To All County Medi-Cal Administrative Activities (MAA)/
Targeted Case Management (TCM) Coordinators and
Advisory Committee Members

INCREASE IN THE FEDERAL MEDICAL ASSISTANCE PERCENTAGE (FMAP)

The purpose of this letter is to advise local government agencies (LGAs) participating in
the TCM program, that the FMAP has changed. As explained in Policy and Procedure Letter
No. 97-009, dated June 6, 1997, the FMAP is used to ascertain the maximum federal amount the
LGA will be reimbursed.

The FMAP was increased to **51.55** percent, effective for TCM services rendered from
October 1, 1998 through September 30, 1999. The following chart identifies the FMAP since the
inception of the TCM program:

<table>
<thead>
<tr>
<th>DATES OF SERVICE</th>
<th>FMAP</th>
</tr>
</thead>
<tbody>
<tr>
<td>July 1, 1995</td>
<td>50.00 percent</td>
</tr>
<tr>
<td>October 1, 1996</td>
<td>50.23 percent</td>
</tr>
<tr>
<td>October 1, 1997</td>
<td>51.23 percent</td>
</tr>
<tr>
<td>October 1, 1998</td>
<td>51.55 percent</td>
</tr>
</tbody>
</table>

An increase in the FMAP does not change how TCM claims are submitted by the LGA.
The Federal Liaison Unit (FLU) will calculate the federal share for reimbursement based on the
prevailing FMAP for the period of service. It should be noted that the change in FMAP applies
only to Medical Assistance claims and does not affect the federal financial participation for the
MAA program.

If you have any questions or concerns regarding this matter, please contact Patricia
Kinney in the FLU at (916) 657-4304.

Sincerely,

David Mitchell, Chief
Medi-Cal Benefits Branch

cc: See next page.
To All County Medi-Cal Administrative Activities/
Targeted Case Management (TCM) Coordinators and
Advisory Committee Members
PPL No. 98-027
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<table>
<thead>
<tr>
<th>Medi-Cal Administrative Activities:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Targeted Case Management:</td>
</tr>
<tr>
<td>X</td>
</tr>
<tr>
<td>Policy Effective Date:</td>
</tr>
<tr>
<td>October 1, 1998</td>
</tr>
<tr>
<td>Policy Reference:</td>
</tr>
<tr>
<td>PPL No. 97-009, 97-027, 98-010</td>
</tr>
</tbody>
</table>

cc: Ms. Cathleen Gentry
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