State of California—Health and Human Services Agency

Department of Health Care Services

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DATE: December 9, 2016

ALL PLAN LETTER 16-017
SUPERSEDES ALL PLAN LETTER 15-017

TO: ALL MEDI-CAL MANAGED CARE HEALTH PLANS

SUBJECT: PROVISION OF CERTIFIED NURSE MIDWIFE AND ALTERNATIVE BIRTH CENTER FACILITY SERVICES

PURPOSE:
The purpose of this All Plan Letter (APL) is to clarify for all Medi-Cal managed care health plans (MCPs) their responsibilities to meet federal requirements for access to Certified Nurse Midwife (CNM) or licensed midwife (LM) services and alternative or freestanding birth centers.[1]

BACKGROUND:
The Medi-Cal Provider Manual defines Alternative Birthing Centers (ABCs) as, "specialty clinics authorized to bill Medi-Cal for Comprehensive Perinatal Services Program (CPSP), obstetrical, and delivery services." For a full list of Current Procedural Terminology codes that have been approved for use by ABCs, see the Medi-Cal Provider Manual.[2]

In addition, Section 1905 of the Social Security Act (Title 42 United States Code [USC] Section 1396d(l)(3)(B)) defines the following:

(B) The term "free standing birth center" means a health facility –
(i) that is not a hospital;
(ii) where childbirth is planned to occur away from the pregnant woman's residence;
(iii) that is licensed or otherwise approved by the state to provide prenatal labor and delivery or postpartum care and other ambulatory services that are included in the plan; and

[1] "Alternative or freestanding birth center services," as defined in Title 42 USC, Section 1396d (l)(3)(B), is an alternative to traditional, hospital-based maternity care.
[2] The section of the Provider Manual, "altern 1," is available at: http://files.medi-cal.ca.gov/pubsdoco/publications/masters-mtp/part2/altern_m00o03.doc.

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(iv) that complies with such other requirements relating to the health and safety of individuals furnished services by the facility as the state shall establish.

Among several important provisions targeted to the care of pregnant women that the Patient Protection and Affordable Care Act (referred to as ACA) mandates are payments for facility services to birth centers across the United States (Section 2301). Both Section 2301 of the ACA and Section 1905 of the Social Security Act (Title 42 USC Section 1396d) require states that recognize freestanding or ABCs to provide coverage for freestanding birth center facility services and services rendered by certain professionals providing services in a freestanding birth center, to the extent the state licenses or otherwise recognizes such providers under state law. Also per ACA Section 2301 and Section 1905 of the Social Security Act (Title 42 USC Section 1396d (l)(3)(C)), "a state shall provide separate payments to providers administering prenatal labor and delivery or postpartum care in a freestanding birth center…, such as nurse midwives and other providers of services such as birth attendants recognized under State law, as determined appropriate by the Secretary."

A CNM is a Non-Physician Medical Practitioner who is licensed as a Registered Nurse and certified as a nurse midwife by the California Board of Registered Nursing. A CNM may be employed by a Medi-Cal provider or be an independent Medi-Cal provider. Primary care services rendered by a CNM must be performed under the general supervision of a physician. A physician's co-signature or countersignature is not required for care provided by CNMs. CNMs must practice in collaboration with a physician and surgeon who have current practice or training in obstetrics and gynecology. Effective March 2, 2016, licensed (non-nurse) midwife providers are allowed to apply for enrollment in the Medi-Cal Fee-for-Service (FFS) program as individual providers, group providers, or rendering providers.[3] A LM may perform Obstetrical Services without supervision of a Licensed Physician/Surgeon and is subsequently permitted to bill DHCS directly for services rendered EXCEPT for CPSP services where the LM can only be employed as a Contract service provider.[4]

MCPs are responsible for ensuring that their delegates comply with all applicable state and federal laws and regulations and other contract requirements as well as DHCS

[3] Information about Medi-Cal Enrollment Requirements and Procedures for Licensed Midwives is available here.
[4] Welfare and Institution Code Section 14134.5 is available at: http://leginfo.legislature.ca.gov/faces/codes_displayText.xhtml?lawCode=WIC&division=9.&title=&part=3.&chapter=7.&article=4.

guidance, including APLs and Dual Plan Letters. DHCS's readiness review process includes a review of each MCP's delegation oversight. MCPs must receive prior approval from DHCS for each delegate.

POLICY:
Pursuant to the MCP contract, MCPs are required to provide access to CNM services, as defined in Title 22, California Code of Regulations (CCR), Section 51345 and Certified Nurse Practitioner (CNP) services, as defined in Title 22, CCR, Section 51345.1, and must inform Medi-Cal beneficiaries that they have a right to obtain out-of-plan CNM services. If there are no CNMs or CNPs in the MCP's provider network, the MCP must reimburse out-of-network CNMs or CNPs for services provided to beneficiaries at no less than the applicable Medi-Cal FFS rates. For birthing centers, the MCP is required to reimburse no less than the applicable Medi-Cal FFS rate.[5]

In October 2012, the Centers for Medicare and Medicaid Services approved the Department of Health Care Services' (DHCS') State Plan Amendment (SPA) 11-022, which added freestanding birth centers and professional services to the California State Plan.[6] SPA 11-022 did not change the scope of services as defined in Welfare and Institutions Code, Section 14148.8, or the requirement that alternative birth center facilities must be certified CPSP providers. Therefore, MCPs and any subcontracting Independent Physician Associations must provide coverage for freestanding birth center facility services and services rendered by certain professionals providing services in a freestanding birth center. DHCS encourages MCPs to contract directly with providers in their networks for these services. If that is not a possibility, MCPs must arrange to provide such services through out-of-network providers, per contractual and regulatory requirements.[7]

If you have any questions regarding this APL, please contact your Managed Care Operations Division contract manager.

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[5] Select the appropriate boilerplate contract at: http://www.dhcs.ca.gov/provgovpart/Pages/MMCDBoilerplateContracts.aspx. Go to Exhibit A, Attachment 9, Section 7 for County Organized Health System (COHS) plans, and Attachment 9, Section 8 for Two Plan and Geographic Managed Care (GMC) plans.
[6] SPA 11-022 is available at: http://www.dhcs.ca.gov/formsandpubs/laws/Documents/Recent%20Amendment%20SPA%2011-022.pdf.
[7] Select the appropriate boilerplate contract at http://www.dhcs.ca.gov/provgovpart/Pages/MMCDBoilerplateContracts.aspx. Go to Exhibit A, Attachment 8, Section 7 for COHS, and Attachment 8, Section 8 for Two Plan and GMC. In addition, see Section 2301 of the Patient Protection and Affordable Care Act, http://www.gpo.gov/fdsys/pkg/PLAW-111publ148/pdf/PLAW-111publ148.pdf.

Sincerely,

Original Signed by Sarah Brooks

Sarah Brooks, Deputy Directory
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