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RECAP OF ALABAMA CIS PROCESS

PREPARED & PRESENTED BY JACOB CROSBY
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BEFORE WE GET STARTED

- Please feel free to interrupt with any questions.
- Use the chat box as well to ask questions.
- If questions arise after the presentation, please feel free to reach out via email.
 - My contact information is at the end of the presentation.

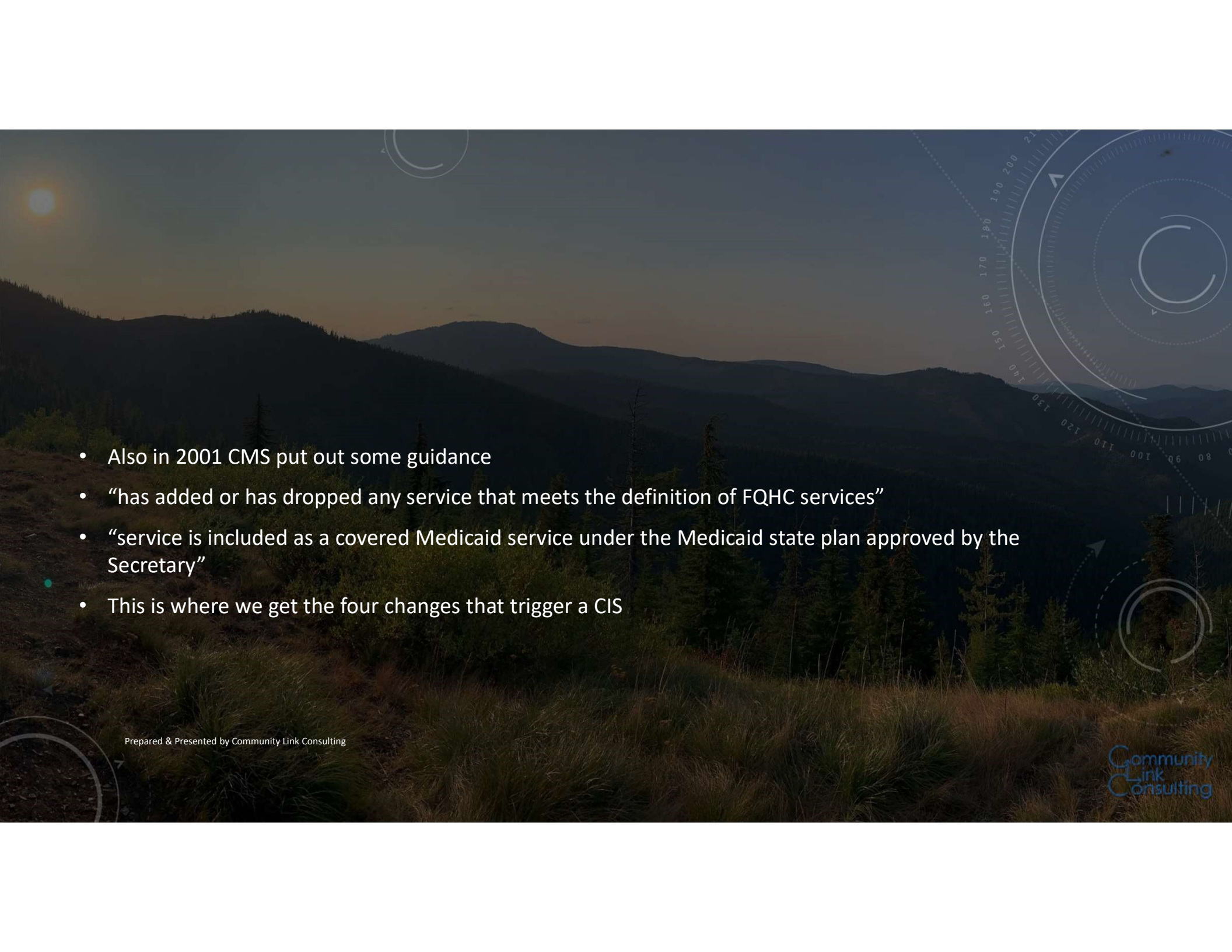
RECAP OF THE AUTHORITY ARE WE USING

- Below is an excerpt from the Benefits Improvement and Protection Act of 2000 (BIPA)

(3) FISCAL YEAR 2002 AND SUCCEEDING FISCAL YEARS.—Subject to paragraph (4), for services furnished during fiscal year 2002 or a succeeding fiscal year, the State plan shall provide for payment for such services in an amount (calculated on a per visit basis) that is equal to the amount calculated for such services under this subsection for the preceding fiscal year—

(A) increased by the percentage increase in the MEI (as defined in section 1842(i)(3)) applicable to primary care services (as defined in section 1842(i)(4)) for that fiscal year; and

(B) adjusted to take into account any increase or decrease in the scope of such services furnished by the center or clinic during that fiscal year.

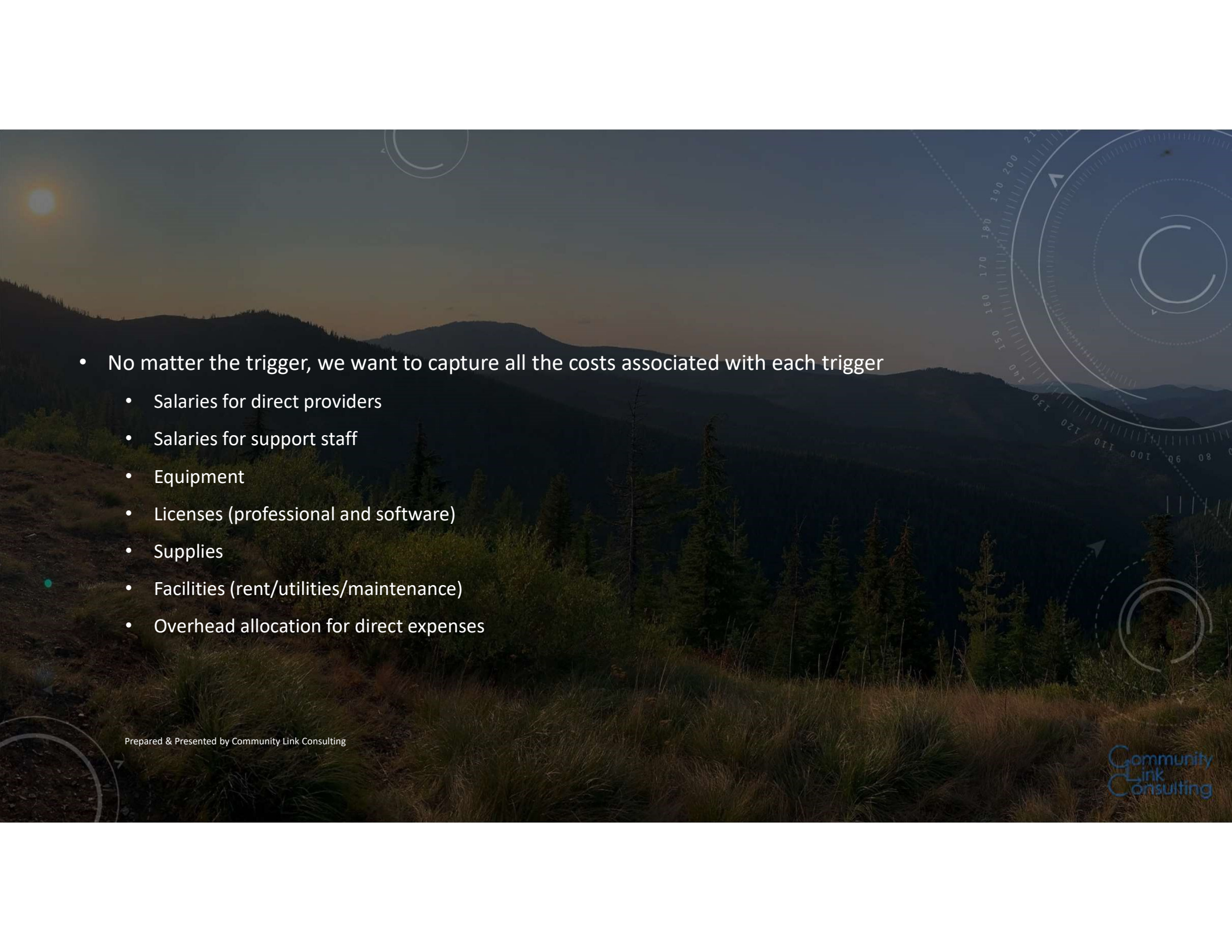
- 
- Also in 2001 CMS put out some guidance
 - “has added or has dropped any service that meets the definition of FQHC services”
 - “service is included as a covered Medicaid service under the Medicaid state plan approved by the Secretary”
 - This is where we get the four changes that trigger a CIS

FOUR CHANGES THAT TRIGGER A CIS

Changes in:

1. Type
2. Intensity
3. Duration
4. Amount

of services since the PPS base year or the last approved change in scope cost report.

- 
- The background is a photograph of a mountain landscape at dusk or dawn. The sky is a mix of dark blue and orange, with a bright sun or moon visible on the left. The mountains are silhouetted against the sky. In the foreground, there are some trees and grass. Overlaid on the image are several technical-looking graphics: a large circular gauge with numbers from 0 to 210 on the right side, and some smaller circular elements on the left and bottom left.
- No matter the trigger, we want to capture all the costs associated with each trigger
 - Salaries for direct providers
 - Salaries for support staff
 - Equipment
 - Licenses (professional and software)
 - Supplies
 - Facilities (rent/utilities/maintenance)
 - Overhead allocation for direct expenses

**RURAL HEALTH CENTER (RHC)
MEDICAID STATISTICAL DATA**

1. RHC NAME _____
ADDRESS _____
CITY/STATE/ZIP _____

2. RHC NUMBER _____

3. REPORTING PERIOD From _____ To _____

4. TYPE OF CONTROL
Voluntary Nonprofit _____
Federal _____
State _____
City _____
County _____
Other _____

5. RHC OWNER _____

6. OWNERSHIP AND RELATED PARTY DISCLOSURE
List every provider, supplier, individual, corporation, partnership, or any other entity
owned by or related to this RHC through common ownership or control.

Name	Location	Clinic or Provider No.

7. NAMES OF PHYSICIANS FURNISHING SERVICES OR UNDER AGREEMENT AS DESCRIBED
IN INSTRUCTIONS

Physician Name	Billing No.

CERTIFICATION BY OFFICER OR ADMINISTRATOR OF RHC

I hereby certify that I have examined the statistical data presented here for the reporting period
beginning _____ and ending _____, and that to the best of my knowledge and belief
it is a true, correct, and complete statement prepared by _____
using the financial and statistical records of this RHC in accordance with all applicable instructions
except as noted.

Signature and Title of Officer or Administrator _____ Date _____

RECLASSIFICATION AND ADJUSTMENT OF TRIAL BALANCE EXPENSES		RHC NO.	ESTIMATED:	REPORTING PERIOD		WORKSHEET 1		
			ACTUAL:	From:	To:	Page 1 of 3		
	COST CENTER	Compensation Including Benefits	Other	Total (Col 1+2)	Reclassified	Reclassified Trial Balance (Col 3+4)	Adjustments Increase (Decrease)	Net Expenses (Col 5+6)
		1	2	3	4	5	6	7
	HEALTH CARE COST							
1.	Physician							
2.	Physician Assistant							
3.	Nurse Practitioner							
4.	Other Nurse							
5.	Lab Technician							
6.	Physicians Under Agreement Reading EKGs							
7.	Physician Supervisor							
8.	Medical Supplies							
9.	Transportation - Health Care Staff							
10.	Depreciation - Medical Equipment							
11.	Professional Liability Insurance							
12.	Dental - Under 21							
13.	Speech and Therapy							
14.	Occupational Therapy							
15.	Physical Therapy							
16.	Vocational Therapy							
17.	Optometry							
18.	Podiatry							
19.	Medical Social Service							
20.	Health Education							
21.	Psychology							
22.	DME							
23.	EPSDT Services							
24.	Pharmacy - On Site							
25.	Family Planning							
26.	Lab Medical - Outside Lab							
27.	X-Ray Medical - Outside X-Ray							
28.	Other - Specify/Schedule							
29.								
30.								
31.								
32.								
33.								
34.								
35.	Total Health Care Cost	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

RECLASSIFICATION AND ADJUSTMENT OF TRIAL BALANCE EXPENSES		RHC NO.	ESTIMATED:		REPORTING PERIOD		WORKSHEET 1	
			ACTUAL:		From:	To:	Page 2 of 3	
	COST CENTER	Compensation Including Benefits	Other	Total (Col 1+2)	Reclassified	Reclassified Trial Balance (Col 3+4)	Adjustments Increase (Decrease)	Net Expenses (Col 5+6)
		1	2	3	4	5	6	7
	OVERHEAD COST							
36.	Administration							
37.	Financial							
38.	Marketing							
39.	Legal							
40.	Data Processing							
41.	Housekeeping							
42.	Maintenance							
43.	Security							
44.	Supplies							
45.	Malpractice Insurance							
46.	General Insurance							
47.	Telephone							
48.	Utilities							
49.	Rent							
50.	Maintenance and Repairs							
51.	Depreciation							
52.	Amortization							
53.	Mortgage Interest							
54.	Other Interest							
55.	Medical Records							
56.	Other - Specify							
57.	Employee Benefits							
58.	Laundry							
59.	Dietary							
60.								
61.								
62.								
63.	Total Overhead	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

RECLASSIFICATION AND ADJUSTMENT OF TRIAL BALANCE EXPENSES		RHC NO.	ESTIMATED:		REPORTING PERIOD		WORKSHEET 1	
			ACTUAL:		From:	To:	Page 3 of 3	
	COST CENTER	Compensation Including Benefits	Other	Total (Col 1+2)	Reclassified	Reclassified Trial Balance (Col 3+4)	Adjustments Increase (Decrease)	Net Expenses (Col 5+6)
		1	2	3	4	5	6	7
	NON-REIMBURSABLE COST							
64.	Contributions							
65.	Transportation							
66.	Education							
67.	Outreach							
68.	Community Service							
69.	Environmental							
70.	Bad Debt							
71.	Other - Specify							
72.								
73.								
74.	Total Non-Reimbursable Cost	0	0	0	0	0	0	0
75.	TOTAL COST FOR ALL COST CENTERS							

PROVIDER STAFF, VISITS AND PRODUCTIVITY	RHC NO.	ESTIMATED:	REPORTING PERIOD		WORKSHEET 2
		ACTUAL:	From:	To:	

PART A - STAFF AND VISITS		FTE PERSONNEL			ALL VISITS			TITLE XIX VISITS		
	STAFF	Under Agreement	Staff	Total	On-Site	Off-Site	Total	On-Site	Off-Site	Total
		1	2	3	4	5	6	7	8	9
1.	Physicians									
2.	Midlevels									
3.	Subtotal									
4.	Psychiatrists									
5.	Dentists									
6.	Dental Hygienists									
7.	Therapists									
8.	Medical/Social Workers									
9.	Psychologists									
10.	Family Planning									
11.	EPSDT Services									
12.	Other - Specify									
13.										
14.	TOTAL		0	0	0	0	0	0	0	0

PART B - MINIMUM MEDICAL TEAM PRODUCTIVITY		Amount
1.	Total Physician and Midlevel Visits (Part A - Column 6 - Line 3)	
2.	Total Medical Team FTEs (Part A - Column 3 - Total Physicians plus 1/2 Total Midlevels)	0.00
3.	Minimum Medical Team Productivity (Part B - Line 2 multiplied times 4200)	0
4.	Physician and Midlevel Visits for Rate Determination (Part B - Greater of Line 1 or Line 3)	

PART C - PROVIDER VISITS FOR RATE DETERMINATION		Amount
1.	Total Provider Visits Less Physician and Midlevels (Part A - Total Lines 4 through 12)	0
2.	Total Provider Visits for Rate Determination (Part B - Line 4 plus Part C - Line 1)	

DETERMINATION OF OVERHEAD, RATE, AND REIMBURSEMENT		WORKSHEET 3
PART A - DETERMINATION OF OVERHEAD APPLICABLE TO RHC SERVICES		AMOUNT
1.	Cost of RHC Services Excluding Overhead (Worksheet 1 - Line 35 - Column 7)	
2.	Non-Reimbursable RHC Cost Excluding Overhead (Worksheet 1 - Line 74 - Column 7)	\$0.00
3.	Cost of All Services Excluding Overhead (Total Lines 1 and 2)	\$0.00
4.	Percentage of Non-Reimbursable RHC Cost (Line 2 divided by Line 3)	#DIV/0!
5.	Total Overhead (Worksheet 1 - Line 63 - Column 7)	
6.	Overhead Applicable to Non-Reimbursable RHC Cost (Line 5 times Line 4)	\$0.00
7.	Overhead Applicable to RHC Services (Line 5 minus Line 6)	\$0.00
8.	Total Cost of RHC Services (Line 1 plus Line 7)	\$0.00
PART B - RATE DETERMINATION		AMOUNT
1.	Total RHC Cost (Part A - Line 8)	
2.	Total RHC Adjusted Visits (Worksheet 2 - Part C - Line 2)	
3.	Rate Per Visit (Line 1 divided by Line 2)	#DIV/0!

QUESTIONS?

Contact Info:

Jacob Crosby:

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- Phone: 509-209-9496

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RECAP OF HOW THE CIS PROCESS IS GOING

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HOW IS THE PROCESS IS GOING?

- Where are we at with the State?
- What is the minimum productivity threshold?
 - What are doing to address this issue?
- What is the next step once the cost report is ready to submit?
- Once submitted, what should you expect?

WHERE ARE WE AT WITH THE STATE?

- I have been in contact with the State, but I have not gotten many answers on the process.
- We are currently preparing to submit the cost report how we suspect the process should work.
 - The goal is to propose a process to the State to help get something recorded to make the process easier going forward.

MINIMUM PRODUCTIVITY THRESHOLD

- What is the minimum productivity threshold?
- What are the implications of the threshold?
 - The application of a minimum productivity threshold causes a clinic's rate to be diluted if they are not meeting the minimum. (See example on the next slide)

Costs	w/o PCMH Expansion	W/ PCMH Expansion
Direct Medical	9,000,000	9,000,000
PCMH and Other New		2,000,000
Total	9,000,000	11,000,000
Greater of 1) actual productivity or 2) min. prod. Require.		
Actual - 5 physicians, 5 NPs/Pas	32,000	27,000
Min (5*4,200 plus 5f*2,100)	31,500	31,500
Actual Cost Per Visit	281.25	407.41
Cost Per Visit - Min Productivity	285.71	349.21
Applied Rate - Less of Actual or Minimum Productivity	281.25	349.21
Unsubsidized per visit cost	-	58.20
Medicaid Payor Mix @ 40%		10,800
Unsubsidized Medicaid Costs		628,571
<p>Note: Expansion of PCMH (one example) is intended to reduce the overall cost of care. CHCs increase their cost structure/team support to achieve this state/federal goal. When the state applies a minimum screen it contradicts the intent of PCMH. This is because primary care production comes down as care teams expand services, but the min screen falsely dilutes the rate and the CHC doesn't get its costs for the PCMH expansion.</p>		

MINIMUM PRODUCTIVITY THRESHOLD

- What is the plan going forward to address this issue?
 - We are going to submit the first cost report to the State with the minimum productivity line left at zero.
 - The plan is to then have a discussion with the State once they pose the question as to why it was left at zero.
 - The goal is to have the State get onboard with removing the minimum productivity as there is no written guidance that I have been able to find that says we are required to use this threshold.
 - The hope is that we can have a good discussion with the State, and they can just make a procedural change.

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		ACTUAL:	From:	To:	

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7.	Therapists									
8.	Medical/Social Workers									
9.	Psychologists									
10.	Family Planning									
11.	EPSDT Services									
12.	Other - Specify									
13.										
14.	TOTAL		0	0	0	0	0	0	0	0

PART B - MINIMUM MEDICAL TEAM PRODUCTIVITY		Amount
1.	Total Physician and Midlevel Visits (Part A - Column 6 - Line 3)	
2.	Total Medical Team FTEs (Part A - Column 3 - Total Physicians plus 1/2 Total Midlevels)	0.00
3.	Minimum Medical Team Productivity (Part B - Line 2 multiplied times 4200)	0
4.	Physician and Midlevel Visits for Rate Determination (Part B - Greater of Line 1 or Line 3)	

PART C - PROVIDER VISITS FOR RATE DETERMINATION		Amount
1.	Total Provider Visits Less Physician and Midlevels (Part A - Total Lines 4 through 12)	0
2.	Total Provider Visits for Rate Determination (Part B - Line 4 plus Part C - Line 1)	

SUBMISSION OF THE COST REPORT

- What is the current process for submitting the cost report?
- How will your clinic submit a cost report in the future?

WHAT TO EXPECT ONCE SUBMITTED

- I suspect that there is going to be quite a bit of back and forth with the State as they work through their review of the cost report.
- This is a normal process and will become smoother as the State gets internal process and protocols in place to review change in scope cost reports.
- There are still many unknowns as we have not been through the submission and review process yet.
 - CLC will be sure to keep APHCA updated with what we are experiencing through the process to pass along to the group.

QUESTIONS?

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