



TOBY DOUGLAS  
DIRECTOR

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



EDMUND G. BROWN JR.  
GOVERNOR

DATE: July 5, 2012

MMCD All Plan Letter 12-002

TO: ALL MEDI-CAL MANAGED CARE HEALTH PLANS

SUBJECT: 2012-13 RATES FOR POST-STABILIZATION INPATIENT SERVICES  
PROVIDED BY OUT-OF-NETWORK ACUTE CARE HOSPITALS

This All Plan Letter (APL) provides Medi-Cal managed care plans (Plans) with rates for post-stabilization inpatient services provided to Plan enrollees during the 2012-13 rate period by general acute care hospitals that are not part of the Plan's provider network.

For purposes of this letter, the term "post-stabilization" means inpatient service days following the day on which a physician determines the patient is stable enough to be transferred to a hospital that is within the provider network of the patient's Plan. The term "out-of-network" means an acute care hospital, including hospitals that contract with the Department of Health Care Services (DHCS) under the Selective Provider Contracting Program (SPCP), that does not have in effect a contract with a patient's Plan for inpatient services. In this APL, out-of-network is used instead of "non-contracted" to avoid confusion with the term's use for non-SPCP hospitals.

The rates published below result from the unweighted average of per-diem rates paid to SPCP-contracted hospitals within each of the three regions identified by the California Medical Assistance Commission (CMAC). For each region, SPCP contract rates with individual hospitals have been averaged for four years to establish a trend for that region. That trend is then applied to establish rates for the coming rate period. SPCP rates for individual hospitals are confidential for four years; Plans and their contractors are prohibited from compelling hospitals to disclose them.

Separate rates are calculated for tertiary and non-tertiary hospitals. A "tertiary" hospital is a children's hospital or a hospital that has been designated as a Level I or Level II trauma center by the Emergency Medical Services Authority. A list of tertiary and non-tertiary hospitals is included in the CMAC Annual Report to the State Legislature, available at <http://www.cmac.ca.gov/annual.asp>. Please also refer to APL 10-011 for details on the meaning of tertiary hospitals, available at: <http://www.dhcs.ca.gov/formsandpubs/Pages/AllPlanLetters.aspx>.

Rogers Amendment rates for the 2012-13 rate period are as follows:

<b><i>Rogers Amendment CMAC-Based Regional Average Rates for Out-of-Network Acute Care Hospital Post-Stabilization Inpatient Services Rate Period: 7/1/12 to 6/30/13</i></b>		
	Average	
	Non Tertiary	Tertiary
Other	\$1,511	\$2,154
San Francisco / Bay Area	\$1,915	\$3,201
Southern California	\$1,306	\$2,207

Other = All California counties other than those listed below.

San Francisco / Bay Area = Counties of Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Santa Cruz, Solano, and Sonoma

Southern California = Counties of Los Angeles, Orange, Riverside, San Bernardino, and Ventura

If you have any questions regarding this letter, please contact David Merritt, Health Program Specialist I, at (916) 449-5047 or [david.merritt@dhcs.ca.gov](mailto:david.merritt@dhcs.ca.gov).

Sincerely,

ORIGINAL SIGNED BY BOB MARTINEZ ON BEHALF OF MARGARET TATAR

Margaret Tatar, Chief  
Medi-Cal Managed Care Division