a single cost objective.

Worksheet A

Total Expenses per Governmental Entity – Salaries, Benefits, and Other Expenses

Indirect Cost vs. Direct Cost:

- The direct assignment of costs must be made as part of the county's accounting system with costs recorded in the ongoing normal accounting process (Medicare Provider Reimbursement Manual 15-1, 2307).
- This means that costs are to be recorded on a regular basis throughout the accounting period, not only as period ending adjusting entries.
- **INDIRECT COST + DIRECT COST = FULL COST**

Worksheet A

Total Expenses per Governmental Entity – Salaries, Benefits, and Other Expenses

Column descriptions:

- Salaries and Benefits
- Other
- Other Expense by Employee
- Other Expense by Program
- TCM Expense outside the budget unit

Worksheet A

Total Expenses per Governmental Entity – Salaries, Benefits, and Other Expenses

Input Instructions :

1. Columns 1, 2, and 3 – Enter Salaries, Benefits, and Other costs from an LGA's general ledger and records for the identified budget units.
2. Column 4 – This column is the total of columns 1, 2 and 3. Cells are formula-driven.
3. Columns 5 through 21 – Cells are formula-driven.

Worksheet A

Total Expenses per Governmental Entity – Salaries, Benefits, and Other Expenses

Description	Salary	Benefits	Other	Total Expense
	1	2	3	4
<u>Budget Unit 1</u>				
1 TCM				\$ -
2 Non TCM				\$ -
3 General & Admin				\$ -
4 Indirect				\$ -
5 Subtotal Budget Unit 1	\$ -	\$ -	\$ -	\$ -

Total Cost on Worksheet A, Column 4, Line 5 should reconcile to total expenses recorded in the general ledger of the TCM Budget Unit.

Worksheet A

Scenario

Worksheet A-1

Provider's Reclassification

Worksheet A-1

Provider's Reclassifications

Purpose:

The purpose of Worksheet A-1 is for the reclassification of certain costs for proper allocations under cost findings.

Worksheet A-1

Provider's Reclassifications

Types of Reclassifications:

- Reclassification of Other Expenses by Employee
- Reclassification of Other Expenses By Program
 - Direct Costing.
 - Reclassification of Indirect Line Cost to General and Admin Line for Proper Cost Allocation Basis.

Worksheet A-1

Provider's Reclassifications

Input Instructions:

- 1) Select a Budget Unit to input a reclassification.
- 2) Select the Cost Center under the Column 1 “Drop Down” menu which needs reclassification.
- 3) Choose the appropriate Column (2, 3, 4, 5, and/or 6) and input data **from** which the cost needs to be reclassified (negative amount).

Worksheet A-1

Provider's Reclassifications

Worksheet A-1 Input Instruction (cont.):

- 4) Choose the appropriate Column (2, 3, 4, 5, and/or 6) and input data **to** which the cost needs to be reclassified (positive amount).
- 5) Enter the explanation of reclassification in Column 8.

Subtotal should always equal to zero.

Worksheet A-1

Scenario

Worksheet A-2

Provider's Adjustment

Worksheet A-2

Provider's Adjustments

Purpose:

The purpose of Worksheet A-2 is for the LGA to enter expense adjustments to reflect actual costs in providing TCM services.

- The LGA is responsible for properly recording allowable and non-allowable cost in the TCM Cost Report.

Worksheet A-2

Provider's Adjustments

Examples for Common Adjustments:

- Adjustment for Eliminating LGA Funding Payment to TCM Subcontractors:
 - To avoid the duplication of cost recognition, funding payments to LGA subcontractors for the provision of TCM services that were recorded as expenses in an LGA TCM BU's general ledger need to be adjusted in this worksheet.

Worksheet A-2

Provider's Adjustments

Examples for Common Adjustments (cont.):

- Adjustment to include TCM program cost outside the TCM budget unit:
 - Contain 100% TCM program costs, including labor and non-labor costs.
 - Three Criteria.
 - Three Conditions.

Worksheet A-2

Provider's Adjustments

Three Criteria must be met:

1. The TCM services were provided by a non-TCM Budget Unit within a governmental entity. The non-TCM Budget Unit and the TCM Budget Unit can be identified in the same governmental entity's organizational chart.
2. Costs incurred by the non-TCM Budget Unit were not included in total TCM Budget Unit's general ledger.
3. Costs incurred by a non-governmental TCM subcontractor cannot be included under this cost category.

Worksheet A-2

Provider's Adjustments

Three Conditions must be met:

1. The expenses were incurred by the qualified TCM staff, such as a direct TCM Case Manager, TCM Supporting Staff, and a direct TCM supervisor.
2. The staff outside of a TCM budget unit who performed the TCM services during the year would be required to conduct a perpetual Time Survey following CMS approved CMAA/TCM Time Survey Methodology.
3. The allowable TCM expense outside of the budget unit consists of labor cost and direct chargeable non-labor cost incurred by the qualified TCM Staff outside the TCM budget unit in providing TCM services.

Worksheet A-2

Provider's Adjustments

Examples for Common Adjustments (cont.):

- Adjustments of non-allowable expense:
 - Cost not allowed per the OMB Circular A-87 and other federal and state requirements.

Worksheet A-2

Provider's Adjustment

Input Instructions:

- 1) Analyze expenses recorded in the general ledger and determine which expense needs to be adjusted.
- 2) Select a Budget Unit needing adjustment in Column 1.
- 3) Select the Cost Center under the Column 1 “Drop Down” menu which needs adjustment.

Worksheet A-2

Provider's Adjustment

Input Instructions (cont.)

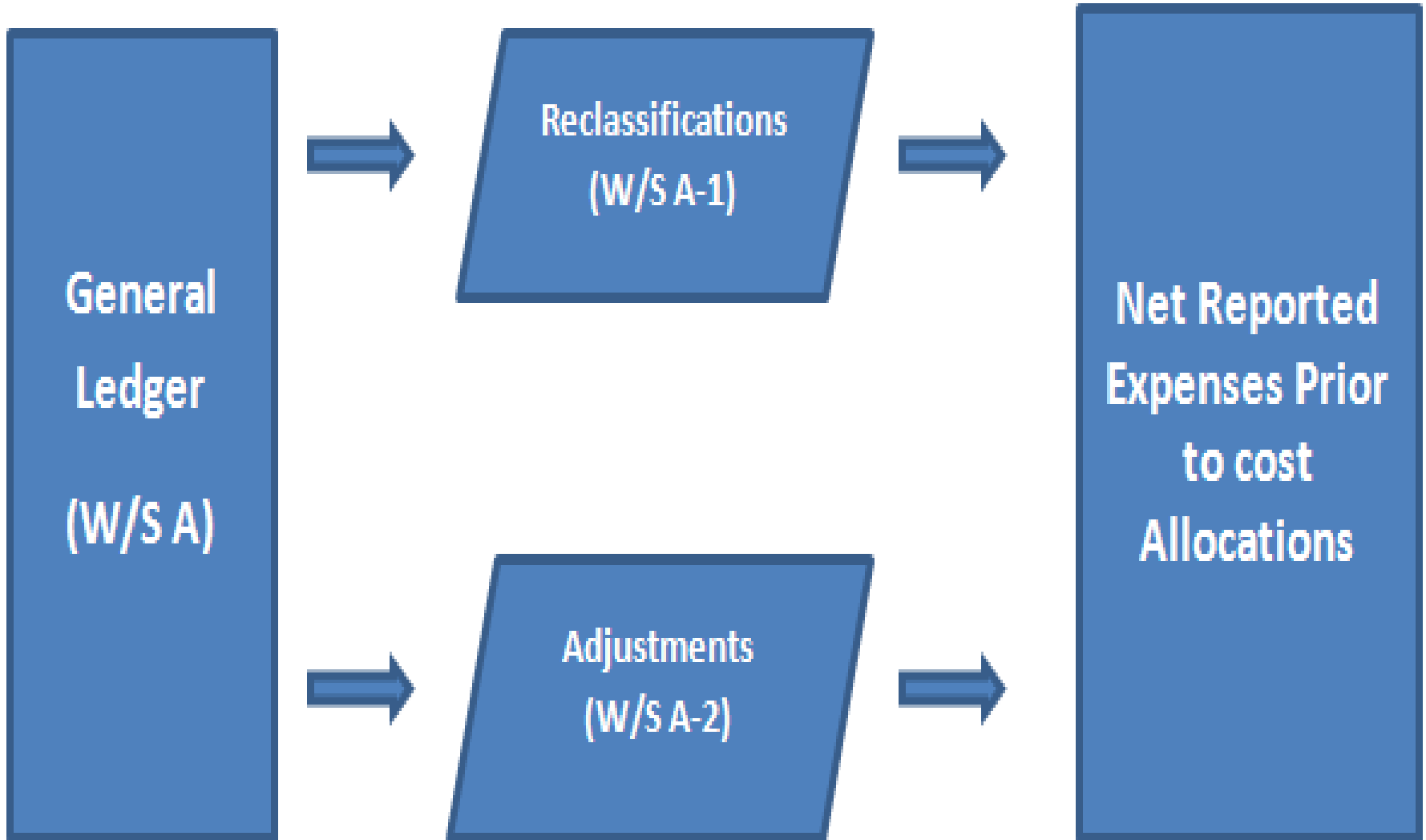
- 4) Choose the appropriate Column (2, 3, 4, 5, 6, and/or 7) and input data to make the adjustment.
- 5) Enter a minus sign in front of an amount to make a Cost Reduction.
- 6) Provide an explanation for the adjustment in Column 9.

Worksheet A-2

Scenario

Worksheet A, A-1, A-2

The Relationship of Worksheet A, A-1, and A-2



Worksheet A, A-1, and A-2 Exercise 2

Worksheet C

PTO Redistribution per Time Survey

Worksheet C

PTO Redistribution per Time Survey

Purpose:

To redistribute PTO percentage to TCM, Non-TCM, and General & Admin.

Worksheet C

PTO Redistribution per Time Survey

Input Instructions:

- 1) Enter data only in column 1 for each budget unit per CMAA/TCM time survey result for the reporting period.

Worksheet C

Scenario

Worksheet C

Exercise 3

Worksheet B

Cost Allocations

Worksheet B

Cost Allocations

Purpose:

Worksheet B is for allocating budget unit costs to TCM and Non-TCM cost categories. This is done in a 3 part allocation process using 4 schedules from Worksheet B.

Worksheet B is auto-populated. No input necessary.

Worksheet B

Cost Allocations

Part I

Indirect Cost Allocation – Based on Direct Labor Costs among TCM, Non-TCM & General and Administrative

Worksheet B

Part I

Indirect Cost Allocation

Part I

Description	Allocation Basis (Net Expense W/S A Col. 16)	Percentage to Total Salaries and Benefits	Indirect Cost Subject to Allocation	Allocated Indirect Cost	Total Net Expense Prior to Allocation (Col. 5)	Expense after Indirect Cost Allocation
	1	2	3	4	5	
<i>Budget Unit 1</i>						
1 TCM		0.0000%	\$ -	\$ -	\$ -	
2 Non TCM	-	0.0000%	\$ -	\$ -	\$ -	
3 General & Admin	-	0.0000%	\$ -	\$ -	\$ -	
4 Subtotal Budget Unit 1	-	0.0000%	\$ -	\$ -	\$ -	
<i>Budget Unit 2</i>						
5 TCM	-	0.0000%	\$ -	\$ -	\$ -	
6 Non TCM	-	0.0000%	\$ -	\$ -	\$ -	
7 General & Admin	-	0.0000%	\$ -	\$ -	\$ -	
8 Subtotal Budget Unit 2	-	0.0000%	\$ -	\$ -	\$ -	
<i>Budget Unit 3</i>						
9 TCM	-	0.0000%	\$ -	\$ -	\$ -	
10 Non TCM	-	0.0000%	\$ -	\$ -	\$ -	
11 General & Admin	-	0.0000%	\$ -	\$ -	\$ -	
12 Subtotal Budget Unit 3	-	0.0000%	\$ -	\$ -	\$ -	
<i>Budget Unit 4</i>						
13 TCM	-	0.0000%	\$ -	\$ -	\$ -	
14 Non TCM	-	0.0000%	\$ -	\$ -	\$ -	
15 General & Admin	-	0.0000%	\$ -	\$ -	\$ -	
16 Subtotal Budget Unit 4	-	0.0000%	\$ -	\$ -	\$ -	
17 Total	-		\$ -	\$ -	\$ -	\$ -

The allocation basis is the labor costs by line descriptions from WKST A, Column 16

Worksheet B: Cost Allocations

Part I

Indirect Cost Allocation – Based on Direct Labor Costs among
TCM, Non-TCM & General and Administrative



Part II

Time Survey Allocation – Based on Time Survey Results

Worksheet B

This percentage carries over from WKST C, PTO Redistribution column.

Part II

Part II

Time S					Part II	
D	Reported Expense before Time Survey Allocation	TCM Expense Subject to Time Survey Allocation	TCM Time Survey Result	Allocation of TCM Expense per Time Survey Result	Total Expense after Time Survey Allocation	
	9	10		12	13	
<i>Budget Unit 1</i>						
1 TCM	\$ -	\$ -	0.0000%	\$ -	\$ -	
2 Non TCM	\$ -		0.0000%	\$ -	\$ -	
3 General & Admin	\$ -		0.0000%	\$ -	\$ -	
4 Subtotal Budget Unit 1	\$ -	\$ -	0.0000%	\$ -	\$ -	
<i>Budget Unit 2</i>						
5 TCM	\$ -	\$ -	0.0000%	\$ -	\$ -	
6 Non TCM	\$ -		0.0000%	\$ -	\$ -	
7 General & Admin	\$ -		0.0000%	\$ -	\$ -	
8 Subtotal Budget Unit 2	\$ -	\$ -	0.0000%	\$ -	\$ -	
<i>Budget Unit 3</i>						
9 TCM	\$ -	\$ -	0.0000%	\$ -	\$ -	
10 Non TCM	\$ -		0.0000%	\$ -	\$ -	
11 General & Admin	\$ -		0.0000%	\$ -	\$ -	
12 Subtotal Budget Unit 3	\$ -	\$ -	0.0000%	\$ -	\$ -	
<i>Budget Unit 4</i>						
13 TCM	\$ -	\$ -	0.0000%	\$ -	\$ -	
14 Non TCM	\$ -		0.0000%	\$ -	\$ -	
15 General & Admin	\$ -		0.0000%	\$ -	\$ -	
16 Subtotal Budget Unit 4	\$ -	\$ -	0.0000%	\$ -	\$ -	
17 Total	\$ -	\$ -		\$ -	\$ -	

Worksheet B: Cost Allocations

Part I

Indirect Cost Allocation – Based on Direct Labor Costs among TCM, Non-TCM & General and Administrative



Part II

Time Survey Allocation – Based on Time Survey Results



Part III

General & Administration Allocation – Based on direct program Cost (TCM vs Non-TCM costs)

Worksheet B

Part III

General & Administration Allocation							Part III	
Description	Total Expense after Time Survey Allocation	Other Expense by Program	Total Expense prior to G & A Cost Allocation	G & A Cost Allocation Basis (TCM Cost and NonTCM Cost)	Percentage of TCM Cost	G & A Cost Subject to Allocation	G & A Cost Allocated to TCM & NonTCM	
	14	15	16	17	18	19	20	
<i>Budget Unit 1</i>								
1 TCM	\$ -	\$ -	\$ -	-	0.0000%	\$ -	\$ -	
2 Non TCM	\$ -	\$ -	\$ -	-	0.0000%	\$ -	\$ -	
3 General & Admin	\$ -	\$ -	\$ -	-		\$ -	\$ -	
4 Subtotal Budget Unit 1	\$ -	\$ -	\$ -	-	0.0000%	\$ -	\$ -	
<i>Budget Unit 2</i>								
5 TCM	\$ -	\$ -	\$ -	-	0.0000%	\$ -	\$ -	
6 Non TCM	\$ -	\$ -	\$ -	-	0.0000%	\$ -	\$ -	
7 General & Admin	\$ -	\$ -	\$ -	-		\$ -	\$ -	
8 Subtotal Budget Unit 2	\$ -	\$ -	\$ -	-	0.0000%	\$ -	\$ -	
<i>Budget Unit 3</i>								
9 TCM					0.0000%	\$ -	\$ -	
10 Non TCM					0.0000%	\$ -	\$ -	
11 General & Admin						\$ -	\$ -	
12 Subtotal Budget Unit 3					0.0000%	\$ -	\$ -	
<i>Budget Unit 4</i>								
13 TCM	\$ -	\$ -	\$ -	-	0.0000%	\$ -	\$ -	
14 Non TCM	\$ -	\$ -	\$ -	-	0.0000%	\$ -	\$ -	
15 General & Admin	\$ -	\$ -	\$ -	-		\$ -	\$ -	
16 Subtotal Budget Unit 4	\$ -	\$ -	\$ -	-	0.0000%	\$ -	\$ -	
17 Total	\$ -	\$ -	\$ -	-		\$ -	\$ -	

G & A Cost Allocation Basis (TCM Cost and NonTCM Cost)



Allocation basis is the total direct program cost.

Worksheet B: Cost Allocations

Part I

Indirect Cost Allocation – Based on Direct Labor Costs among TCM, Non-TCM & General and Administrative



Part II

Time Survey Allocation – Based on Time Survey Results



Part III

General & Administration Allocation – Based on direct program Costs (TCM vs. Non-TCM costs)



Part IV

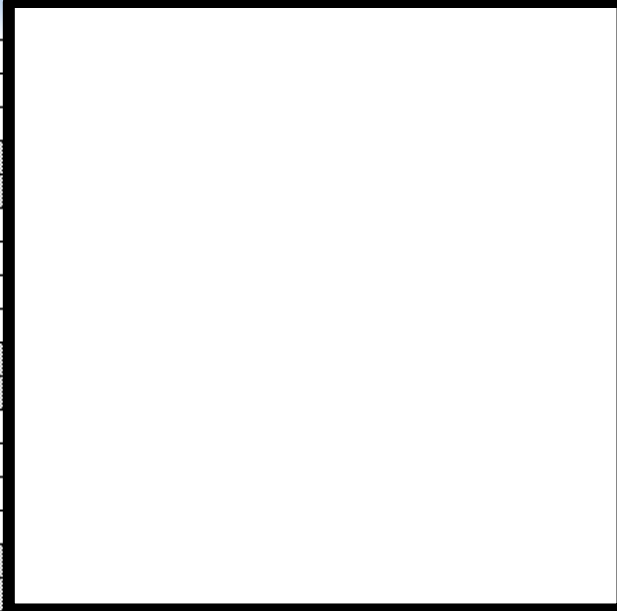
TCM Program Costs for TCM Services Provided by Governmental Entity

Worksheet B

Part IV

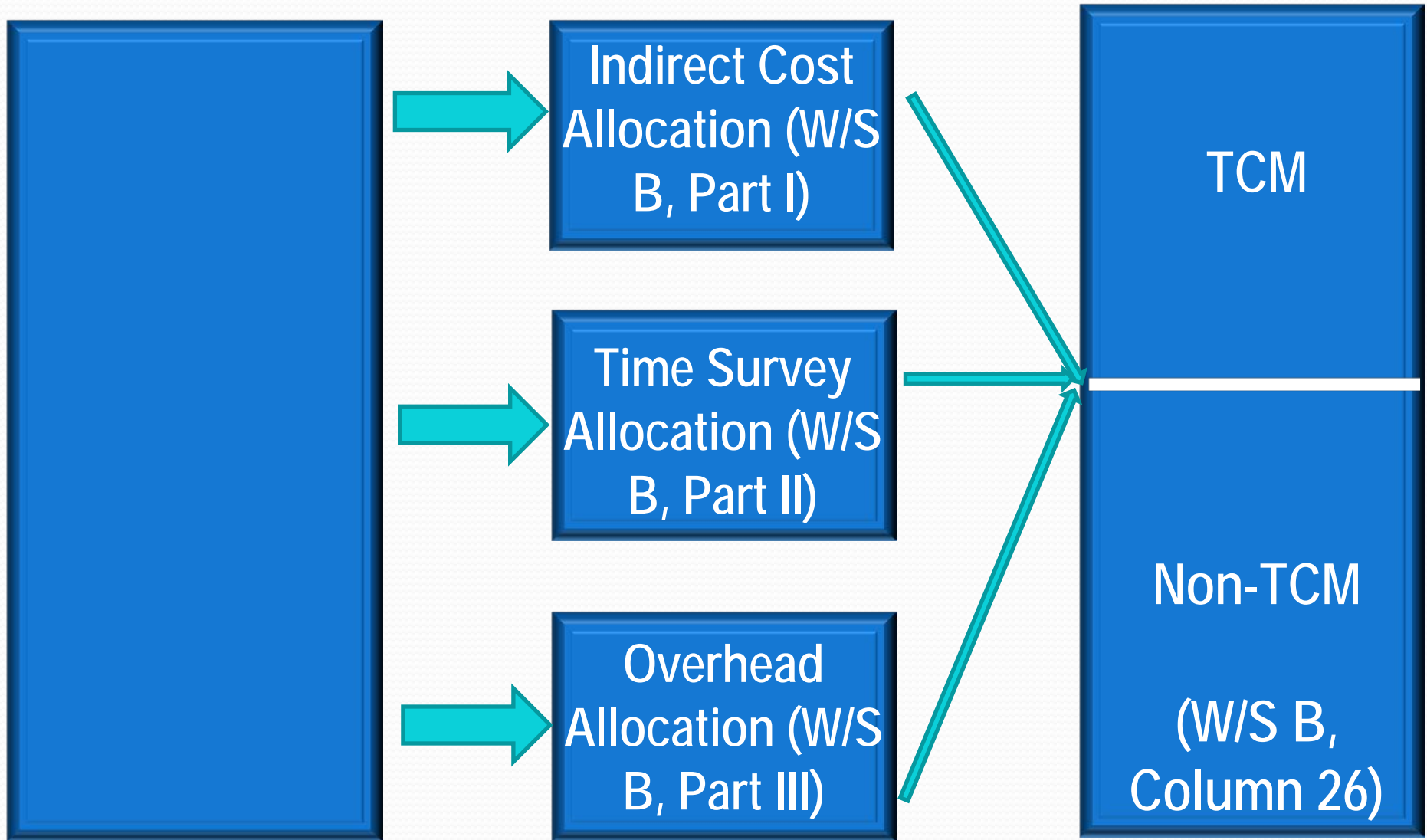
Part IV

TCM Program Cost for TCM Services Provided by Governmental Entity						
Description	G & A Cost Allocated to TCM & NonTCM	TCM and NonTCM prior to G & A Allocation	Total Cost after G & A Allocation	Percentage of TCM Cost to Total	TCM Expense Outside the Budget	Total Net
	21	22	23	24		
<i>Budget Unit 1</i>						
1 TCM	\$ -	\$ -	\$ -	0.0000%	\$	
2 Non TCM	\$ -	\$ -	\$ -	0.0000%		
3 General & Admin						
4 Subtotal Budget Unit 1	\$ -	\$ -	\$ -	0.0000%	\$	
<i>Budget Unit 2</i>						
5 TCM	\$ -	\$ -	\$ -	0.0000%	\$	
6 Non TCM	\$ -	\$ -	\$ -	0.0000%		
7 General & Admin						
8 Subtotal Budget Unit 2	\$ -	\$ -	\$ -	0.0000%	\$	
<i>Budget Unit 3</i>						
9 TCM	\$ -	\$ -	\$ -	0.0000%	\$	
10 Non TCM	\$ -	\$ -	\$ -	0.0000%		
11 General & Admin						
12 Subtotal Budget Unit 3	\$ -	\$ -	\$ -	0.0000%	\$	
<i>Budget Unit 4</i>						
13 TCM	\$ -	\$ -	\$ -	0.0000%	\$	
14 Non TCM	\$ -	\$ -	\$ -	0.0000%		
15 General & Admin						
16 Subtotal Budget Unit 4	\$ -	\$ -	\$ -	0.0000%	\$	
17 Total	\$ -	\$ -	\$ -		\$	\$ -



NO VARIANCES

Worksheet B Cost Allocations



Worksheet B

Scenario

Worksheet B

Exercise 3

Questions for Day 1

Targeted Case Management (TCM) Cost Report Training Day 2

Presented by:

Department of Health Care Services

- Safety Net Financing Division
 - Targeted Case Management Unit
- Audits and Investigations Division
 - Targeted Case Management Audit Unit

Housekeeping

Worksheet F

Summary of Encounters (LGA & Subcontractors)

Worksheet F

Summary of Encounters (LGA and Subcontractors)

Purpose:

Worksheet F is used to summarize the total TCM encounters that will be used to determine the cost per encounter on Worksheet G.

Worksheet F

Summary of Encounters (LGA and Subcontractors)

Encounter Definition:

- An encounter is defined as a face-to-face contact, or a telephone contact, with the beneficiary for the purpose of rendering one or more TCM service components by a TCM case manager. **A telephone contact may be reimbursed in lieu of a face-to-face contact only when TCM services are provided and when hazardous travel conditions preclude a face-to-face encounter.**

Worksheet F

Summary of Encounters (LGA and Subcontractors)

TCM Encounters

TCM encounters must be identified on Encounter Logs and must be classified into 3 categories:

1. Claimable TCM Medi-Cal Only Encounters:

- Encounters include all TCM Medi-Cal encounters with a claimable status.

2. Non-claimable TCM Medi-Cal Only Encounters:

- Encounters consist of TCM Medi-Cal encounters that are not reimbursable through TCM program.
- For example: a TCM Medi-Cal encounter is reimbursed through 1915(C) Waiver which is not reimbursable due to duplication of services.
- Include this encounter in the TCM encounter log.

Worksheet F

Summary of Encounters (LGA and Subcontractors)

TCM Encounters (cont.)

3. **TCM Non-Medi-Cal Encounters:**
 - Encounters received a non-eligible status due to Medi-Cal ineligibility.

All TCM encounters classified above **SHALL** be included in the TCM encounter log.

Worksheet F

Part I – TCM Encounter Summary

TCM Services Provided by Governmental Entity

- TCM service provider is required to continuously maintain and update encounter logs on an ongoing basis for each business day.
- Using the encounter log(s), tally the TCM **total** number of encounters by each reported budget unit and classify among the 3 Encounter Categories.

Worksheet F

Part I – TCM Encounter Summary

TCM Services Provided by Non-Governmental Subcontractor(s) of an LGA

- If the TCM services were provided by a contractor of an LGA, summarize the TCM encounters in the 3 Encounter Categories and enter the types of encounters by each contractor in the Contractor's Section of Worksheet F, Part I.

Worksheet F

Summary of Encounters (LGA and Subcontractors)

Input Instructions for Worksheet F Part I

- 1) Input number of encounters in columns 1, 2, and 4 in Part I per each TCM service provider (purple cells).
- 2) Using the encounter log(s), tally and classify the TCM **total** number of encounters by each reported budget unit among the 3 encounter categories shown by the three red arrows.

Worksheet F

Part II - Summary of Claimable Medi-Cal TCM Encounter

Purpose:

Part II of Worksheet F is used to classify the total claimable Medi-Cal TCM encounters into different FMAP categories during a cost report period.

- If more than 1 FMAP rate is available during the period, FFP is calculated by applying different FMAPs.

Worksheet F

Part II - Summary of Claimable Medi-Cal TCM Encounter

Maintaining the TCM Encounter Log to Substantiate the Provided TCM Services

- A TCM service provider needs to maintain a TCM encounter log to capture all TCM encounter related services that were provided during the service period.

Worksheet F

Part II - Summary of Claimable Medi-Cal TCM Encounter

LGA TCM billing staff **shall** ensure:

- 1) All claimable encounters entered into TCM System should agree with the records in the TCM encounter log.
- 2) The TCM encounter log must be updated with any changes from TCM System.
- 3) TCM payment received from the State should be reconciled to the Invoice submitted.
- 4) LGA must update the TCM System for paid encounters once payment is received.

Worksheet F

Summary of Encounters (LGA and Subcontractors)

Input for Worksheet F, Part II:

1. Input different FMAP rate on Columns 1-4 of Part II.
2. Make sure Part II, Column 5, Line 2, equals to Part I, Column 1, Line 19.

Note: Input number of claimable TCM Medical encounters under each FMAP rate.

Worksheet F

Scenario

Worksheet D

Certified Public Expenditure
(CPE) to Governmental Entity for
the Provisions of TCM Services

Worksheet D

CPE to Governmental Entity for the Provisions of TCM Services

Purpose:

This worksheet is **ONLY** used by governmental entities, such as an LGA and/or Local Public Entity (LPE).

- This worksheet determines if the funding is Certified Public Expenditure (CPE) eligible for the provision of TCM services for Federal Financial Participation (FFP) match, as required by 42 CFR Section 433.51, W&I code 14132.44(f), and 22 CCR Section 51535.7.

Worksheet D

CPE to Governmental Entity for the Provisions of TCM Services

Required Information and Supporting Documentation for this Worksheet (but is not limited to):

- Year-end adjusted Working Trial Balance (WTB) for a TCM Budget Unit.
- Documents that can help to determine the nature of each funding/revenue the Budget Unit utilized in providing the services.

Worksheet D

CPE to Governmental Entity for the Provisions of TCM Services

Columns to be Discussed:

- **Columns 1 & 2** - Funding Name and Contributing Agency
- **Column 4** - Total Funding
- **Column 5** - Funding Restricted to Non-TCM
- **Column 7** - Percentage of Funding Allocation to TCM
- **Column 10** - Net Public Funding to TCM

Worksheet D

CPE to Governmental Entity for the Provisions of TCM Services

Column Descriptions

- **Columns 1 & 2** - Funding Name and Contributing Agency
 - Follow Budget Unit General Ledger Record.
 - Briefly List the Contributing Agency in Column 2.
- **Column 4** - Total Funding
 - Total Funding Should equal to General Ledger with no variances.

Worksheet D

CPE to Governmental Entity for the Provisions of TCM Services

Column Descriptions (cont.)

- **Column 5** - Funding Restricted to Non-TCM
 - Identify the Funding Restriction through Supporting Documents.
- **Column 7** - Percentage of Funding Allocation to TCM
 - Establish a Proper Allocation Basis.
 - Introduce Direct Program Cost Allocation Basis – Cost Report Instruction has an Illustration.

Worksheet D

CPE to Governmental Entity for the Provisions of TCM Services

Column Descriptions (cont.)

- **Column 10 - Net Public Funding to TCM**
 - Represents CPE for the Provision of TCM Services.
 - CPE Supported Medi-Cal Portion of the Services eligible for FFP.

Worksheet D

CPE to Governmental Entity for the Provisions of TCM Services

Input Instructions

- 1) **Only** input data in columns 1, 2, 3, 4, 5 & 7
- 2) **AFTER** Adjustment is Completed in Worksheet D-1, click “Update” button on this Worksheet
- 3) Keep supporting documentation in audit files

Worksheet D

Scenario

Worksheet D-1

Funding Adjustments to Governmental Entity

Worksheet D-1

Funding Adjustments to Governmental Entity

Purpose:

This worksheet is designed to allow the reduction /increase of funding revenue for a TCM Budget Unit for CPE determination

- **Examples for Common Adjustments**
 - Eliminate funding that does not meet CPE requirements.
 - Include funding source which supports direct TCM expense outside the Budget Unit.

Worksheet D-1

Funding Adjustments to Governmental Entity

- **Funding Source which Supports Direct TCM Expense outside the TCM Budget Unit**
 - Three Criteria and three Conditions to add direct TCM expense outside TCM Budget Unit onto Cost Report (please refer to Worksheet A-2 slides for detail information).
 - Matching Principle - report matching funding revenue for incurred expense.

Keep supporting documentation to substantiate the funding adjustment

Worksheet D-1

Funding Adjustments to Governmental Entity

Input Instructions:

- 1) Input data in all 4 Columns.
- 2) Case Sensitive for Column 1 Input – same input as Worksheet D, Column 1 for a Worksheet D line adjustment.
- 3) Click “Update” button on Worksheet D.

An Error Message will appear if the “Update” button in Worksheet D is NOT clicked.

Worksheet D-1

Scenario

Worksheet D & D-1

Exercise 4

Worksheet E

Funding Payments to Non-Governmental Subcontractors for the Provisions of TCM Services

Worksheet E

Funding Payments to Non-Governmental Subcontractors for the Provision of TCM Services

Purpose:

This Worksheet is designed for the non-governmental subcontractor(s) that provided TCM Services in the reporting period.

- Report Funding Payment from Funding Contributor(s) to the Non-Governmental Subcontractor(s) in the reporting period.
 - Payment should represent the actual funding in providing TCM services for a particular service/reporting period.

Worksheet E

Funding Payments to Non-Governmental Subcontractors for the Provision of TCM Services

Input Instructions:

- 1) Only Input Data in Columns 1, 2, 3, 4, 5 & 7.
- 2) AFTER Adjustment is Completed in Worksheet E-1, click “Update” button on this Worksheet.
- 3) Keep Supporting Documentation in Audit File.

Worksheet E

Scenario

Worksheet E-1

Funding Adjustments to Non-Governmental Subcontractors

Worksheet E-1

Funding Adjustments to Non-Governmental Subcontractors

Purpose:

Worksheet E-1 is designed for reporting funding adjustments for TCM services provided by the Non-Governmental Subcontractor(s).

Worksheet E-1 has the same format as Worksheet D-1

Worksheet E-1

Funding Adjustments to Non-Governmental Subcontractors

- Examples for Common Adjustments:
 - Eliminate funding that does not meet CPE requirements.
 - Include funding source that support the direct TCM Expense incurred by the LGA staff.

Worksheet E-1

Funding Adjustments to Non-Governmental Subcontractors

Funding Source to Support the Direct TCM Expense Incurred by the LGA Staff

- The LGA does not provide TCM Encounter Related Services.
- Three Conditions
 1. Qualified TCM staff.
 2. Time Survey Conducted.
 3. 100% Direct TCM Cost.
- The LGA does **NOT** need to report the incurred expenses in Worksheet A and A-2.

Worksheet E-1

Funding Adjustments to Non-Governmental Subcontractors

Input Instructions:

- 1) Input data in all 4 Columns.
- 2) Column 1 is case sensitive – this is the same input as Worksheet E, Column 1 for Worksheet E line adjustment .
- 3) Click “Update” button on Worksheet E.

An Error Message will appear if the “Update” button in Worksheet E is NOT clicked.

Worksheet E-1

Scenario

Worksheet E & E-1

Exercise 5

Worksheet G

Calculation of Reimbursement Settlement

Worksheet G

Calculation of Reimbursement Settlement

Purpose:

Worksheet G serves three functions:

- Calculate Maximum Medi-Cal reimbursement per individual budget unit/subcontractor.
- Calculate the TCM reimbursement settlement.
- Determine the newly established interim Medi-Cal TCM encounter payment rate (IMTEPR).

Worksheet G

Calculation of Reimbursement Settlement

Structure Overview:

- Part I – Summary of Medi-Cal Reimbursement per Individual Budget Unit/Subcontractor.
- Part II – Summary of LGA TCM Reimbursement Settlement.
- Part III – Newly Established Interim Medi-Cal TCM Encounter Payment Rate (IMTEPR).

Worksheet G

Part I

Summary of Medi-Cal Reimbursement per Individual Budget Unit/Subcontractor

- Total Program Cost and Encounter Rate.
- Maximum Medi-Cal Reimbursement.

Worksheet G

Part II

Summary of LGA TCM Reimbursement Settlement

- Report Interim Payment Received.
- Balance Due LGA or State (Subject to DHCS Audit).

Worksheet G

Part III

Newly Established Interim Medi-Cal TCM Encounter Payment Rate (IMTEPR)

- Establish a global IMTEPR for interim billing in the new billing cycle.
- Interim payments per new IMTEPR are subject to settlement reconciliation.

Worksheet G

Calculation of Reimbursement Settlement

Input Instructions:

1. Only input in Part II of this Worksheet:
 - Interim Payment
 - Other Coverage
 - Payment received from other TCM payer sources, such as a private insurance carrier, Medi-Cal client insurance deductible, or others.
 - Return to DHCS an overpayment received during the interim period, such as overpayment for an encounter.

Worksheet G

Scenario

Cost Report Submittal

Cost Report Submittal Instructions

Each LGA shall submit only one Cost Report to the following email address: dhsaitcm@dhcs.ca.gov.

Submit the following:

1. Cost Report - Excel version)
2. Cost Report - PDF version with signed (in blue ink)
Provider Cost Report Certification Page
3. Signed LGA Certification Statement

Cost Report Submittal Instructions (cont.)

4. Signed Non-LGA Local Public Entity Certification and Local Governmental Agency Attestation Statements .

NOTE: All forms may be found on the TCM website once the Cost Report Template and Instructions are released:
<http://www.dhcs.ca.gov/provgovpart/Pages/TCM.aspx>

Cost Report Submittal Instructions (cont.)

**Cost Report packages
must be emailed no later
than November 1 of each
fiscal year.**



Questions for Day 2

THE END

The image features the words "THE END" in a large, bold, 3D font. The letters are a vibrant pink color and are set against a light grey background. The floor is a darker grey, and several white perspective lines radiate from the base of the letters, creating a sense of depth and movement. The overall aesthetic is clean and modern.