
Rates: Facility Reimbursement – Miscellaneous Inclusive and Exclusive Items

Page updated: August 2020

Rates for Long Term Care (LTC) facilities include all supplies, drugs, equipment and services necessary to provide a designated level of care (inclusive items), except items identified in regulations as separately reimbursable (exclusive items).

Inclusive Items

Inclusive items are all supplies, drugs, equipment and services necessary to provide a designated level of care. These items are included in the LTC rate unless listed as separately reimbursable in *California Code of Regulations (CCR)*, Title 22. All incontinence supplies are included in the facility rate and are not separately reimbursable for LTC patients, except for Intermediate Care Facility for the Developmentally Disabled-Nursing (ICF/DD-N), and Intermediate Care Facility for the Developmentally Disabled-Habilitative (ICF/DD-H). Inclusive items are as follows.

Personal Hygiene Items

The rates for Nursing Facility Level A (NF-A) and Nursing Facility Level B (NF-B) services include the cost for various personal hygiene items which facilities are required to furnish pursuant to federal law. Personal hygiene items include items such as denture cleaners, denture adhesives, dental floss, oral cleansing swabs, hair combs and brushes, lotions, shaving soap/cream, toothbrushes and toothpaste and tissue wipes for personal use. LTC providers cannot purchase items of personal hygiene with client funds.

Therapy Services

Federal law states “Each resident must receive, and the facility must provide, the necessary care and services to attain or maintain the highest practicable physical, mental and psychological well-being, in accordance with the comprehensive assessment and plan of care.” In many cases, however, these therapy services can and should be performed as part of the nursing facility inclusive services (covered under the facility’s per diem rate) and, therefore, are not separately reimbursable

Therapy services provided to the recipient that are covered by the per diem rate include, but are not limited to:

- Keeping recipients active and out of bed for reasonable periods of time, except when contraindicated by a physician's order
- Supportive and restorative nursing and personal care needed to maintain maximum functioning of the recipient
- Care to prevent formation and progression of decubiti, contractures and deformities, including:
 - Changing position of bedfast and chairfast recipients
 - Encouraging and assisting in self-care and activities of daily living
 - Maintaining proper body alignment and joint movement to prevent contractures and deformities

Additional Therapy Services

Providers must submit a *Treatment Authorization Request* (TAR) for therapy services exceeding the nursing facility inclusive services when it is determined that additional services must be rendered to attain or maintain the highest practicable plan of care.

For additional information, refer to the *TAR Criteria for NF Authorization (Valdivia v. Coye)* section in this manual.

Exclusive Items

Exclusive items are supplies, drugs, equipment or services not included in the per diem rate and are separately reimbursable subject to the utilization review controls and limitations of the Medi-Cal program for non-subacute patients in LTC facilities. (For subacute patients, see "Subacute Patient Coverage" on a following page.) Exclusive items are as follows:

- Allied health services ordered by the attending physician
- Alternating pressure mattresses/pads with motor
- Atmospheric oxygen concentrators and enrichers and accessories
- Blood, plasma and substitutes
- Dental services

- Durable Medical Equipment as specified in CCR, Title 22, Section 51321(g)
- Insulin
- Intermittent positive pressure breathing equipment
- Intravenous trays, tubing and blood infusion sets
- Laboratory services
- Legend drugs
- Liquid oxygen system
- MacLaren or Pogon Buggy
- Medical supplies as specified in the *Welfare and Institutions Code (W&I Code)*, Section 14105.47
- Nasal cannula
- Osteogenesis stimulator device
- Oxygen (except emergency)
- Parts and labor for repairs of Durable Medical Equipment if originally separately reimbursable or owned by recipient
- Physician services
- Portable aspirator
- Portable gas oxygen system and accessories
- Precontoured structures (VASCO-PASS, cut out foam)
- Prescribed prosthetic and orthotic devices for exclusive use of patient
- Reagent testing sets
- Therapeutic air/fluid support systems/beds
- Therapy services that are provided by a licensed therapist, identified in the Minimum Data Set, included in the recipient's plan of care and prescribed by the recipient's physician
- Traction equipment and accessories
- Variable height beds
- X-rays

Personal Items

The following personal items are not included in the per diem rate or in the Medi-Cal schedule of benefits:

- Beauty shop services such as permanent wave, scalp massage, nail polish, hair conditioning and special treatments or styling of the hair for patients who request such services

Note: Shaves or shampoos performed by facility staff as part of patient care and periodic hair trims are included in the facility rate.

- Cosmetics
- Dry cleaning and special treatment of laundry
- Television rental
- Tobacco products and accessories

Subacute Patient Coverage

For subacute patient coverage, see the applicable sections in CCR, Title 22.

Note: Non-legend (over-the-counter) drugs in CCR, Title 22, Section 59999(c) and (d) cannot be billed separately for subacute patients in LTC facilities, except insulin, which is separately reimbursable.

Share of Cost Not Billable

A patient's Share of Cost cannot be billed for any supplies, drugs, equipment or services necessary to provide a designated level of care.

Transfer of Assets Rule: Restricted Services Messages “RES LTC”

Effective July 1, 1991, LTC facilities are not reimbursed for NF services provided to recipients who have the message “Long Term Care services are not covered” returned from the Medi-Cal eligibility verification system when verifying eligibility. NF services are defined as all services included in the “daily per diem rate” (CCR, Title 22, Sections 51510, 51511, 51511.5 and 59998).

Definition of Transfer of Assets Rule

This Medi-Cal eligibility verification system response message identifies recipients whose eligibility has been restricted by the Transfer of Assets Rule. This rule (included in the Medicare Catastrophic Coverage Act of 1988) applies to Medicaid (Medi-Cal) institutionalized patients in or entering an NF or a medical institution where they receive nursing facility level of care. It specifies that an institutionalized applicant/recipient will lose Medi-Cal coverage for NF services for a time set by the county welfare office if the applicant/recipient transferred assets for less than fair market value within:

- Thirty (30) months prior to the date of institutionalization if the person is already on Medi-Cal when institutionalized, or
- Thirty (30) months from the date of application if institutionalized prior to application for Medi-Cal.

Although LTC facilities are not reimbursed for NF services for these patients, other appropriate providers may be reimbursed for ancillary and/or medical services subject to medical necessity and other program requisites.

Hospice Services

Hospice services are rendered by several provider types, each with their own area of services.

Although LTC facility providers typically bill for room and board, the Medi-Cal method of reimbursing for a room and board charge for a hospice patient in an LTC facility is through the hospice provider by billing revenue code 0658. This billing arrangement reimburses 95 percent of the daily rate of the LTC facility, reimbursed to the hospice provider and applies only to days the recipient is in the facility.

When the recipient is on leave, such as when visiting family, the LTC facility may bill for bed hold.

The hospice provider is the central coordinator for all services rendered to the hospice recipient. The hospice provider is responsible for submitting the recipient's election to enter the hospice program, which modifies the scope of eligible services. This hospice election, revocation of the election or re-election are handled through the hospice unit in the Department of Health Care Services and may be contacted by addressing an inquiry to:

Attn: Hospice Clerk
Department of Health Care Services
Medi-Cal Eligibility Division, MS 4607
1501 Capitol Avenue, Room 4063
P.O. Box 997417-7417
Sacramento, CA 95899-7417

<<Legend>>

<<Symbols used in the document above are explained in the following table.>>

Symbol	Description
<<	This is a change mark symbol. It is used to indicate where on the page the most recent change begins.
>>	This is a change mark symbol. It is used to indicate where on the page the most recent change ends.