



# Dual Eligible Medi-Cal Managed Care Enrollment Webinar

December 14, 2022




California Hospital Association

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# Welcome

**Carrie Harcharik**  
Education Department  
California Hospital Association



California Hospital Association

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## Questions



**Online Questions:** At any time, submit your questions in the Q/A box at the bottom of your screen and press enter. We will take questions at the end of the presentation.

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## Moderator



**Robert Ducay** serves as Vice President, Policy, at the California Hospital Association (CHA). Robert is responsible for developing, advocating, and executing public policies, legislation, and regulations on behalf of CHA member hospitals at the state and national levels. Robert serves as the issue manager for Medi-Cal financing and represents members' financial interests related to Medi-Cal, which includes the hospital fee, and provides support on financial and reimbursement issues affecting California hospitals and health systems.

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## Speaker



**Anastasia Dodson** is Deputy Director for the Office of Medicare Innovation and Integration at the California Department of Health Care Services (DHCS). Anastasia's work includes policy development and community engagement across a wide range of issues at the intersection of Medicare and Medi-Cal coverage in California. Anastasia has been part of the DHCS leadership team since 2013, and prior to that she served at the California Department of Finance, the County Welfare Directors Association of California, and the California State Senate Budget Committee.

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## Speaker



**Lindsey Wilson** is the Assistant Division Chief of the Third Party Liability and Recovery Division at DHCS. Lindsey oversees the Coordination of Benefits and Administration Branch, which is responsible for coordination of benefit policies for Medi-Cal beneficiaries with other health insurance, including Medicare, to ensure compliance with federal and state laws.

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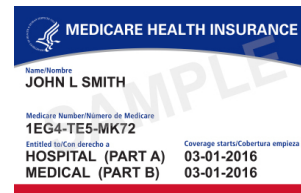
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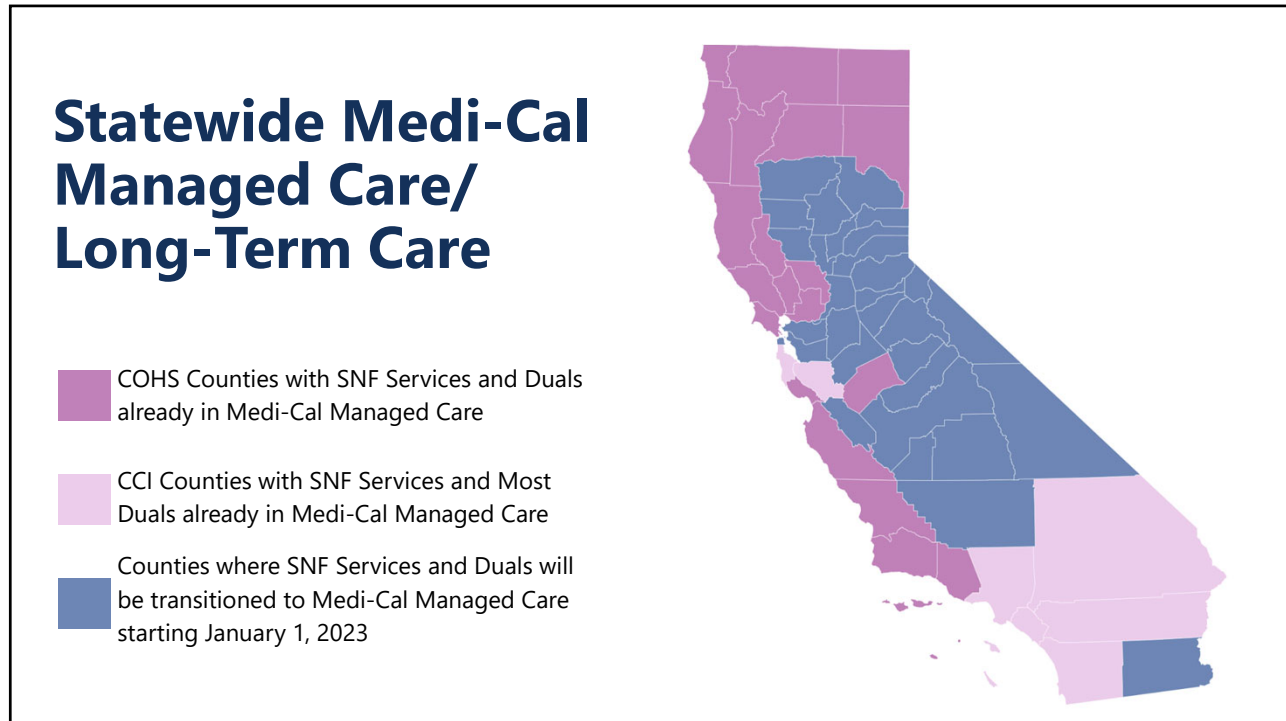
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## Medicare and Medi-Cal

- » Some people have both Medicare and Medi-Cal (Medi-Medi, or dual eligible beneficiaries).
- » Medicare typically covers doctor visits, hospital stays, labs, prescription drugs, and other benefits.
- » Medi-Cal covers Medicare Part B premiums, copays, adult day health care, long-term skilled nursing facility care, dental, and In-Home Supportive Services (IHSS).
- » Most people who have Medi-Cal in California are enrolled in a Medi-Cal managed care plan.



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## CalAIM: Medi-Cal Managed Care for Dual Eligible Beneficiaries

- » Currently over 70 percent, more than 1.1 million, dual eligible beneficiaries are enrolled in Medi-Cal managed care.
- » **Starting January 2023, about 325,000 dual eligible beneficiaries will be newly enrolled in Medi-Cal managed care.**
- » Key Impacted Counties: Alameda, Alpine, Amador, Butte, Calaveras, Colusa, Contra Costa, El Dorado, Fresno, Glenn, Imperial, Inyo, Kern, Kings, Madera, Mariposa, Mono, Nevada, Placer, Plumas, Sacramento, San Benito, San Francisco, San Joaquin, Sierra, Stanislaus, Sutter, Tehama, Tuolumne, Tulare, and Yuba.
- » Beneficiaries can choose a Medi-Cal plan using materials they will receive in fall 2022. In 12 counties, Medi-Cal matching plan policy applies.

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## Medi-Cal Managed Care for Patients

- » CalAIM: January 2023, dual eligible beneficiaries in 31 counties will transition into Medi-Cal managed care enrollment.
- » **Medicare providers serving dual eligible patients do NOT need to enroll in Medi-Cal plans.**
- » **For patients, Medi-Cal managed care plan enrollment does NOT impact Medicare provider access, or choice of Original Medicare or Medicare Advantage.**
- » Fact sheets and notices are available on DHCS [webpage](#).

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## Benefits of Medi-Cal Managed Care for Dual Eligible Beneficiaries

- » Medi-Cal Plans coordinate Long-Term Services and Supports
- » Medi-Cal managed care plan benefits helpful for dual eligible beneficiaries include:
  - » Community Based Adult Services (CBAS)
  - » Transportation to medical appointments
  - » CalAIM Community Supports, such as home modifications, medically tailored meals, etc.
  - » CalAIM Enhanced Care Management (ECM) to avoid institutional admission
  - » Long-Term Care (LTC; skilled nursing facility care)

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## Medicaid “Lesser-of” Policy

- » Same policy, said two different ways:
  - » California has “lesser-of” policy, as authorized by federal law. A state with a lesser-of policy compares the requested Medicare cost sharing to the difference between the state’s Medicaid rate and the Medicare payment amount and pays the lesser amount. In instances when Medicare has already paid more than the Medicaid rate for a particular service, under a lesser-of policy, Medicaid is not required to pay anything additional.
  - » Authorized in the 1997 Balanced Budget Act, the “lesser-of” rule allows state Medicaid programs to pay less than the full Medicare cost-sharing amount if the Medicare-approved amount (Medicare rate) for the service exceeds the Medicaid rate. Under this rule, Medicaid pays the lesser of the full Medicare cost-sharing amount or the difference between the Medicaid rate and the Medicare paid amount. In cases where the Medicaid rate for a service is less than the Medicare paid amount, this could result in a cost-sharing payment of zero to the provider.

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## Medi-Cal is the Payer of Last Resort, and Impact of Lesser-of Policy

- » The Medi-Cal program is, by law, the payer of last resort. Therefore, prior to billing the Medi-Cal program, Medicare and Medi-Cal providers are required to first bill Medicare or the MA plan for services provided to dual eligibles, as well as any other commercial or private insurance the patient may have.
- » In general, for most Medicare services provided to MCP Dual members, Medicare pays 80 percent of the Medicare allowable rate, with the remaining 20 percent coinsurance being covered by the MCP, up to the allowable Medi-Cal FFS rate. MCPs also cover Medicare deductibles as long as the total cost for all Medicare services, deductibles, and coinsurance does not exceed the allowable Medi-Cal FFS rate.
- » Please note that Medi-Cal does not reimburse providers, including deductibles and coinsurance, if the Medicare rate is higher than the allowable Medi-Cal FFS rate. However, there are some exceptions, such as long-term care.

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## Balance Billing

- » Dual eligible beneficiaries should **never** receive a bill for their medical services. This is called improper billing (or balance billing) and is illegal under state and federal law.
- » [Balance billing](#) is prohibited in both MA and Original Medicare.
- » Beneficiaries do not pay for doctor visits and other medical care when they receive services from a provider in their MA provider network. They may still have a copay for prescription drugs.

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## Medicare Provider Billing Process for Dual Eligible Patients

- » **Original (Fee-for-Service) Medicare:** Provider bills Medicare Administrative Contractor (Noridian). Medicare (Noridian) processes the primary claim for Medicare payment, and then forwards the claim to the Medi-Cal plan (or DHCS) for secondary Medi-Cal payment.
  - » Noridian receives Medi-Cal managed care enrollment information from the Medicare Benefits Coordination and Recovery Center.
- » **Medicare Advantage (MA):** Provider bills MA plan for primary Medicare payment.
  - » If patient's MA plan is the same as patient's Medi-Cal plan, same organization should process secondary claim.
  - » If patient's MA plan is different than patient's Medi-Cal plan:
    - » MA plan may send secondary claim to Medi-Cal plan, if known, OR
    - » Provider will need to bill secondary to Medi-Cal plan (or DHCS).

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# Discussion



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## Faculty Contact

**Anastasia Dodson**

Department of Health Care Services

[Anastasia.Dodson@dhcs.ca.gov](mailto:Anastasia.Dodson@dhcs.ca.gov)**Lindsey Wilson**

Department of Health Care Services

[Lindsey.Wilson@dhcs.ca.gov](mailto:Lindsey.Wilson@dhcs.ca.gov)**Robert Ducay**

California Hospital Association

[rducay@calhospital.org](mailto:rducay@calhospital.org)

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## Thank You



Thank you for participating in today's webinar.

An online survey will be sent to you shortly.

For education questions, contact: [education@calhospital.org](mailto:education@calhospital.org).