



Date: February 8, 2017
To: CareSource MyCare Ohio Skilled Nursing Facility Health Partners
From: CareSource®
Subject: 2016 MyCare Bad Debt Reconciliation

The following information is the process by which CareSource will address the 2016 and 2017 MyCare Ohio Opt-In coinsurance that resulted in bad debt for Skilled Nursing Facility (SNF) claims.

A CareSource Opt-In member is a member that has CareSource MyCare Ohio (Medicare-Medicaid Plan) as their managed care plan for both Medicare and Medicaid benefits.

In 2016, in the event that the Medicare allowable is less than the CareSource Medicaid allowable, CareSource covered the Medicare coinsurance under the Medicaid benefit up to the Medicaid allowable amount. The amount not covered by CareSource is considered bad debt.

For calendar year 2016, CareSource will handle the bad debt portion of the coinsurance by providing a one-time payment to SNF providers based on the Medicare bad debt rate of 65%. SNF claims with a Date of Service in calendar year 2016 must be received by CareSource on or before February 28th, 2017, to be considered for the 2016 coinsurance bad debt one-time payment.

CareSource will make a one-time payment to SNF providers no later than the end of June 2017.

For calendar year 2017, CareSource will comply with CMS Guidance for Skilled Nursing Facility Bad Debt, and any updates issued by CMS to that guidance pertaining to FY 2017.

CareSource will not pay the coinsurance for 2016 or 2017 SNF claims for Opt-Out members as CareSource is not the Medicare Payer for these members.

CareSource values your continued partnership. Should you have any questions regarding this process please contact Health Partner Services at **800-488-0134**.