



Department of Medicaid

John R. Kasich, Governor
Barbara R. Sears, Director

To: MyCare Ohio Managed Care Plans
From: Patrick Stephan, Director, Managed Care
Subject: Addressing Patient Liability Discrepancies
Date: June 19, 2018

This letter is in response to the MyCare Ohio managed care plans (Plans) inquiry about how to address payment disputes, related to patient liability, with nursing facilities for MyCare enrollees in fiscal years 2014, 2015, and 2016.

In the development of the Plans capitation rates, Ohio Department of Medicaid (ODM) takes into consideration patient liability amounts to ensure that the contracted capitation rate is actuarially sound. However, it is the responsibility of the Plans to account for patient liability in its claims payment process with the facilities. If a facility disagrees with the amount of patient liability deducted by the Plan, it is ODM's expectation that the discrepancy be addressed through the business arrangement that the Plans have or establish with the facility. Therefore, the Plans have discretion to choose the best methodology to address any payment discrepancies related to patient liability for fiscal years 2014, 2015, and 2016 with the facilities directly. To that end, ODM will respect the business arrangements made between the Plans and facilities to resolve those payment disputes during any ODM audit for those years.

Going forward, ODM is in process of launching an in-depth review of its patient liability process. This purpose of this review, in part, is to determine why the Plans and facilities continue to have patient liability related payment disputes and to develop a permanent solution to the identified issues. As a part of this review, ODM will review the entire claims payment process, including the patient liability calculation in Ohio Benefits and the transfer of that information out of Ohio Benefits to MITS and the 834 file, for a small sample of nursing facility claims for MyCare Ohio enrollees. Therefore, ODM will be requesting information from the Plans in the very near future.