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Title 22@ Social Security

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Division 3@ Health Care Services

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Subdivision 1@ California Medical Assistance Program

|-&gt;

Chapter 6@ PRIMARY CARE CASE MANAGEMENT PLANS

|-&gt;

Article 3@ OPERATIONAL REQUIREMENTS

|-&gt;

Section 56322@ Capitation Rate Redetermination

## **56322 Capitation Rate Redetermination**

### **(a)**

Capitation rates shall be redetermined during the rate year only when all of the following conditions are met: (1) A change occurs in the obligations of the PCCM plan which results in increased or decreased costs of performing under the PCCM contract. (2) The change in subdivision (1) is the result of either of the following: (A) A change in federal or state law or regulation. (B) A change in the Department's interpretation or implementation of federal or state law or regulation. (3) The projected difference in the actuarial equivalent costs associated with the conditions set forth in subdivision (a)(2) exceeds one percent of the statewide average capitation rate for services covered at risk for the affected categories of members.

### **(1)**

A change occurs in the obligations of the PCCM plan which results in increased or decreased costs of performing under the PCCM contract.

### **(2)**

The change in subdivision (1) is the result of either of the following: (A) A change in federal or state law or regulation. (B) A change in the Department's interpretation or implementation of federal or state law or regulation.

### **(A)**

A change in federal or state law or regulation.

**(B)**

A change in the Department's interpretation or implementation of federal or state law or regulation.

**(3)**

The projected difference in the actuarial equivalent costs associated with the conditions set forth in subdivision (a)(2) exceeds one percent of the statewide average capitation rate for services covered at risk for the affected categories of members.

**(b)**

The redetermination of capitation rates shall be subject to the approval of the appropriate state and federal control agencies.

**(c)**

Rates redetermined pursuant to subdivision (a) shall be effective on the first day of the month in which the change in the obligations of a PCCM plan becomes effective. During the period of rate redetermination, continued payment of the rate in effect shall be interim payment only. Final payment shall be: (1) Subject to increase or decrease to the level of the redetermined rates. (2) Retroactive to the first day of the month in which the change in the obligations of a PCCM plan became effective.

**(1)**

Subject to increase or decrease to the level of the redetermined rates.

**(2)**

Retroactive to the first day of the month in which the change in the obligations of a PCCM plan became effective.