



## Long Term Care

### March 2010 • Bulletin 397

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### Assembly Bill 1629 Rate Methodology Policy Update

Pursuant to the Medi-Cal Long Term Care Reimbursement Act enacted under Article 3.8 (commencing with Section 14126) of Chapter 7, Part 3 of Division 9 of *Welfare and Institutions Code* (W&I Code) (added by AB 1629 of 2004), the Department of Health Care Services (DHCS) is required to collect supplemental cost information to develop Medi-Cal cost-based, facility-specific reimbursement rates for Free-Standing Nursing Facilities Level B (FS/NF-Bs) and subacute care units of FS/NF-Bs. W&I Code, Section 14126.023, subdivision (g), further authorizes DHCS to collect supplemental cost information in order to develop the facility-specific rates.

In order to accurately identify the supplemental costs, FS/NF-Bs have been required to submit the *Administration Costs Supplemental Schedule* (Supplemental Schedule 1), *Agency Costs for Indirect Care Services Supplemental Schedule* (Supplemental Schedule 2) and the optional *Capital Supplemental Schedule*.

Starting with Fiscal Year (FY) January 1, 2009, the Office of Statewide Health Planning and Development (OSHPD) cost report will begin using the following new schedules in lieu of supplemental schedules: *Expense Trial Balance Worksheet* (form 10.5), the optional *Capital Additions, Improvements, and Replacements* (form 10.6), and the *Alternate Allocation Statistics* (form 10.7). Therefore, the previous supplemental schedules are no longer required as of FY January 1, 2009.

Beginning with FY January 1, 2009, all FS/NF-Bs must complete and submit schedules 10.5 and 10.7 to OSHPD. Schedule 10.6 is optional. Any incomplete, inaccurate or altered schedules will not be accepted for rate-setting purposes.

Providers may submit questions by e-mail to [AB1629@dhcs.ca.gov](mailto:AB1629@dhcs.ca.gov) or call (916) 552-8613.

### Regionalized Center for Incontinence Supplies TARs

Effective for dates of service on or after February 1, 2010, the San Bernardino Medi-Cal Field Office will be the regionalized center for processing all incontinence supplies *Treatment Authorization Requests* (TARs). Providers are to send TARs to:

San Bernardino Medi-Cal Field Office  
464 West 4<sup>th</sup> Street, Suite 530  
San Bernardino, CA 92401-1434

or

San Bernardino Medi-Cal Field Office  
P.O. Box 50010  
San Bernardino, CA 92412-0010

There will be no change to the process for electronic TAR (eTAR) submissions.

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Remove and replace: preadmis 1 thru 26 \*  
subacut lev 1/2 \*

Remove and replace  
at the end of the  
*subacut lev* section: *Information for Authorization/Reauthorization of Subacute Care Services – Adult Subacute Program (DHCS 6200 A) \**  
*Information for Authorization/Reauthorization of Subacute Care Services – Pediatric Subacute Program (DHCS 6200) \**

Remove and replace tar comp ltc 11/12 \*  
tar defer 1/2, 9 thru 16 \*  
tar ltc 1/2 \*

Remove and replace  
after the *tar ltc*  
section: *LTC TAR Submission: Required Documents \**

Remove and replace: tar submis 1/2 \*

\* Pages updated due to ongoing provider manual revisions.