



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



GAVIN NEWSOM
GOVERNOR

Date: October 12th, 2021 **PPL No. 21-027**

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

SUBJECT: Ineligible Encounters for Federal Financial Participation (FFP): Information, Monthly Reports, TCM System, and TCM Cost Reports

This Policy and Procedure Letter (PPL) provides guidance to all LGAs participating in the TCM Program regarding encounters ineligible for FFP, including how these ineligible encounters are reported and processed.

Background

Per PPL 21-012R, as of January 1, 2021, claims for TCM services provided to beneficiaries with an Unsatisfactory Immigration Status (UIS) are generally ineligible for FFP. The only claims permitted under the TCM Program for UIS beneficiaries are those with restricted scope Medi-Cal receiving pregnancy related services. Otherwise, all TCM services provided to beneficiaries with an UIS are ineligible for FFP and State General Fund (SGF). DHCS is updating the TCM System to ensure that claims ineligible for FFP and/or SGF for these beneficiaries are denied.

Monthly Reporting of Encounters Ineligible for FFP

The DHCS' TCM Program will generate monthly reports with the specific claim information when TCM invoices include encounters ineligible for FFP. The report will only include the invoice number and the encounter ID associated with the ineligible encounters to show which encounters will be denied in the TCM System. The monthly report will not include Protected Health Information (PHI) and therefore will be sent from DHCS to each LGA through email on a monthly basis.

The data from the monthly reports may be used to support the LGA in tracking denied encounters on its 'Adjusted' invoices in the TCM System.

Note: This monthly encounter report must be used by the LGA coordinator to aid in the calculation of the number of encounters that are 'Non-claimable TCM Medi-Cal Only' and this data must be placed in Worksheet F of the TCM Cost Report.

TCM System Processing of Encounters Ineligible for FFP

If a TCM encounter is verified as ineligible for FFP and SGF, the encounter will be denied with the reason indicated as "Inappropriate encounter/Ineligible for FFP". DHCS will edit and adjust the invoice amount to exclude the denied encounters and only the adjusted amount will be reimbursed to the LGA.

Reporting Encounters Ineligible for FFP in Worksheet F, Part I

Worksheet F of the TCM Cost Report summarizes the TCM encounters that will be used to determine the cost per encounter on Worksheet G. Within the TCM Cost Report Template, Worksheet F, Part 1, TCM encounters denied because they are ineligible for FFP need to be categorized as 'Non-claimable TCM Medi-Cal Only' encounters as these encounters are not reimbursable through the TCM Program. For more information related to Worksheet F, please refer to the TCM Cost Report Instructions.

For questions regarding this PPL, please contact DHCS at DHCS-TCM@dhcs.ca.gov.

Sincerely,
Original Signed

Brian Fitzgerald, Chief
Local Governmental Financing Division
Department of Health Care Services