



TOBY DOUGLAS
DIRECTOR

State of California—Health and Human Services Agency
Department of Health Care Services



EDMUND G. BROWN JR.
GOVERNOR

DATE: August 18, 2014

PPL No. 14-012

TO: Local Governmental Agency (LGA) Coordinators for the Targeted Case Management (TCM) Program

SUBJECT: **Approval of TCM Backcasting Methodology for Fiscal Years 2010/11, 2011/12, and 2012/13, and Submission of Amended Accepted Cost Reports Using Time Survey Data from Fiscal Year 2013/14, and Reconciliation of Interim Payments for the Fiscal Years 2010/11, 2011/12, and 2012/13**

The purpose of this Policy and Procedure Letter is to notify LGA's participating in the TCM Program of the approved Backcasting Methodology for reconciliation of federal reimbursement to LGAs participating in fiscal years (FYs) 2010/11, 2011/12, and 2012/13.

CMS approved the State's request to allow LGAs to submit interim claims for TCM reimbursements using FYs 2009/10 time survey data for services for FYs 2010/11, 2011/12, and 2012/13. A backcasting methodology to reconcile the interim claiming for FYs 2010/11, 2011/12, and 2012/13 will be implemented once the new time survey data is available.

Beginning July 1, 2013, LGAs participating in the TCM program began conducting and collecting time survey data pursuant to CMS' approval of the MAA/TCM Time Survey Methodology. The time survey data collected during FY 2013/14 will be used for TCM final payment reconciliation required by SPA #10-010 for FYs 2010/11, 2011/12, and 2012/13.

LGAs who participated in FYs 2010/11, 2011/12, and 2012/13 are required to resubmit an amended accepted TCM Cost Report to include data collected from FY 2013/14 new time survey results. Time survey data collected from the same budget unit from July 1, 2013 through June 30, 2014 will be averaged and reported on the two schedules of the amended accepted Cost Report: Schedules 2A and the Calculation for Averaged Percentages in Schedule 2A, for original accepted FYs 2010/11, 2011/12, and 2012/13 cost reports. DHCS Audits and Investigations (A&I) will reconcile the FYs 2010/11, 2011/12 and 2012/13 amended accepted cost reports to determine the final federal

reimbursement for the TCM program. If an LGA or an LGA budget unit discontinued TCM services during any of these state fiscal years, contact the TCM program analyst to find out whether an amended accepted close out cost report needs to be submitted.

The following table outlines the time survey data to be used for each amended accepted cost report during the backcasting period. The amended accepted Cost Reports will only be submitted during these timelines:

FY of TCM Service Provided	Length of Averaged Time Survey Data	Period of Time Survey Data to be Used	Cost Report Re-Submission Schedule
2010/2011	12 months	July 1, 2013 to June 30, 2014	August 18, 2014 - September 30, 2014
2011/2012	12 months	July1, 2013 to June 30, 2014	February 1, 2015 – March 15, 2015
2012/2013	12 months	July1, 2013 to June 30, 2014	April 1, 2015 – May 15, 2015

The amended accepted Cost Report for FY 2010/11 shall only be submitted from August 15, 2014 through September 30, 2014. The amended accepted Cost Report for FY 2011/12 shall only be submitted from February 1, 2015 through March 15, 2015. Lastly, the amended accepted Cost Report for FY 2012/13 shall only be submitted from April 15, 2015 through May 15, 2015.

The amended accepted Cost Reports may not be submitted prior to, or after the submission dates. Failure to submit the amended accepted Cost Report on time will result in recovery of interim payments received for that fiscal year.

Each Cost Report Submission must include a signed PDF Amended Accepted Cost Report and an Excel file of Amended Accepted Cost Report. LGAs will submit them via email to dhsaitcm@dhcs.ca.gov.

Please follow the example below when naming the electronic files for the submission the amended accepted county's Cost Report.

Example:

2011 Santa Cruz PH **AA** CR.xls (FY10/11 Santa Cruz Public Health Amended Accepted Cost Report)
 2011 Santa Cruz PH **AA** Cr.PDF

Instructions on how to amend the accepted Cost Report using FY 2013/14 Time Survey data are attached. If you have any questions regarding amended accepted Cost Report submissions, please contact your TCM analyst.

A&I will issue an acceptance letter once the amended accepted Cost Report is accepted for filing. The acceptance letter will establish a new statute date for each accepted amended cost report for the purpose of completing the settlement reconciliation of each fiscal year per TCM SPA 10-010.

Interim payments for TCM services provided in FYs 2010/11, 2011/12, and 2012/13 will be reconciled to the allowable and reimbursable TCM costs in accordance with applicable laws, regulations, CMS reimbursement principles, and the latest program guidelines set forth by CMS and DHCS. A blue cover audit report will be issued to the LGA for each fiscal year once the review is finalized.

If you have any questions regarding this PPL, please contact Vivian Sultan, Acting Chief of the TCM Unit, via email at Vivian.Sultan@dhcs.ca.gov.

Sincerely,

ORIGINAL SIGNED BY MICHELLE KRISTOFF

Michelle Kristoff, Chief
Administrative Claiming, Local and School Services Branch

Enclosures

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