



Division of Medical Assistance Programs

# Information Memorandum Transmittal

Donald Ross, Manager  
DMAP Policy and Planning Section

**Number:** DMAP IM 12-050

**Authorized Signature**

**Issue Date:** 6/27/2012

**Topic:** Medical Benefits

**Subject:** Provider announcement - Cost template request for Babies First! and CaCoon providers

**Applies to:**

- All DHS employees
- Area Agencies on Aging
- Children, Adults and Families
- County DD Program Managers
- County Mental Health Directors
- Seniors and People with Disabilities
- Other (please specify): DHS and OHA staff and others identified on the SPD, CAF, AMH and DMAP transmittal lists

**Message:**

DMAP will e-mail the following letter to all Oregon county health departments regarding upcoming rate changes for [Babies First!](#) and [CaCoon](#) services to Oregon Health Plan clients.

The letter explains how to submit cost reports to help DMAP set the new rate, and how to bill for services on or after July 1 until the rate is updated in the Medicaid Management Information System (MMIS).

*If you have any questions about this information, contact:*

<b>Contact(s):</b>	Jean Hutchinson, DMAP Policy Analyst		
<b>Phone:</b>	503-945-9420	<b>Fax:</b>	503-373-7689
<b>E-mail:</b>	<a href="mailto:jean.e.hutchinson@state.or.us">jean.e.hutchinson@state.or.us</a>		



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[www.oregon.gov/OHA/healthplan](http://www.oregon.gov/OHA/healthplan)

June 18, 2012

To: Babies First! and CaCoon Targeted  
 Case Management (TCM) Providers

From: Don Ross, Section Manager  
 DMAP Policy and Planning Section

Subject: Cost report and billing information for Babies First/CaCoon TCM rates

The Division of Medical Assistance Programs (DMAP) is preparing to calculate an updated fee-for-service rate for your Babies First!/CaCoon TCM program services to Oregon Medicaid and Children’s Health Insurance Program (CHIP) clients, to be effective for services rendered on or after July 1, 2012.

**What you need to do**

Please send us the following information by **July 13, 2012**, for Babies First!/CaCoon services to Oregon Medicaid/CHIP clients only:

1. **A completed TCM Cost Work Sheet for fiscal year July 1, 2010 through June 30, 2011.** Please use the Excel template posted on the TCM provider guidelines page at [www.dhs.state.or.us/policy/healthplan/guides/tcmngmt/main.html](http://www.dhs.state.or.us/policy/healthplan/guides/tcmngmt/main.html). See the “Instructions” tab for information about what to include on the template. You can also click on the small red triangles (“comments”) in the cells of the spreadsheet to learn what to enter in those cells.
2. **A time study or other documentation** showing calculations for the TCM Related Cost Allocation Percentage(s) used in the cost template.

It is very important that every county send in their updated cost information, so that we can accurately update the rate. Send your information by e-mail or on a CD to:

Jean Hutchinson, Policy Analyst  
 DMAP Policy and Planning Section  
 500 Summer St. NE, E-35  
 Salem, Oregon 97301  
 E-mail: [jean.e.hutchinson@state.or.us](mailto:jean.e.hutchinson@state.or.us)

**What happens next**

DMAP will implement the new rate in August or September, contingent on CMS approval. Once implemented, we will only be able to reprocess claims billed on or after July 1 that were billed at a rate equal to or higher than the July 1 rate. We anticipate the new rate will be less than \$400.

To ensure your claims pay appropriately for dates of service on and after July 1, you have two options:

<b>Hold claims until the new rate is implemented</b>	This is the preferred option. We will let you know when the new rate is in our system and ready for billing.
<b>Bill claims at \$400 (not \$303) starting July 1</b>	If you choose this option, the system will pay the current rate of \$303 until the new rate is in our system. Once that happens, DMAP will: <ul style="list-style-type: none"> <li>■ Reprocess the claims billed at \$400 with service dates beginning July</li> </ul>

1 so that they pay at the new rate; and

- Manually reconcile your leverage accounts to reflect the adjustments.

**If you make no changes to how you bill DMAP on or after July 1, we will be unable to reprocess your claims automatically.**

This means once the new rate is in our system, you will need to individually adjust any claims billed at the \$303 rate for service dates on or after July 1 in order to receive the new rate. We will then manually reconcile your leverage account to reflect the claim adjustments.

You can adjust claims using the Provider Web Portal at <https://www.or-medicaid.gov>, the DMAP 1036 form at <https://apps.state.or.us/Forms/Served/OE1036.pdf>, or the 837 Electronic Data Interchange (EDI) transaction.

**Questions?**

If you have questions about the information in this letter, contact Jean at the e-mail address above or call her at 503-945-9420.

Thank you for your continued support of the Oregon Health Plan and the care you provide to our clients.

**Help us improve future announcements:**

Answer six survey questions about this provider announcement at <https://survey.emp.state.or.us/cgi-bin/qwebcorporate.dll?idx=J2ESKJ>.

