

Background

The Coordinated Care Initiative (CCI) is an effort by California and the federal government to integrate the delivery of medical, behavioral, and long-term services and supports for persons eligible for both Medicare and Medi-Cal (i.e., dual eligibles). Most dual eligibles in eight counties will be eligible to enroll in a new type of coordinated plan, called a Cal MediConnect plan. These plans will be responsible for administering the benefits under both programs. Participation is voluntary, but if an eligible person does not actively decline to participate, they will be enrolled in a Cal MediConnect plan. Simultaneously, California is requiring most dual eligibles who do not enroll in a Cal MediConnect plan to enroll in a Medi-Cal managed care plan for their Medi-Cal benefits, including long-term services and supports, called an MLTSS or Medi-Cal plan.

Patients Continuing In Fee-for-Service Original Medicare

If dual eligible Medicare patients decline to enroll in a Cal MediConnect plan, or are excluded from joining a Cal MediConnect plan, their physicians should bill for Medicare services exactly as in the past. Even if the patient is enrolled in a Medi-Cal managed care plan, the physician should bill for Medicare services exactly as in the past. There is no change in what Medicare Fee-For-Service will pay for billed charges, generally 80 percent of the Medicare fee schedule.

How to Bill for Crossover Claims for Dual Eligible Patients in Medi-Cal Plans

It should be noted that *no change* is made in the rules governing the billing of the 20 percent co-pay for dual eligible patients. It continues to be unlawful to bill dual eligible patients. (California Welfare & Institutions Code, Section 14019.4).

In most cases, providers will need to send their “crossover claims” for that 20 percent co-pay to the patient’s Medi-Cal plan, which will pay the physician any amount owed under state Medi-Cal law. In some cases, Medicare will send these crossover claims directly to the Medi-Cal plans.

Physicians do not need to be part of the Medi-Cal plan’s network to have these crossover claims processed and paid. Please refer to the “How Medi-Cal Plans Process Crossover Claims” document for a chart outlining how Medi-Cal plans will process crossover claims. DHCS and CMS are working with the Medi-Cal plans to increase the number of plans using the automated process.

It should also be noted that *no change* is made in the rules governing how much the Medi-Cal plans will pay on these claims for Medicare services to dual eligibles. Since 1982, state law has limited Medi-Cal’s reimbursement on Medicare claims to an amount that, when combined with the Medicare payment, does not exceed Medi-Cal’s maximum payment for similar services. (Welfare & Institutions Code, Section 14109.5). Consequently, if the Medi-Cal rate is 80 percent

or less than the Medicare rate for the service rendered, Medi-Cal will not reimburse anything on these crossover claims.

Since Medi-Cal reimbursement rates are generally lower than Medicare rates, it is anticipated that there are few types of services where Medi-Cal owes any reimbursement on Medicare claims. Again, this is not the result of the Coordinated Care Initiative. This has been the rule in California for over 30 years.

The Role of Medi-Cal Plans for Dual Eligible FFS Medicare Patients

California is requiring virtually all dual eligible individuals to be enrolled in a managed care plan, or MLTSS plan, to receive benefits under Medi-Cal. Those who enroll in a Cal MediConnect plan will receive both Medicare and Medi-Cal benefits from that plan, and those who do not enroll in a Cal MediConnect plan will be enrolled in a Medi-Cal managed care plan to administer any Medi-Cal benefits to which they are entitled.

If a dual eligible patient declines to enroll in a Cal MediConnect plan, they still must be enrolled in a Medi-Cal managed care plan for their Medi-Cal benefits. This should have no bearing on the physician's ability to provide and be reimbursed for physician services.

- Physician services to dual eligibles are the responsibility of Medicare, not Medi-Cal. Medi-Cal has responsibility for services and supports not covered under Medicare, including some long-term care, durable medical equipment, and other services and supports.
- The only role Medi-Cal managed care plans will have with respect to physician services for dual eligibles will be to adjudicate the payment of crossover claims.
- **Physicians do not need to be part of the Medi-Cal plan's network to have these crossover claims processed and paid.** Physicians should bill Medicare exactly as in the past. Please refer to the "How Medi-Cal Plans Process Crossover Claims" document for a chart outlining how Medi-Cal plans will process crossover claims and if the crossover claim will go to the plan automatically or if the provider must send the crossover claim directly to the plan.
- The Medi-Cal plan may need to work with physicians around authorizations for **Medi-Cal covered services such as medical transportation or incontinence supplies**. You do not need to be contracted with the plan to provide authorization for these services.