

Medi-Cal Update

Long Term Care | December 2010 | Bulletin 406

Print Medi-Cal Update 

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3. Quality Assurance Fee for Skilled Nursing Facilities for Rate Year 2010 – 2011

This article provides information concerning the Quality Assurance Fee (QAF) assessed for each non-exempt Free-Standing Nursing Facility Level B (FS/NF-B) for the rate year August 1, 2010, through July 31, 2011. *California Health and Safety Code*, Sections 1324.20 through 1324.30, and *Welfare and Institutions Code* (W&I Code), Section 14105.06, authorize the Department of Health Care Services (DHCS) to collect a QAF from all non-exempt FS/NF-Bs. The purpose of this QAF is to enhance federal financial participation in the Medi-Cal program and to provide additional reimbursement in order to support quality improvement efforts for licensed FS/NF-Bs that provide services for the Medi-Cal program.

DHCS will collect the following QAFs on a monthly basis:

- FS/NF-Bs with total annual resident days equal to or greater than 100,000 – \$11.93 per resident day
- FS/NF-Bs with total annual resident days less than 100,000 – \$13.08 per resident day

DHCS will send quarterly notices to each non-exempt FS/NF-B and three monthly payment forms. Payments are due on or before the last day of the month following the month for which the QAF was imposed.

Questions about the QAF program may be submitted to:

FS/NF-B QAF Coordinator
Department of Health Care Services
Long Term Care System Development Unit
MS 4612
1501 Capitol Avenue, Suite 71.4001
P.O. Box 997417
Sacramento, CA 95899-7417

Questions about the QAF payments may be submitted to:

Department of Health Care Services
Quality Assurance Fee Program
MS 4720
P.O. Box 997425
Sacramento, CA 95899-7425
(916) 650-0490

Information about the Long Term Care System Development Unit and the QAF program is available on the [Quality Assurance Fee \(QAF\)](#) page of the DHCS website.

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4. Updated Facility-Specific Reimbursement Rates

Effective retroactively for dates of service on or after August 1, 2010, interim facility-specific provider reimbursement rates for Free-Standing Nursing Facilities Level B (FS/NF-B) and Free-Standing Subacute Nursing Facilities Level B (FSSA/NF-B) have been established. Final rates will be released after individual rates have been recalculated to incorporate cost data reported through the Supplemental Schedule 3.

Claims paid at the prior rate for services rendered on or after August 1, 2010, will be reprocessed for retroactive rate adjustments. Providers do not need to take any action.

The interim facility-specific rates are posted on the [Long Term Care Reimbursement AB 1629](#) page of the DHCS website. Providers must use the new rates to bill for services on or after August 1, 2010. Out-of-state or border providers will be reimbursed at the statewide weighted average of \$173.10.

Facility-specific reimbursement rates are computed on an annual basis. Therefore, rates effective on or after August 1, 2010, are based upon audited data with fiscal year end dates in 2008, unless otherwise stated.

This information is reflected in the following provider manual(s):

Provider Manual(s)	Page(s) Updated
Long Term Care	rate facil (7) ; rate facil diem (3)

7. Institutions for Mental Diseases Reimbursement Rates Update

Effective for dates of service on or after July 1, 2010, California Assembly Bill 2645 (Statutes of 2010, Chapter 554) mandates the reimbursement rates for selected Skilled Nursing Facilities Level B designated as Institutions for Mental Diseases remain the same as those effective July 1, 2009. These facilities are exempt from AB 1629 (Statutes of 2004, Chapter 875) facility-specific rate methodology and the Quality Assurance Fee Program. For more information, see AB 360 (Statutes of 2005, Chapter 508) in the [Rates: Facilities](#) section of the Part 2 provider manual.

This information is reflected in the following provider manual(s):

Provider Manual(s)	Page(s) Updated
Long Term Care	rate facil diem (3)

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8. Facility-Specific Reimbursement Rates Updated

Effective retroactively for dates of service on or after August 1, 2010, provider reimbursement rates are updated for Distinct Part Adult and Pediatric Subacute, Distinct Part Nursing Facility-Level B (DP/NF-B) and Intermediate Care Facilities for the Developmentally Disabled (ICF/DD), excluding Intermediate Care Facilities for the Developmentally Disabled/Habilitative (ICF/DD-H) and Intermediate Care Facilities for the Developmentally Disabled/Nursing (ICF/DD-N).

The ICF/DD rate updates are to provide reimbursement for the additional staffing needed due to the four mandated additional adult day health provider holidays. Providers should bill using the new rates immediately for dates of service on or after August 1, 2010. Providers do not need to rebill to adjust their payments. The DHCS Fiscal Intermediary will process any retroactive rate adjustments for claims paid at the old rate for services provided on or after August 1, 2010.

The reimbursement to DP/NF-Bs will be the lesser of projected costs or the maximum reimbursement of \$409.48. Facilities below the maximum rate have facility specific rates. Some of these rates are changing and providers will be notified by DHCS in a separate letter of their specific rates.

Distinct Part Adult Subacute providers will be reimbursed the lesser of their projected costs or the maximum reimbursement rate for each category of reimbursement. The maximum rates for each peer group as outlined in the provider manual. Providers will be notified by DHCS in a separate letter of their specific rates.

This information is reflected in the following provider manual(s):

Provider Manual(s)	Page(s) Updated
Long Term Care	rate facil diem (1-7)

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