



RICK SCOTT
GOVERNOR

ELIZABETH DUDEK
SECRETARY

June 6, 2014

Statewide Medicaid Managed Care (SMMC) Policy Transmittal

Policy Transmittal: 14-06

Applicable to:

- Comprehensive Long-term Care Plan
- Managed Medical Assistance Health Maintenance Organization
- Managed Medical Assistance Provider Service Network
- Managed Medical Assistance Specialty Plan

Re: Retroactive Changes to Nursing Facility Per Diem Rates

The Agency is establishing a process to document and process retroactive changes to nursing home per diems. This process pertains to the period of time between the effective date of the nursing home per diem change and the publication date of the change. Managed care plans are responsible for paying the new per diem from the publication date forward.

Pursuant to Attachment II, Exhibit II-B, Section 9 B.2.a. (1):

iv. For changes in nursing facility payment rates that apply retroactively, the following process shall be used:

- The Agency shall settle directly with nursing facilities that were overpaid for the prior period. The Managed Care Plan shall not collect such payments from the nursing facilities.
- The Agency may settle directly with nursing facilities that were underpaid for the prior period, or may send the payment to the appropriate Managed Care Plan for distribution to the affected service provider. If the Managed Care Plan is asked to distribute an underpayment to a nursing facility under this process, payment to the facility must be made within [fifteen] [15] days of receiving the payment from the Agency.

The Agency has implemented the review process of the rate changes that apply retroactively, which is in progress for Palm Gardens Nursing Homes. The per diems, for Palm Garden Nursery Homes, were changed effective November 1, 2013 as a result of a change in ownership. New rates were published on February 27, 2014. Thus, the Agency is processing retroactive adjustment for the period from November 1, 2013 through January 31, 2014, and managed care plans are responsible for paying the new rates effective February 1, 2014.

The first step in the Agency's retroactive adjustment process was to obtain daily census data from the provider and compare it to encounter data submitted by the managed care plans. Palm Gardens Nursing Homes provided census data, but the Agency was unable to validate the data based on the submitted encounter data. Therefore, we request that each managed care plan

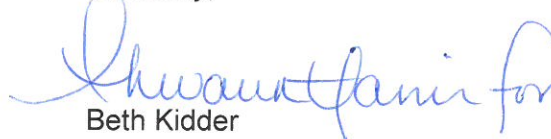


based on the submitted encounter data. Therefore, we request that each managed care plan review the attached Medicaid resident days by facility and dates of service, and confirm or correct the provider submitted data. We also request that each plan confirm that no retroactive adjustments have been processed for the period of November 1, 2013 through January 31, 2014, so that we ensure the Agency adjustments do not produce duplicate payment.

At this time, the Agency is requesting this data only for Palm Gardens Nursing Homes. Other providers have had retroactive adjustments to their per diems and similar datasets for validation will follow for other facilities. Please submit your completed forms to Thomas.Parker@AHCA.MyFlorida.com by June 19, 2014.

If you have questions or concerns, please contact your Agency contract manager at (850) 412-4004.

Sincerely,

A handwritten signature in blue ink that reads "Shwaurtjanic for".

Beth Kidder
Assistant Deputy Secretary for
Medicaid Operations

BK/sb

Enclosure: Medicaid Resident Days by Facility Attachment - Eldercare
Medicaid Resident Days by Facility Attachment - Coventry