



State of California—Health and Human Services Agency  
Department of Health Care Services



EDMUND G. BROWN JR.  
GOVERNOR

Date: December 10, 2013

**PPL No. 13-017**

To: Local Governmental Agency (LGA) Coordinators for the County Based  
Medi-Cal Administrative Activities (CMAA) Program

SUBJECT: **CMAA Program participation requirements for health care facilities  
that are Federally Qualified Health Centers (FQHCs)**

The purpose of this Policy & Procedure Letter is to define the requirements for health care facilities that are FQHCs to obtain Medi-Cal Administrative Activities (MAA) reimbursements for participants in the CMAA program, who adhere to the guidelines of the “DHCS Time Survey Methodology for the County Based Medi-Cal Administrative Activities and Targeted Case Management Programs and County Based Medi-Cal Administrative Activities Program Operational Plan”.

The intent of the CMAA program is to encourage county health care facilities to provide specific Medi-Cal eligible populations with information about the Medi-Cal program, encourage individuals who may be eligible to apply for Medi-Cal, and inform specific high-risk populations about the health care services covered by Medi-Cal.

A health care facility that is an FQHC may be eligible to obtain MAA reimbursements through the CMAA Program only when all of the following conditions are met.

- Activities that target non-Medi-Cal eligible individuals are not allowable and are excluded from claims for CMAA Program reimbursement.
- The revenues and expenditures eligible for CMAA Program reimbursement must be excluded from the FQHC’s established PPS rate or any other FQHC funding source.
- The revenue used to fund the CMAA Program expenditures eligible for reimbursement must be certified by the LGA or other contributing unit of government as representing expenditures eligible for claiming Federal Financial Participation (FFP) pursuant to 42 C.F.R. 433.51.

- The CMAA Program eligible revenue designated for the CMAA Program eligible expenditures were incurred by providing the CMAA Program activities. If the CMAA program eligible revenue and the CMAA program eligible expenditure were split between two or more programs, the split and individual designations of CMAA Program eligible revenue to CMAA Program eligible expenditures incurred from providing CMAA Program activities must be separately identified.
- All other CMAA Program requirements must be followed.

Before DHCS will approve any LGA Claiming Plan that includes an FQHC, all documentation verifying compliance with the aforementioned conditions must be provided. All of the following forms of documentation below will also be a prerequisite from FQHCs to meet the CMAA Program participation requirements:

- FQHC PPS rate development documentation designating the revenue, expenditures, and/or activities eligible for CMAA program reimbursement as “Non-Reimbursable.”
- General ledger or other financial documents that verify the revenues and expenditures eligible for CMAA Program reimbursement are excluded from the FQHC’s established PPS rate or any other FQHC funding source.
- General ledger or other financial documents that separately identify the splits and individual direct relationships between the revenue, expenditures, and/or activities eligible for CMAA program reimbursement when they are split between two or more programs.
- General ledger or payroll documents that verify the CMAA program eligible revenue is being used to fund the CMAA program eligible activities and/or expenses, such as, the salary and benefits expenses associated with the classifications designated to time survey and claim MAA reimbursement in the LGA Claiming Plan
- If applicable, copies of contract agreements between the entities providing the CMAA program eligible revenue and the FQHC.
- If applicable, copies of contract agreements between the entities performing the CMAA program eligible activities and the FQHC.

LGA Coordinators  
Page 3  
December 10, 2013

Regardless of the source, all supporting documentation must verify that the CMAA program eligible revenues and expenditures are exclusive and separate from the PPS rate or any other FQHC funding source.

If you have any questions or require further assistance regarding this PPL, please contact your CMAA Analyst.

Sincerely,

**ORIGINAL SIGNED BY MICHELLE KRISTOFF**

Michelle Kristoff, Chief  
Administrative Claiming, Local and Schools Services Branch

cc: Mr. Patrick Sutton  
LGA MAA/TCM Consultant  
221 Encounter Bay  
Alameda, CA 94502