### UNCOMPENSATED CARE POOL

Gwen Diamond OMH Financial Planning

### WHAT IS THE UNCOMPENSATED CARE POOL?

- The UCP is part of a larger federal Medicaid waiver request submitted by New York State
  - This waiver is still pending federal approval
- The pool will offset a portion of losses from uncompensated care experienced by:
  - Many D&TCs licensed by the Dept. of Health
  - Mental Health Clinics licensed by OMH and not affiliated with hospitals
  - Some D&TCs Mental Health Clinics not eligible to participate in the DOH pool.

### HOW DO CLINICS BECOME ELIGIBLE FOR THE UNCOMPENSATED CARE POOL?

- Clinic agencies will submit data to the OMH through the Mental Health Provider Data Exchange (MHPD).
  - Clinics that do not submit data through MHPD will be excluded from the pool for that year.
- If the clinic provides uncompensated care visits equal to 5% or more of its total visit volume it will qualify for inclusion in the pool.

## WHAT TYPES OF VISITS QUALIFY AS UNCOMPENSATED CARE?

- Visits will be counted toward UC visit volume if they meet the following conditions:
  - Self-pay, including partial pay or no-pay visits
  - Required or optional mental health clinic procedures provided but not covered under a clinic's agreement with an insurer.

#### • NOTE:

- If payment was received (excluding self-pay) for any procedure provided to a client in a day, the clinic cannot add that visit to UC visit volume.
- Denial of payment attestation is required every time

# WHAT TYPES OF VISITS QUALIFY AS UNCOMPENSATED CARE? CONTINUED...

- Visits will be counted toward UC visit volume if they meet the following conditions:
  - Unreimbursed visits provided by clinic staff members not approved for payment by 3<sup>rd</sup> party payor in contract with the clinic, but allowed under Medicaid rules.
  - Unreimbursed visits by 3<sup>rd</sup> party payor not in contract with the clinic.

#### • NOTE:

- If payment was received (excluding self-pay) for any procedure provided to a client in a day, the clinic cannot add that visit to UC visit volume.
- Denial of payment attestation is required every time
- Must comply with Medicaid reimbursement rules
- Uncompensated care data and reimbursement are auditable.

# WHAT TYPES OF VISITS DO NOT QUALIFY AS UNCOMPENSATED CARE?

- Visits will not be counted if:
  - Paid in whole or part by a 3<sup>rd</sup> party payor (whether the payor is in contract with the clinic or not)
  - Not authorized (considered not medically necessary)
    by an insurer or managed care plan
  - Delivered by a person outside of their scope of practice.

#### HOW ARE UC VISITS REIMBURSED?

- When fully implemented, payments will be on a 2 year lag. For example, 2014 distributions will be based on uncompensated care delivered in 2012.
  - Until we catch up to the pool's 2 year lag, MH clinics will submit data on the following schedule:
    - CY 2010 based on annualized UC visit volume and total care visit volume delivered July 1, 2009 through December 31, 2009
    - CY 2011 UC visit volume January 1, 2010 June 30, 2010
    - NYC 2012 based on July 1, 2009 June 30, 2010
    - Rest of state 2012 based on upstate data from CY 2010
  - Periodic partial payments will be made by the Dept. of Health. (Currently payments are made monthly)
- If the amount of UC visits exceed the funding available, the payments to providers will be proportionately reduced.

### WHAT IS THE VALUE OF AN UNCOMPENSATED CARE VISIT?

- 2010 & 2011: UC reimbursement will be based on the appropriate peer group Medicaid rate for a 45-minute psychotherapy service.
- 2012 and after: UC reimbursement will be based on the current peer group average value of total Medicaid APG payments (excluding the blend).

## HOW IS THE REIMBURSEMENT AMOUNT CALCULATED?

- Assuming sufficient funds in the pool and that the clinic has at least 5% uncompensated care:
  - First 15% of the uncompensated care visits are reimbursed at 50% of the Medicaid value (minus self-pay revenue)
  - Second 15% are reimbursed at 75% of Medicaid value (minus self-pay revenue)
  - Uncompensated visits exceeding 30% are reimbursed at 100% of Medicaid value (minus self-pay revenue)

### REQUIRED DATA

- When calculating UC visit volume:
  - A visit = all procedures provided in a day.
  - Self-pay visits (even if the visit is paid in full) can be included in UC visit volume
    - However, self-pay revenue will offset the costs eligible for uncompensated care reimbursement.
  - Revenues are reported on an accrual basis
    - If you expect reimbursement but it hasn't been received, it should still be counted.
  - Visit volume is based on date of service rendered.

#### DATA SUBMISSION ON MHPD

- First round of data submission took place earlier this year.
- Due to the questions, comments and data received, OMH has revised the form.
  - See example.
- The changes will:
  - Ensure more accurate submissions and
  - Make the data collection process easier for clinics
- The form mirrors the CFR OMH-4

#### DATA SUBMISSION ON MHPD

- Next round of data collection on MHPD begins
  Nov. 11, 2010 and runs through Dec. 31, 2010.
- Webinar on how to submit data on MHPD is scheduled for October 26, 1:00 p.m. 2:00 p.m.
  - Registration information can be found on the OMH clinic restructuring website.

### QUESTIONS?

Gwen Diamond <u>clinicrestructuring@omh.state.ny.us</u> 518 (474-6911)