I. POLICY

It is the policy of Community Care to publish base fee schedules for each HealthChoices network for most in-plan services, and individually negotiates rates with providers for residential services and some specialized services. Each base fee schedule is developed collaboratively with the primary contractor taking into account the strategic priorities and financial analysis for that specific network, with final approval given by the primary contractor or oversight entity. Negotiated rates are developed individually for each provider within the parameters set by the primary contractor for the specific network(s) in which the provider participates. This policy will be made available to providers within the Provider Manual and on the Community Care website. Any updates, including issue of the original approved policy, will be sent to providers in the form of a Provider Alert.

II. DEFINITIONS

N/A

III. PURPOSE

The purpose of this policy is to describe the rate setting process.

IV. SCOPE

This policy applies to all departments that comprise Community Care.

V. PROCEDURE

A. Community Care Rate Setting Process

1. For each HealthChoices network, the fee schedule is reviewed with the Primary Contractor or oversight entity on an annual basis in advance of the rate setting process with the Pennsylvania Department of Human Services (PA DHS). Utilization trends and strategic priorities for the network are reviewed and any
changes proposed to enhance the network of care for members are included in the rate proposal submission to the PA DHS for the coming program year.

2. At the point of issuance of final capitation rates for a contract year, Community Care and its Primary Contractors or oversight entities revisit the network priorities. The Primary Contractor or Community Care will not institute an across the board rate decrease for all providers or a specific provider type unless the Primary Contractor or oversight entity has notified PA DHS 45 days in advance, has met with providers to discuss the proposed action, and has provided justification that the action will not adversely affect compliance with choice and access.

3. Community Care meets regularly with its Primary Contractors and/or oversight entities to review utilization management strategies and medical expense trends by categories of services. On a quarterly basis, given the analysis of medical spending trends, Community Care and its Primary Contractors and oversight entities revisit the network management priorities established for the program year to determine if changes to the priorities should be considered to attend to newly identified access or program needs.

4. Community Care seeks input from the primary contractor regarding priorities for fee schedule rate change considerations in each network through its formal Provider Advisory Committees as well as through ongoing standing local meetings with provider groups in advance of the PA DHS rate setting process on at least an annual basis.

   a. Providers may request changes to the base fee schedule at any time, however these requests are generally not considered on an individual basis but will be held and reviewed at the appropriate point for each network.

      i. The program year is January through December for the Allegheny and Chester networks; provider requests for rate consideration in
these networks must be submitted no later than March 1st each year and will be reviewed for potential implementation by July 1st.

ii. The program year is July through June for the Berks, Blair, Carbon-Monroe- Pike, Erie, Lycoming-Clinton, North Central and networks; provider requests for rate consideration in these networks must be submitted no later than September 1st each year and will be reviewed for potential implementation by January 1st.

iii. The program year is July through June for York and Adams County network: Provider requests for rate consideration in these networks must be submitted no later than January 1st each year and will be reviewed for potential implementation by July 1st.

iv. The program year is July through June for the Northeast Behavioral Health Care Consortium network; please see separate rate setting policy for this network.

5. In advance of any network wide decrease to the base fee schedule(s) Community Care and/or the Primary Contractor will communicate such change to the OMHSAS, including an analysis of the potential impact of the change to access and choice for members within the network.

C. Provider Request Process for Rate Changes

1. Provider must submit a request for a rate change to its assigned provider representative in writing within the timeframes specified for the specific network (please see A.2.a). At a minimum the submission must include:
   a. For a rate where there is an established Medical Assistance (MA) rate and/or rates set by the Single County Authority for non-hospital drug/alcohol services
      i. a copy of the rate letter from MA or SCA; or
      ii. a copy of all documentation submitted to MA or SCA in support of the rate request; or
iii. any available information demonstrating improved quality or outcomes for members related to the request

b. For a rate other than a rate set by MA and/or rates set by the Single County Authority for non-hospital drug/alcohol services,
   i. a detailed budget of projected revenue including payment from all other sources, if any; or
   ii. a detailed budget of expenses including all direct and indirect costs; or
   iii. any available information demonstrating improved quality or outcomes for members related to the request

2. Additional detail may be requested by Community Care, Primary Contractors and/or oversight entities if necessary to conclude a review of the request.

3. If the rate requested is related to a new program or expansion of an existing program, submission of a service description is also required.
   a. Providers shall submit a service description in the standard format used by Community Care
   b. The Community Care standard format can be obtained from the provider’s assigned provider representative

4. Community Care, Primary Contractors and/or oversight entities review requests for rate changes on an annual basis in conjunction with the rate setting process when there is adequate access or choice for members within the network as documented by geo-access. Any rate changes will be communicated to the provider in advance of the implementation date specified for the specific contract: July for calendar year contracts and January for fiscal year contracts.

5. Community Care, Primary Contractors and/or oversight entities review requests for rate changes on an ad hoc basis if there is a change to adequate access or choice for members within the network as documented by geo-access; in these instances provider may expect a response once a determination has been made.

All policies, procedures, standards, directives, rules or regulations contained in these materials and however denominated, developed, published, or promulgated by Community Care Behavioral Health are subject to change, revision, modification or withdrawal by Community Care Behavioral Health at any time without notice and subject only to any required governmental approvals or contractual obligations as to such changes or modifications.

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Records Retention
Community Care business units are responsible for verifying that records are retained according to established internal processes.

Unless otherwise mandated by Federal or State law, or unless required to be maintained for litigation purposes, any documents, regardless of medium, recorded pursuant to this Policy are maintained for a minimum of ten (10) years from the date of recording.