January 21, 2015

Statewide Medicaid Managed Care (SMMC) Policy Transmittal

Policy Transmittal: 15-03

Applicable to:
☑ Comprehensive Long-term Care (LTC) Plan
☐ Managed Medical Assistance Health Maintenance Organization
☐ Managed Medical Assistance Provider Service Network
☐ Managed Medical Assistance Specialty Plan
☐ Children’s Medical Services Network (CMSN)

Re: Nursing Home Rates and Nursing Home Retroactive Rate Adjustments

The Agency sets facility-specific payment rates based on the rate methodology outlined in the most recent version of the Florida Title XIX Long-term Care Reimbursement Plan. The managed care plan must pay nursing facilities an amount no less than the most recently published nursing facility specific payment rates set by the Agency for the appropriate rate period. The managed care plan must use the published facility-specific rates as a minimum payment level for all future payments. (Attachment II, Exhibit II-B, Section IX.B.2.a.(1)(a.i.)

The purpose of this policy transmittal is to notify managed care plans serving Long-term Care enrollees of an ad hoc report requirement regarding nursing home payments. (Attachment II, Section II.D.2.) This report will be utilized by the Agency to ensure retroactive nursing home rate adjustments are made accurately by the Agency based on Medicaid long-term care days paid by managed care plans.

Each managed care plan must review the attached ad hoc report for Medicaid resident days by facility and dates of service, and confirm or correct the encounter data. Managed care plans must submit the ad hoc report to the SMMC SFTP site within 30 days of receipt of this document, using the template attached to this document and the file naming convention: Nursing Home Resident Days and Payment Rate Confirmation. For additional assistance, managed care plans may refer to the attached information sheet included with this policy transmittal.

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

Sincerely,

Beth Kidder
Assistant Deputy Secretary for Medicaid Operations

BK/sr
Attachment 1: Information Sheet
Attachment 2: Request for Nursing Home Resident Days and Payment Rate Confirmation
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Nursing Home Rates and Nursing Home Retroactive Rate Adjustments
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Attachment 1: Information Sheet

Accessing Published Medicaid Nursing Home Rates

Long-term Care plans must pay nursing facilities no less than the amount of the most recently published Medicaid nursing home rate for the appropriate rate period, established by the Agency for Health Care Administration (Agency). The rate changes are available on the Agency's Web site http://ahca.myflorida.com/. To navigate to published nursing home rate information: select Medicaid, select providers, and then select Cost Reimbursement.

Medicaid Nursing Home Rate Adjustments and Retroactive Rate Adjustments

The Agency adjusts Medicaid nursing home rates throughout the year for two reasons.

1. The Agency adjusts all Medicaid nursing home rates every rate semester.
   - Historically Medicaid has had two nursing home rate semesters; the Agency has adjusted all Medicaid nursing home rates with an effective date of January 1st and July 1st.
   - The Agency is making a change; beginning in 2015, the Agency will adjust all Medicaid nursing home rates once a year with an effective date of September 1st.

2. The Agency may periodically calculate a retroactive adjustment to an individual provider's Medicaid nursing home rates.
   - The Agency calculates retroactive Medicaid nursing home rate adjustments due to submissions of revised nursing home cost reports, audits, changes of ownership, etc.
   - The Agency publishes all retroactive Medicaid nursing home rate adjustments once a month.

Medicaid Nursing Home Retroactive Rate Adjustments

When the Agency adjusts paid claims due to changes in Medicaid nursing home rates and identifies an:
   - Overpayment, the Agency will settle directly with the nursing facility for the recoupment, or
   - Underpayment, the Agency will settle directly with the nursing facility for the additional payment.

Long-term Care plans must routinely check the Agency's Web site for newly published Medicaid nursing home rates and Medicaid nursing home retroactive rate adjustments. Long-term Care plans must not adjust nursing facility claims that are paid prior to the publication date of a new Medicaid nursing home rate, to ensure the Long-term Care plans do not duplicate Agency adjustments.

When nursing facilities adjust claims to correct billing errors such as incorrect dates of service or an inappropriate patient status code, Long-term Care plans are to process the claim using the most recently published nursing home rate in effect for the claim's date of service.