



December 15, 2022

As part of the Cal-Aim Initiatives, Long Term Care (LTC) services will be carved-in as part of Kern Health Systems (KHS) responsibility beginning January 1<sup>st</sup>, 2023. KHS would like to thank you for being a valued contracted partner and are looking forward to the combined efforts to service Kern Family Health Care members.

As a part of DHCS APL 22-018 Skilled Nursing Facilities – Long Term Care Benefit Standardization and Transition of Members to Managed Care, KHS is providing information regarding:

- Balance Billing
- Bed Hold/LOA
- Billing Requirements

**Balance Billing:**

When a provider accepts a Medi-Cal beneficiary as a patient, the provider agrees to bill Medi-Cal, or in the case of a Medi-Cal Managed Care enrollee, the beneficiary’s managed care plan, for services covered under the Medi-Cal Managed Care’s contract regardless of whether the provider that furnishes the services has a contract with the Medi-Cal Managed Care Plan<sup>1</sup>.

Under Federal Law, a beneficiary of Medi-Cal may not be held liable for payment of services covered under the Medi-Cal program or the difference in standard rates and those paid by the Medi-Cal Managed Care Plan<sup>2</sup>.

KHS sent a bulletin regarding Balance Billing on October 17, 2022, please click here to access for additional information: <https://res.cloudinary.com/dpmykpsih/image/upload/kern-site-353/media/f54152b238a84719b40c89f0f1e3dd5a/balance-billing.pdf>

**Bed Hold/LOA**

MCPs must provide continuity of care for Members that are transferred from a SNF to a general acute care hospital, and then require a return to a SNF level of care due to medical necessity. Requirements regarding leave of absence, bed hold, and continuity of care policies apply. Please click here for additional information regarding requirements of bed holds and LOA:

<https://files.medi-cal.ca.gov/pubsdoco/publications/masters-mtp/part2/leave.pdf>

KHS will be sending a report template to your facility which will need to be completed on a monthly basis for all Kern Family Health Care members who are on Bed Hold/LOA.

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<sup>1</sup> 42 C.F.R. § 438.114; 42 U.S.C. § 1396u-2(b)(2)(D)

<sup>2</sup> 42 C.F.R. § 438.106(b)(2)



**Billing Requirements**

Billing requirements when providing Skilled Nursing level of care will continue as you are currently billing. Please ensure the claim submitted matches the level of care authorized for each member.

Billing requirements when member qualifies for LTC vary from when the member is receiving SNF level of care. When billing authorized LTC services, please ensure to bill according to Medi-Cal guidelines which can be accessed:

<https://www.dhcs.ca.gov/services/medi-cal/Pages/LTCRU.aspx>

\*Please note, any LTC admission will require a completed MC171 form submitted with the prior authorization request submitted on the KHS Provider Portal.

As part of the transition, KHS will honor the DHCS approved Treatment Authorization Request (TAR) through the expiration date or for a maximum of 12 months, whichever is shorter.

KHS will be scheduling a meeting with your facility in January so additional guidance may be provided.

If you have any questions, please feel free to reach out to your Provider Relations Representative at 1-800-391-2000. Thank you in advance and looking forward to our partnership!

Melissa McGuire  
Deputy Director of Provider Network Management  
Kern Health Systems