



California Medical Association
Physicians dedicated to the health of Californians

**AFFORDABLE CARE ACT: MEDICAID PRIMARY CARE RATE INCREASE
MEDI-CAL STATE PLAN AMENDMENT (SPA)
Frequently Asked Questions
April 11, 2013**

Background

Under the provisions of the Federal Affordable Care Act (ACA), state Medicaid programs (Medi-Cal in California) are required to pay primary care physicians at Medicare rates for primary care services for two years. The increase is fully funded by the federal government. The requirement began January 1, 2013 and ends December 31, 2014.

The California Department of Health Care Services (DHCS) submitted their state plan amendment (SPA) to implement the rate increase on March 29, 2013. Approval of the SPA is required by the Centers for Medicare and Medicaid Services (CMS) before the state can implement the rate adjustment. It is unclear when the rate adjustment will be approved by CMS and implemented by DHCS. In previous communications, DHCS has indicated that they expect implementation will begin in July 2013. However, the rate adjustment will be retroactive to the beginning of the year.

Below are answers to frequently asked questions about implementation of the rate adjustment as outlined in the SPA. Please note these provisions are subject to change pending approval by the federal Centers for Medicare and Medicaid Services (CMS).

General Questions

1. Why is the SPA just being filed now?

Federal guidance on the implementation of the rate increase was delayed until November 2012. The DHCS claims that the federal delay and the complications involved with applying the rate increase to managed care (see below) delayed the submission of the SPA.

2. Who qualifies as a “primary care physician”?

Any physician who is board-certified in internal medicine, family medicine, or pediatrics by the American Board of Physician Specialties, the American Board of Medical Specialties, or the American Osteopathic Association. This includes recognized physician subspecialties of the above board certified specialties.

Or, any physician who practices (but is not board certified) in a specialty or sub-specialty of internal medicine, family medicine, or pediatrics who also bills at least 60% of services rendered for qualifying codes (see #4 below). DHCS has indicated that billing 60% of services for qualifying codes alone does not qualify a physician unless they also can legitimately attest to practicing in internal medicine, family medicine or pediatric medicine or a subspecialty of internal medicine family medicine or pediatric medicine recognized by the ABMS, ABPS or AOA.

Please see attached chart for more information.

3. How will physicians prove that they qualify?

Generally, physicians will self-attest that they qualify for the increased rates. DHCS is developing an online registry that physicians will use to register. However, managed care plans are allowed to choose to either use the DHCS attestation tool or develop their own. As a result, the attestation process may be different for some managed care plans that decide to develop their own process for attestation.

4. What counts as a primary care service?

The rate increase applies to:

- Evaluation and management codes 99201-99499
- Vaccine administration codes 90460, 90461, and 90471-90474
- Preventive care codes 99381-99387 and 99391-99397
- Counseling risk/behavior intervention codes 99401, 99404, 99408-409, 99411, 99412, 99420 and 99429

The rate increase also applies to state-specific “Z” codes - Z0100, Z0102, Z0104, Z0106 and Z0108. These codes are relevant to some state-only programs, such as Family PACT, as well as many services provided in neonatal and prenatal intensive care units (NICU and PICU). With CMA’s help, the state developed a “crosswalk” of codes that they provided to CMS to cover the Z codes.

5. What Medicare rates will Medi-Cal use? Will they apply the GPCIs?

Per the SPA, rates will be based on the 2009 Medicare Fee Schedule. Geographic Payment Center Indices (GPCIs) will apply. CMA urged the DHCS to adopt this approach based on our analysis that this approach would benefit California physicians.

6. Are clinics or physician employers eligible for the Medi-Cal reimbursement adjustment?

No, only the physician who is personally providing the service is eligible for the increase.

Managed Care

1. Does the increase apply to managed care?

Yes. Plans will be receiving increased payments, through the State of California, to pay providers at Medicare rates. The increase is fully funded by the federal government for 2 years beginning January 1, 2013 and ending December 31, 2014.

2. Will the plans use the same attestation process?

Health plans will have the option of using the state’s registration system (see above) or using their own attestation process.

3. How will the state guarantee that the money actually makes it to the physician?

Plans will be contractually obligated to prove that they are paying primary care physicians at least the Medicare rates. The payments made to plans to cover the increased cost of higher rates will be separate from their general capitation payments, allowing for separate accounting. The SPA included plan reporting requirements to ensure the rate adjustment funding is going to the service providing physician.

If you have any questions, please contact the Member Help Center at 800-786-4262.

Certified By....	Specialty	Subspecialty
ABMS	Family Medicine	Adolescent Medicine; Geriatric Medicine; Hospice and Palliative Medicine; Sleep Medicine; Sports Medicine.
	Internal Medicine	Adolescent Medicine; Advanced Heart Failure and Transplant Cardiology; Cardiovascular Disease; Clinical Cardiac Electrophysiology; Critical Care Medicine; Endocrinology, Diabetes and Metabolism; Gastroenterology; Geriatric Medicine; Hematology; Hospice and Palliative Medicine, Infectious Disease; Interventional Cardiology; Medical Oncology; Nephrology; Pulmonary Disease; Rheumatology; Sleep Medicine; Sports Medicine; Transplant Hepatology.
	Pediatrics	Adolescent Medicine; Child Abuse Pediatrics; Developmental-Behavioral Pediatrics; Hospice and Palliative Medicine; Medical Toxicology; Neonatal-Perinatal Medicine; Neurodevelopmental Disabilities, Pediatric Cardiology; Pediatric Critical Care Medicine; Pediatric Emergency Medicine; Pediatric Endocrinology; Pediatric Gastroenterology; Pediatric Hematology-Oncology; Pediatric Infectious Diseases; Pediatric Nephrology; Pediatric Pulmonology; Pediatric Rheumatology, Pediatric Transplant Hepatology, Sleep Medicine, Sports Medicine.
AOA	Family Medicine	No subspecialties.
	Internal Medicine	Allergy/Immunology; Cardiology; Endocrinology; Gastroenterology; Hematology; Hematology/Oncology; Infectious Disease; Pulmonary diseases; Nephrology; Oncology; Rheumatology.
	Pediatrics	Adolescent and Young Adult Medicine, Neonatology, Pediatric Allergy/immunology, Pediatric Endocrinology, Pediatric Pulmonology.
ABPS	American Board of Family Medicine Obstetrics; Board of Certification in Family Practice; Board of Certification in Internal Medicine. No Board certification specific to Pediatrics.	No subspecialists.
		<i>Source: Center for Medicare and Medicaid Services, Qs&As on the Increased Medicaid Payment for Primary Care</i>

