



# SFY 2017-18 PHDP & EPP

## Contract Data Instructional Webinar

**The webinar will begin shortly.**

### Audio:

- Use the Zoom application's audio options to hear the presentation.
- All participant lines will be muted for the duration of the webinar.

### Questions:

- Questions will be addressed after the short presentation.
- Please ask questions using the Q&A function in Zoom.
  - Please do not use the Chat function.



# SFY 2017-18 PHDP & EPP Directed Payments Contract Data Instructional Webinar

California Department of Health Care Services

December 12, 2018



# Agenda

- Introductions
- PHDP & EPP
  - Directed Payment Policy Overview
- Hospital Directed Payment Definition
  - Contract Services
- Contract Data Request
  - Description, Timeline & Process
- Questions



Private Hospital  
Directed Payment (PHDP) &

Designated Public Hospital (DPH)  
Enhanced Payment Program (EPP)

Directed Payment Policy Overview



# Private Hospital Directed Payment

## Providers Subject to Directed Payment

- Private hospitals (1 class of providers)

## Uniform Dollar Increase

- Pooled amount separated into Inpatient (IP) & Emergency Room/Outpatient (ER/OP) sub-pools
- Proxy per-member-per-month (PMPM) will be developed based on projected utilization levels in SFY 2017-18
- Proxy PMPM will be adjusted and paid based on actual IP & ER/OP utilization in SFY 2017-18 (contracted services only) as reported in the DHCS encounter data system

## Pooled Amount

- \$2.1 Billion Total Fund in SFY 2017-18
  - \$1.47 Billion Total Fund for IP utilization
  - \$630 Million Total Fund for ER/OP utilization



# Enhanced Payment Program

## Providers Subject to Directed Payment

- DPHs and University of California systems (5 classes)
- 5 Fee-For-Service (FFS) pools split into IP & Non-IP sub-pools

## Uniform Dollar Increase

- Proxy PMPM will be developed based on projected utilization levels in SFY 2017-18
- Proxy PMPM will be adjusted and paid based on actual IP & Non-IP utilization in SFY 2017-18 (contracted services only) as reported in the DHCS encounter data system

## Pooled Amount

- Approximately \$1.5 Billion Total Fund



# Phased Approach

DHCS is splitting SFY 2017-18 into two phases.

– Phase 1

- Service period of July 1, 2017 thru December 31, 2017
- Encounters due to DHCS by December 31, 2018
- Payment to Plans by September 2019

– Phase 2

- Service period of January 1, 2018 thru June 30, 2018
- Encounters due to DHCS by June 30, 2019
- Payment to Plans by March 2020

A phased approach allows Plans/Hospitals more time to focus on Phase 2 data completeness.



# DHCS Encounter Data Efforts

DHCS has provided Plans/Hospitals:

- Encounter data Detail Files
- Service category mapping logic
- Service category counting logic
- Toolkit
- Other resources:

<https://www.dhcs.ca.gov/services/Pages/DirectedPymts.aspx>





# Hospital Directed Payment Definition for Contract Services



# PHDP & EPP Contract Definition

For SFY 2017-18 and SFY 2018-19:

Agreement <b>MUST</b>	Agreement <b>MUST NOT</b>
Cover one or more defined non-excluded populations of Medi-Cal beneficiaries	Be limited to a single patient only
Cover a defined set of one or more non-excluded hospital services	Be limited to treatment of a single case or instance only
Specify rates of payment or include a defined methodology for calculating specific rates of payment	Permit payment to be negotiated on a per patient or single instance of service basis
Be for a term of at least 120 days, be signed and dated, and be effective for the dates of service	Expressly permit the provider to select on a case-by-case basis whether to provide services covered in the agreement to a patient covered by the agreement



# PHDP & EPP

## Contract Definition

Further, for delegated arrangements:

- There must be a demonstrable “unbroken contracting path” between the Plan and the provider for:
  - The service rendered; and
  - The member receiving the service; and
  - The applicable dates of service.
- “Unbroken contracting path” means a sequence of contracts (as defined) linking the Plan and a direct subcontractor, or a series of subcontractors, to the provider.

Effective SFY 2019-20, an agreement must, in addition to the preceding standards, comply with all applicable State and Federal requirements related to network providers and subcontractors.

- Additional guidance will be forthcoming.



# Contract Data Request Description, Process & Timeline



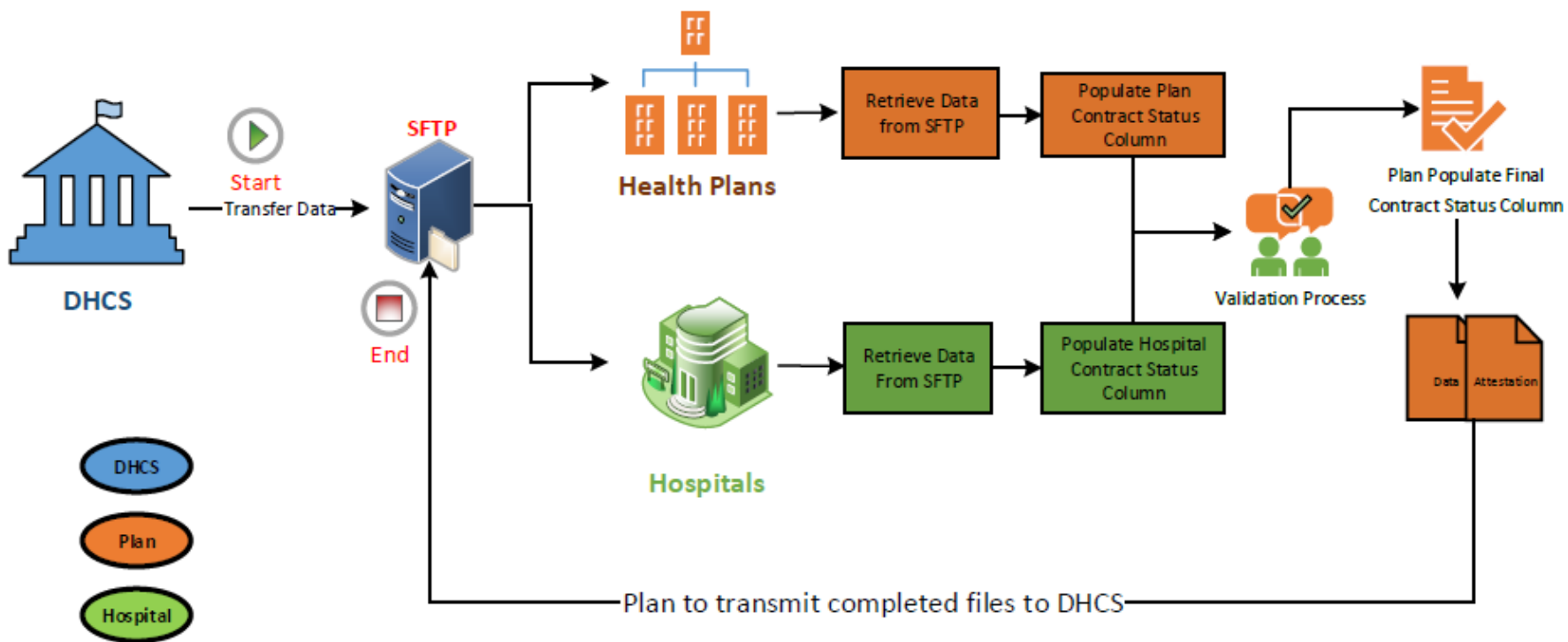
# Contract Data Request Description

DHCS is requesting Plans/Hospitals report the contract status for each line of their SFY 2017-18 Phase 1 Detail File.

- Phase 1: July 1, 2017 – December 31, 2017
- Plans must attest to the accuracy of the reported contract data.
- DHCS will collect contract documents (via a sampling process) to validate the reported Contract Status data from both Plans/Hospitals.



# Contract Data Request Process





# Contract Data Request Phase 1 Timeline

Activity	Critical Dates	Duration
Statewide webinar	December 12, 2018	
Statewide release of Detail File to Plans/Hospitals (1 <sup>st</sup> pass)	December 14, 2018	
Plan Encounter Submission Cutoff for Phase 1	December 31, 2018	
Hospitals populate Contract Status fields (1 <sup>st</sup> pass)	December 14, 2018 – February 1, 2019	7 weeks
Plans populate Contract Status fields (1 <sup>st</sup> pass)*	January 2, 2019 – February 1, 2019	4.5 weeks
Plans/Hospitals resolve differences (1 <sup>st</sup> pass)	January 2, 2019 – February 1, 2019	4.5 weeks
Plans submit Detail File w/ Contract Status to DHCS (1 <sup>st</sup> pass)	February 1, 2019	
Plans/Hospitals continue work on Contract Status fields	February 1, 2019 – March 1, 2019	4 weeks
DHCS validates Contract Status (1 <sup>st</sup> pass)	February 4, 2019 – March 1, 2019	4 weeks
Statewide release of Detail File to Plans/Hospitals (2 <sup>nd</sup> pass)	March 1, 2019	
Plans/Hospitals populate Contract Status fields (2 <sup>nd</sup> pass)	March 1, 2019 – March 29, 2019	4 weeks
Plans submit Detail File w/ Contract Status to DHCS (2 <sup>nd</sup> pass)	March 29, 2019	
DHCS validates Contract Status (2 <sup>nd</sup> pass)	April 1, 2019 – May 3, 2019	5 weeks
DHCS develops Plan Payment PMPMs	May 6, 2019 – May 31, 2019	4 weeks
DHCS finalizes Internal Payment Files	June 3, 2019 – June 28, 2019	4 weeks
Due Date for Internal Payment Files	July 1, 2019	
DHCS prepares Plan/Hospital payment exhibits	July 2019 – August 2019	
DHCS delivers draft payment exhibits to Plans/Hospitals	August 2019	
DHCS makes payment to Plans	September 2019	
DHCS delivers final payment exhibits to Plans/Hospitals	Fall 2019	

\*Plans should begin Contract Status work earlier if possible.



# Contract Data Request Process

## Step 1:

- Statewide Release of Detail File
  - DHCS will release a Detail File (for SFY 2017-18 Phase 1 only) to Plans/Hospitals.
    - Plans/Hospitals to retrieve the file from their SFTP folders (<https://etransfer.dhcs.ca.gov/>) on December 14, 2018.
      - DHCS will send a notification via e-mail once the files are available.





# Contract Data Request Process

## Step 2:

- Contract Status Flagging (1<sup>st</sup> pass)
  - Acceptable values for Contract Status:
    - “C” for Contracted
    - “H” for Hospital to Hospital Contract
    - “N” for Not Contracted
  - Contract Status fields in the Detail File:
    - Plan\_Contract\_Status
      - Plans will populate with “C” or “N”
    - Hospital\_Contract\_Status
      - Hospitals will populate with “C”, “H”, or “N”
    - Final\_Contract\_Status
      - Plans will populate with “C”, “H”, or “N”



# Contract Data Request Process

- Example of Detail File fields:

BF	BG	BH	BI
SVC_UNITS_NBR	Plan_Contract_Status	Hospital_Contract_Status	Final_Contract_Status
3	C	C	C
16	C	C	C
15	N	H	H
11	C	C	C
2	N	H	H
4	C	C	C
31	C	C	C
11	C	C	C
1	N	H	H
31	C	C	C



# Contract Data Request Process

## Step 3:

- Plan/Hospital Resolution of Differences
  - Plans/Hospitals will work together to resolve differences between their respective Contract Status flags.
  - Plans will populate the Final\_Contract\_Status field.
    - For Hospital-to-Hospital contracts, use “H”.



# Contract Data Request Process

## Step 4:

- Submission of Contract Status Data
  - Plans will compile the data from their Hospitals into a single tab-delimited file.
  - Plans will name the file as follows:  
**PlanName\_ContractData\_P1\_MMDDYY**
    - No spaces or special characters
  - Plans must upload the file to their SFTP folder by COB February 1, 2019.



# Contract Data Request Process

## Step 5:

- **DHCS Sampling of Contract Status**
  - DHCS will sample contract documents to validate the reported contract data.
  - Plans/Hospitals will upload requested documents to their respective SFTP folders.
- **Note:** From February 1, 2019 to March 1, 2019, Plans/Hospitals should continue any unfinished contract flagging activities related to the Phase I Interim Detail File.



# Contract Data Request Process

## Step 6:

- Statewide Release of Detail File  
(2<sup>nd</sup> pass)
  - DHCS will release a Detail File (for SFY 2017-18 Phase 1 only) to Plans/Hospitals.
    - Plans/Hospitals to retrieve the file from their SFTP folders (<https://etransfer.dhcs.ca.gov/>) on March 1, 2019.
      - DHCS will send a notification via e-mail once the files are available.



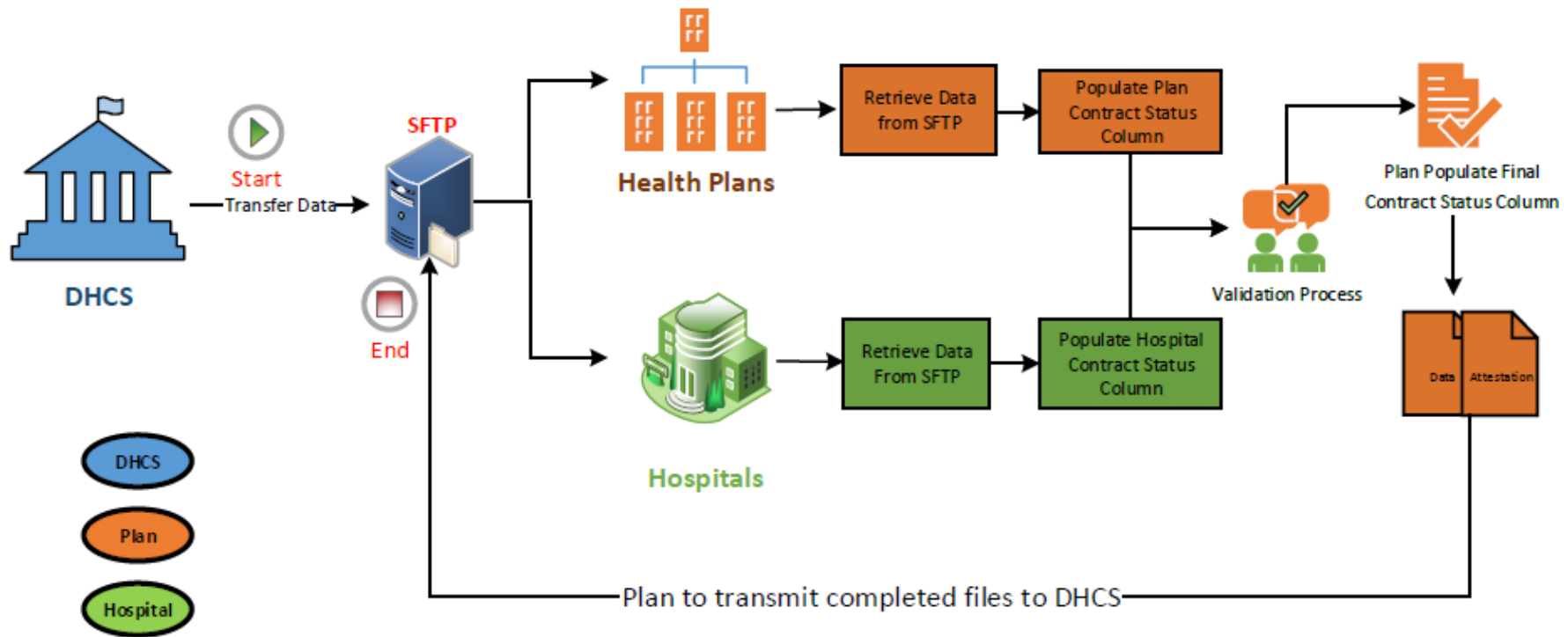
# Contract Data Request Process

## Step 7:

- Contract Status Flagging, Resolution & Submission (2<sup>nd</sup> pass)
  - Plans/Hospitals will repeat Step 2 through Step 4 for any encounters that were not flagged in the 1<sup>st</sup> pass.
  - Plans will upload the Detail File, with populated Contract Status fields, to their SFTP folder by COB March 29, 2019.



# Contract Data Request Process







# Questions

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