

New reimbursement system Q&A

Where can I find an overview of the new Medicaid reimbursement system? A summary of the system and its major components can be found on THCA's website in the members only section.

When will I know my August 1, 2018 Medicaid rate? Myers & Stauffer, the state's consultant, emailed rate letters to facilities in mid-July. Should you need a copy of your letter, please contact Darrell Winningham at THCA - (615) 834-6520 or dwinningham@thca.org.

Will the way I bill for Medicaid patients change? No, you will bill the MCOs just as you have for the past several years. Facilities can use their new rate starting August 1.

What is happening with bed hold for Medicaid patients? Under the new Medicaid reimbursement system, facilities will no longer be reimbursed for bed hold. THCA recently posted a tutorial on our website.

Are their rate add-ons for higher cost Medicaid patients? The only rate add-on in the new reimbursement system is for Enhanced Respiratory Care in specialized units. Facilities with higher acuity patients will have that recognized in the new system.

When will Medicaid rates be updated? Medicaid rates will be updated every six months. However, the January 1, 2019 update will likely be only for acuity. That being the case, the increases or decrease for any individual facility's rate will typically be minor. The annual July 1, 2019 update will be more significant as it will include an inflation factor, acuity and quality adjustments.

What about private pay patients? Tennessee requires that private pay patients be charged no less than Medicaid patients for their care. This means that most facilities will have to increase how much private pay patients pay by a considerable amount in order to meet or exceed their current Medicaid rate. Under federal regulations, facilities must give private pay patients 60-days notice of a rate increase.

When will the Medicaid reimbursement system be rebased on new cost reports? While the state can choose to rebase at any time, it is anticipated that the first rebase will be for FY 22 Medicaid rates.