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### THIS CA UPDATE HAS BEEN SENT TO THE FOLLOWING:

### COUNTIES:

☑ Imperial

- Riverside/San Bernardino
- $\boxtimes$  Los Angeles
- Sacramento
- 🛛 San Diego

### LINES OF BUSINESS:

- Molina Medi-Cal Managed Care
- Molina MedicareOptions Plus
- Molina Dual Options Cal MediConnect Plan (Medicare-Medicaid Plan)
- Molina Marketplace (Covered CA)

#### **PROVIDER TYPES:**

 Medical Group/ IPA/MSO

### Primary Care

- ☑ IPA/MSO☑ Directs
- ☑ Directs☑ MMG

### Specialists

- ⊠ Directs
- ⊠ IPA

### ⊠ Hospitals

### Ancillary

- 🛛 CBAS
- SNF/LTC
- 🖾 DME
- ☑ Home Health
- Other

#### FOR QUESTIONS CALL PROVIDER SERVICES:

(855) 322-4075, Extension:

Los	Angeles	County	/

122233	127685	121934
127690	127657	114378
120104	127879	111131

### Riverside/San

Bernardino Counties				
128007	123251	126556		
128010	127709			

Sacramento	County
1071 10	1000

# 127140 126232

San Diego	o County	
121592	120098	126236
121587	126225	

### Imperial County

125680	121588
121587	

# COORDINATION OF BENEFITS: MEDICARE AND MEDI-CAL

JUST THE FAX

This is a notification to Molina Healthcare of California's (MHC) Medicare provider network regarding MHC's reimbursement responsibilities for the cost of Medicare services. This applies to Medicare services (including Medicare deductibles and coinsurances) given to MHC Medicare members who are also Medi-Cal beneficiaries (Duals) enrolled with MHC.

## **REQUIREMENTS:**

As noted and clarified in the Department of Healthcare Services (DHCS) All Plan Letter (APL) 13-003, there has not been a change in regulatory requirements for reimbursing Medicare providers that serve Medi-Cal MHC dual members. Medicare providers will receive reimbursement from the Managed Care Plan for Medi-Cal services <u>that are not covered by Medicare</u> and for all applicable Medicare deductibles and coinsurances <u>as long as</u> <u>collectively they do not exceed the maximum allowable Medi-Cal fee-for-</u> <u>service reimbursement rates</u>, as follows:

- For Medicare network providers that have a contractual arrangement with the Managed Care Plan, the Medicare provider and the Managed Care Plan will establish a reimbursement methodology.
- For out-of-network Medicare providers that do not contract with the Managed Care Plan, the Medicare provider will be directly reimbursed by the Managed Care Plan.

# **BACKGROUND:**

For the MHC Duals population, MHC has always been responsible for providing medically necessary Medi-Cal services that are not covered by Medicare. MHC is also responsible for reimbursement of Medi-Cal services to Medicare providers when total Medicare costs, including deductibles and coinsurance, do not exceed the Medi-Cal allowable FFS reimbursement rates.

- **Deductibles** are the Medicare beneficiary's financial obligation before Medicare will begin reimbursement for services. This is usually a set annual amount; the Medi-Cal program pays the deductible on behalf of the Medi-Cal beneficiary.
- **Coinsurance** is an amount a Medicare beneficiary may be required to pay after payment of deductibles for the beneficiary's share of cost for a Medicare service. This is usually a percentage amount (e.g 80% paid by Medicare; 20% paid by Medi-Cal on behalf of beneficiary when it does not exceed the Medi-Cal FFS rates).

# **MOLINA PAYMENT:**

# Network Provider

• For Medicare network providers that have a contractual arrangement with MHC, the contracted rate serves as the Medicare reimbursement methodology established between MHC and the network provider.

# • Out-of-Network Provider

- In general, for most Medicare services provided to MHC beneficiaries, <u>Medicare</u> pays 80 percent of the Medicare allowable rate with the remaining 20 percent coinsurance being covered by MHC, up to the allowable Medi-Cal FFS rate. MHC also cover Medicare deductibles as long as the total cost for all services, deductibles, and coinsurance does not exceed the Medi-Cal FFS rate.
- In most cases, Medi-Cal does not reimburse for the most Medicare services, including deductibles and coinsurance because the Medicare rate is typically higher than the Medi-Cal rate. However, there are some exceptions. For long-term care services, Medi-Cal does pay the full coinsurance and deductible.

# Questions

If you have any questions regarding this notification, please contact your Molina Provider Services Representative at (855) 322-4075.