

**THIS CA UPDATE HAS BEEN SENT TO THE FOLLOWING:****COUNTIES:**

- Imperial
- Riverside/San Bernardino
- Los Angeles
- Orange
- Sacramento
- San Diego

**LINES OF BUSINESS:**

- Molina Medi-Cal Managed Care
- Molina Medicare Options Plus
- Molina Marketplace (Covered CA)

**PROVIDER TYPES:**

- Medical Group/ IPA/MSO**
  - Primary Care**
  - IPA/MSO
  - Directs
  - Specialists**
  - Directs
  - IPA
- Hospitals**
  - Ancillary**
  - CBAS
  - SNF/LTC
  - DME
  - Home Health
  - Other

## Skilled Nursing Facilities – Long Term Care Benefit Standardization and Transition APL 22-018

This is an advisory notification to Molina Healthcare of California (MHC) network providers to provide the requirements on Skilled Nursing Facility (SNF) Long Term Care (LTC) Benefit Standardization provisions of the California Advancing and Innovating Medi-Cal (CalAIM) initiative.

This notification is based on an All Plan Letter (APL) 22-018, which can be found in full on the Department of Health Care Services (DHCS) website at: <https://www.dhcs.ca.gov/formsandpubs/Documents/MMCDAPsandPolicyLetters/APL2022/APL22-018-SNF-Carve-In.pdf>

**BACKGROUND:**

CalAIM seeks to move Medi-Cal to a more consistent and seamless system by reducing complexity and increasing flexibility through Benefit Standardization.

To further CalAIM's goals to standardize and reduce complexity across the state and reduce county-to-county differences, DHCS is implementing Benefit Standardization. Benefit Standardization will help ensure consistency in the benefits delivered by managed care and fee-for-service (FFS) statewide.

Effective January 1, 2023, DHCS will require most non-dual and dual LTC Members (including those with a Share of Cost) to enroll in a Managed Care Plan (MCP) and receive their LTC benefits from their MCP.

Effective July 1, 2023, the remaining LTC Members receiving the LTC benefit in a Subacute Facility or Intermediate Care Facility for the Developmentally Disabled must be enrolled in an MCP.

**POLICY:****Benefit Requirements:**

Effective January 1, 2023, MHC will authorize and cover medically necessary services provided in SNFs (both freestanding and hospital-based facilities), consistent with definitions in the Medi-Cal Provider Manual and any subsequent updates.

MHC will ensure that Members in need of SNF services are placed in a health care facility that provides the level of care most appropriate to the Member's medical needs, as documented by the Member's Provider(s). This means that, beginning January 1, 2023, Members who are admitted into a SNF will remain enrolled with MHC instead of being disenrolled and enrolled in FFS Medi-Cal.

Consistent with guidance in APL 22-012, Governor's Executive Order N-01-19, Regarding Transitioning Medi-Cal Pharmacy Benefits from Managed Care to Medi-Cal Rx, or any superseding APL, the financial responsibility for prescription drugs is determined by the claim type on which they are billed.

If certain drugs are dispensed by a pharmacy and billed on a pharmacy claim, they are carved out and paid by Medi-Cal Rx. If the drugs are provided by the SNF and billed on a medical or institutional claim, MHC is responsible.

More information on coverage of Medi-Cal pharmacy services through Medi-Cal Rx is available at: <https://medi-calrx.dhcs.ca.gov/home/> and <https://files.medi-cal.ca.gov/pubsdoco/publications/masters-mtp/part2/ratefacilmisc.pdf>.

#### Leave of Absence of Bed Hold Requirements

MHC will provide continuity of care for Members that are transferred from a SNF to a general acute care hospital, and then require a return to a SNF level of care due to medical necessity. Requirements regarding leave of absence, bed hold, and continuity of care policies apply.

#### Continuity of Care Requirements

Effective January 1, 2023, through June 30, 2023, for Members residing in a SNF and transitioning from Medi-Cal FFS to Medi-Cal managed care, MHC will automatically provide 12 months of continuity of care for the SNF placement. Automatic continuity of care means that if the Member is currently residing in a SNF, they do not have to request continuity of care to continue to reside in that SNF. While Members must meet medical necessity criteria for SNF services, continuity of care must be automatically applied.

MHC will allow Members to stay in the same SNF under continuity of care only if all of the following applies:

- The facility is enrolled and licensed by CDPH;
- The facility is enrolled as a provider in Medi-Cal;
- The SNF and MHC agree to payment rates that meet state statutory requirements; and
- The facility meets MHC's applicable professional standards and has no disqualifying quality-of-care issues.

#### Treatment Authorizations

Effective January 1, 2023, for Members residing in a SNF and transitioning from Medi-Cal FFS to Medi-Cal managed care, MHC is responsible for treatment authorization requests (TAR) approved by DHCS for SNF services provided under the SNF per diem rate for a period of 12 months after enrollment in MHC or for the duration of the treatment authorization, whichever is shorter.

Effective January 1, 2023, for Members residing in a SNF and transitioning from Medi-Cal FFS to Medi-Cal managed care, MHC is responsible for all other DHCS-approved TARs for services in a SNF exclusive of the SNF per diem rate for a period of 90 days after enrollment with MHC, or until MHC is able to reassess the Member and ensure provision of medically necessary services.

Effective January 1, 2023, prior authorization requests for Members who are transitioning from an acute care hospital are to be considered expedited, requiring a response time of no greater than 72 hours, including weekends.

#### The Preadmission Screening and Resident Review (PASRR)

To prevent an individual's inappropriate nursing facility admission and retention of individuals, federal law requires proper screening and evaluation before such placement. These PASRR requirements are applicable for all Medicaid-certified nursing facilities for all admissions (regardless of payer source). The PASRR process is required to ensure that individuals who may be admitted into a nursing facility for a long-term stay be preliminarily assessed for serious mental illness and/or intellectual/developmental disability or related conditions. MHC is required to work with DHCS and Network Providers, including discharging facilities or admitting nursing facilities, to obtain

*If you are not contracted with Molina and wish to opt out of the Just the Fax, email: [mhcproviderjustthefax@molinahealthcare.com](mailto:mhcproviderjustthefax@molinahealthcare.com)  
Please include provider name and fax number and you will be removed within 30 days.*

documentation validating PASRR process completions. Further implementation guidance is forthcoming.

### Population Health Management (PHM) Requirements

In addition to Benefit Standardization, effective January 1, 2023, MHC will implement a PHM Program that ensures all Medi-Cal managed care Members, including those using SNF services, have access to a comprehensive set of services based on their needs and preferences across the continuum of care, including Basic Population Health Management (BPHM), transitional care services (TCS), care management programs, and Community Supports.

BPHM applies an approach to care that ensures needed programs and services, including primary care, are made available to each Member at the right time and in the right setting. In contrast to care management, which is focused on populations with significant or emerging needs, all MHC Members receive BPHM, regardless of their level of need. BPHM replaces DHCS' previous "Basic Case Management" requirements.

As part of their PHM Program, MHC will provide strengthened TCS that will be implemented in a phased approach. By January 1, 2023, MHC will implement timely prior authorizations **for all Members**, and know when **all Members** are admitted discharged, or transferred from facilities, including SNFs. MHC will also ensure that all TCS are completed for **all high-risk Members**, including assigning a single point of contact, referred to as a care manager, to assist Members throughout their transition and ensure all required services are complete. MHC and their assigned care managers must ensure Member transitions to and from a SNF are timely and do not delay or interrupt any medically necessary services or care, and that all required transitional care activities are completed. By January 1, 2024, MHC will ensure all TCS are completed for all Members.

Care management beyond transitions consists of two programs: (1) Complex Care Management (CCM) and (2) Enhanced Care Management (ECM). If a member is enrolled in either CCM or ECM, TCS must be provided by the Member's assigned care manager. MHC will also continue to provide all elements of BPHM to Members enrolled in care management programs.

CCM is a service for managed care Members who need extra support to avoid adverse outcomes but who are not in the highest risk group. CCM provides both ongoing chronic care coordination and interventions for episodic, temporary needs with a goal of regaining optimum health or improved functional capability, in the right setting and in a cost-effective manner.

ECM is a whole-person, interdisciplinary approach to comprehensive care management for managed care Members who meet the Populations of Focus criteria. It is intended to address the clinical and non-clinical needs of high-cost, high-need Members through systematic coordination of services and it is community-based, interdisciplinary, high-touch, and person-centered. One of the ECM Populations of Focus is specifically intended for nursing facility residents transitioning to the community. For these Members, the ECM Lead Care Manager must identify all resources to address all needs of the Member to ensure they will be able to transition and reside continuously in the community and provide longitudinal support beyond the transition.

For more information about PHM, please refer to the DHCS PHM Website at:  
<https://www.dhcs.ca.gov/CalAIM/Pages/PopulationHealthManagement.aspx>.

### Informational Webinars

DHCS is hosting educational webinars on SNF LTC Carve-In transition topics.

Past Webinars:

*If you are not contracted with Molina and wish to opt out of the Just the Fax, email: [mhcproviderjustthefax@molinahealthcare.com](mailto:mhcproviderjustthefax@molinahealthcare.com)  
Please include provider name and fax number and you will be removed within 30 days.*

- How Medi-Cal Managed Care Supports SNF Residents Webinar: Monday, January 30, 2023 at 2:00 p.m.
- SNF LTC Billing and Payment Rules: Friday, December 2, 2022 at 1:00 p.m.
- Promising Practices for SNF and MCP Contracting: Friday, November 4, 2022 at 1:00 p.m.
- SNF LTC Carve-In 101 for SNFs: October 7, 2022 at 1:00 p.m.
- SNF LTC Carve-In 101 for MCPs: September 21, 2022 at 10:00 a.m.

Additional details about upcoming webinars are available on the CalAIM LTC Carve-In transition webpage: <https://www.dhcs.ca.gov/provgovpart/Pages/Long-Term-Care-Carve-In-Transition.aspx>.

### **QUESTIONS**

If you have any questions regarding the notification, please contact your Molina Provider Services Representative. Please refer to the phone numbers listed below:

Service County Area	Provider Services Representative	Contact Number	Email Address
California Hospital Systems	Deletha Foster	909-577-4351	<a href="mailto:Deletha.Foster@molinahealthcare.com">Deletha.Foster@molinahealthcare.com</a>
	Shelly Lilly	858-614-1586	<a href="mailto:Michelle.Lilly@molinahealthcare.com">Michelle.Lilly@molinahealthcare.com</a>
Los Angeles	Clemente Arias	562-517-1014	<a href="mailto:Clemente.Arias@molinahealthcare.com">Clemente.Arias@molinahealthcare.com</a>
Los Angeles / Orange County	Maria Guimoye	562-549-4390	<a href="mailto:Maria.Guimoye@molinahealthcare.com">Maria.Guimoye@molinahealthcare.com</a>
Sacramento	Jennifer Rivera Carrasco	562-542-2250	<a href="mailto:Jennifer.RiveraCarrasco@molinahealthcare.com">Jennifer.RiveraCarrasco@molinahealthcare.com</a>
San Bernardino	Luana McIver	909-501-3314	<a href="mailto:Luana.Mciver@molinahealthcare.com">Luana.Mciver@molinahealthcare.com</a>
San Bernardino / Riverside County	Vanessa Lomeli	909-577-4355	<a href="mailto:Vanessa.Lomeli2@molinahealthcare.com">Vanessa.Lomeli2@molinahealthcare.com</a>
San Diego / Imperial County	Briana Givens	562-549-4403	<a href="mailto:Briana.Givens@molinahealthcare.com">Briana.Givens@molinahealthcare.com</a>
	Carlos Liciaga	858-614-1591	<a href="mailto:Carlos.Liciaga@molinahealthcare.com">Carlos.Liciaga@molinahealthcare.com</a>
	Salvador Perez	562-549-3825	<a href="mailto:Salvador.Perez@molinahealthcare.com">Salvador.Perez@molinahealthcare.com</a>

If you are not contracted with Molina and wish to opt out of the Just the Fax, email: [mhcproviderjustthefax@molinahealthcare.com](mailto:mhcproviderjustthefax@molinahealthcare.com)  
Please include provider name and fax number and you will be removed within 30 days.