

	MEDICAL ASSISTANCE BULLETIN COMMONWEALTH OF PENNSYLVANIA * DEPARTMENT OF PUBLIC WELFARE		
	NUMBER: 99-98-03	ISSUE DATE: March 31, 1998	EFFECTIVE DATE: March 1, 1998
SUBJECT: Implementation of the Long Term Care Capitated Assistance Program		BY:  Robert S. Zimmerman, Jr., M.P.H. Deputy Secretary for Medical Assistance Programs	

PURPOSE:

The purpose of this bulletin is to announce the implementation of the Long Term Care Capitated Assistance Program (LTCCAP).

SCOPE:

This bulletin provides information to all providers enrolled in the Medical Assistance (MA) Program.

BACKGROUND:

In an effort to control long term care costs, states are looking at cost-effective methods of providing services for their dually eligible elderly population. One option of providing these services directly in the community is the On Lok Model's Program of All-inclusive Care for the Elderly (PACE). PACE, as used in this bulletin, should not be confused with the "Pharmaceutical Assistance Contract for the Elderly", which is also commonly referred to as "PACE".

On Lok began as a community based, non-profit agency in San Francisco that pioneered a care model in 1972. By 1983, On Lok was operating a comprehensive, consolidated program with capitation financing from Medicare and Medicaid. In 1986, Congress made On Lok's financing and service demonstration a permanent program, making waivers available to replicate the model nationwide. The Governor's budget includes an initiative to replicate the On Lok model in Pennsylvania. The model integrates acute care and long term care services and provides lifetime service to individuals enrolled in the program.

DISCUSSION:

Effective March 1, 1998, Pennsylvania will implement the LTCCAP by replicating the On Lok model. The LTCCAP is available to individuals who:

1. are dually eligible for Medicare and MA,
2. are age 60 and over,
3. meet Pennsylvania's eligibility requirements for nursing facility services, and
4. reside in locations where services are available.

NOTE: Individuals enrolled in HealthChoices will be disenrolled prior to enrollment in LTCCAP.

The program is based on a philosophy of care that emphasizes maximum independence and dignity, and focuses exclusively on the frail elderly. This is a community based program which provides lifetime service to the elderly by providing comprehensive medical, restorative, social and supportive services including acute and long term care services covered by

Medicare and MA. A multi-disciplinary team of health care providers vigorously manages all care, and financing is handled through capitation rather than fee-for-service payments, with the provider at financial risk. LTCCAP providers will receive monthly capitation payments for each enrollee and all care will be managed, provided and arranged through the LTCCAP provider.

Although the goal is to become fully capitated through the program, the providers will begin the demonstration under a partially capitated Prepaid Health Plan (PHP) Agreement with the Department. Under the PHP, nursing facility services, physician services and all state optional services, will be capitated. MA will pay LTCCAP providers a monthly capitated amount for each recipient. Those services covered by Medicare will be paid for by Medicare fee-for-service, and MA will pay the Medicare deductible and co-insurance up to the MA fee schedule rate for services not included in capitation.

This payment structure will be in effect for approximately the first two years of the program. After that time, the LTCCAP provider will apply for Medicare capitation. If this is granted, the LTCCAP will receive capitated payments from both Medicare and MA. When this occurs, MA will have no financial responsibility other than the monthly MA capitated payment.

CARE AND SERVICES PROVIDED

- All traditional Medicare and MA covered services are provided, from acute care to personal care in the home. Non-traditional services are also given, including transportation, meals and friendly visits.
- Most services are delivered in an adult day health center, which also serves as a clinic, where recipients receive monitoring, nursing, rehabilitation or maintenance therapy, personal care and primary medical care.
- Participants who cannot manage at home on their own receive home care, which generally consists of home chore and personal care services, rather than home health services.
- If the participant can no longer be cared for in the community, nursing facility placement will occur.

PROVIDER PARTICIPATION REQUIREMENTS

To participate as an LTCCAP provider, organizations must:

- Be a private, non-profit entity or public entity.
- Be a member of the National PACE Association and have completed a feasibility study with a PACE Technical Assistance Center.
- Agree to participate with the Commonwealth in moving toward both Medicare and MA capitation.
- Establish contracts with MA participating hospitals, nursing facilities, institutions, and service providers to provide all covered services, such as acute hospital, home health, laboratory, prescription drugs, rehabilitation services, etc.
- Sign and accept provisions of the Commonwealth's Prepaid Health Plan (PHP) Agreement, including reimbursement provisions.

PROCEDURE:

Because all care and services are provided and arranged through the LTCCAP provider, you will provide services to individuals covered under the program **only upon referral by an LTCCAP provider**. The only exception to this would be emergency services or if lack of treatment/care could result in permanent harm to the recipient or could result in death.

The steps listed below should be followed when providing services to a recipient covered under the LTCCAP:

1. See the recipient's ACCESS card.
2. Access the Eligibility Verification System (EVS) to determine or verify that the recipient is covered under the LTCCAP. The EVS response will be: Recipient is a member of an HMO. Most services require prior approval. Some services may be covered by the Department. Contact the Plan for coverage information.

Name: LTCCAP
Phone: 888-880-4173

3. If the recipient is covered under the LTCCAP, do not provide services unless the recipient was referred to you by an

LTCCAP provider. EXCEPTION: YOU SHOULD PROVIDE EMERGENCY SERVICES AND TREATMENT OR CARE IF LACK OF SUCH TREATMENT OR CARE COULD RESULT IN PERMANENT HARM TO THE RECIPIENT OR COULD RESULT IN DEATH. If the services you provide are included in capitation, the LTCCAP provider is required to reimburse you for these services. If the services are not included in capitation, then you would bill Medicare and MA in the usual manner.

4. Services included in capitation under the PHP: (These services are excluded from MA fee-for-service billing for individuals enrolled in LTCCAP.)
 - Physician services
 - Nursing facility services
 - Physical, occupational and speech therapies (group and individual)
 - Medical transportation (e.g. medical appointments)
 - Non-medical transportation for services provided under capitation
 - Adult day health care services - Optometry services
 - Optometry services
 - Chiropractic services
 - Audiology services
 - Dental services
 - Outpatient psychiatric services
 - Podiatry services
 - Health promotion and disease prevention services
 - Pharmaceutical services and prescribed drugs
 - Prosthetic and orthotic supplies
 - Eyeglasses, prosthetic eyes and other eye appliances
 - In-home supportive care
 - Hospice care services
 - Personal care services
 - Respiratory care services
 - Outpatient MH/MR services
 - Outpatient psychological services

5. Services not included in capitation under the PHP: (These services are billed to Medicare and MA on a fee-for-service basis.)
 - Services for chronic renal dialysis and major organ transplants
 - Services in any federal or state governmental hospital

- Services in any county hospital for the treatment of tuberculosis, or chronic medically uncomplicated narcotism or alcoholism
- Inpatient and outpatient hospital services
- Laboratory, radiology and radioisotope services (technical component only)
- Emergency services, including emergency ambulance transportation
- Home Health Care
- Blood or Blood Products

PHASE-IN PLAN:

The implementation of the LTCCAP in Pennsylvania will involve three sites during the first year, two in Philadelphia and one in Pittsburgh. The program will be expanded to include an additional seven sites over the next three years. Each site will enroll approximately 50 individuals per year to a maximum of approximately 240 individuals by the end of their fifth year of operation.

QUESTIONS CONCERNING THE LTCCAP:

1. For questions on the LTCCAP, what it is, how to enroll, status of enrollment, changes to enrollment, rates, etc., contact:

Department of Public Welfare Division of LTC Client Services (717) 772-2525	Monday through Friday 8:30 a.m. to 5:00 p.m.
---	---

2. For questions regarding the LTCCAP recipient's plan of care or appropriate provision of services, contact the recipient's LTCCAP provider. For the name and number of current providers and the areas they serve, contact:

1-888-880-4173

GENERAL QUESTIONS:

1. For questions on invoice completion, MA policy, unresolved claims, claims that have appeared on Remittance Advice Statements or payments, contact:

OUTPATIENT PROVIDER INQUIRY

<u>Provider Types</u>	<u>Toll-free Telephone #</u>	<u>Hours of Operation</u>
01, 03, 04, 06, 07, 08, 41, 42, 43, 44, 47, 49, 50, 54	1-800-537-8862 Local (717) 772-6340	Monday-Thursday 9:00 a.m. to 3:00 p.m. Friday 9:00 a.m. to 12:00 noon
05, 09, 10, 11, 12, 15, 16, 18, 19, 20, 21, 22, 23, 26, 28, 29, 30, 31, 33, 37, 55	1-800-932-0938 OR 1-800-537-8861 Local (717) 772-6338	Monday-Thursday 9:00 a.m. to 3:00 p.m. Friday 9:00 a.m. to 12:00 noon

