



Fiscal Considerations for the DMC-ODS Pilot
Frequently Asked Questions
March 2016

The following answers to frequently asked questions intend to provide clarification regarding the fiscal considerations for counties and providers electing to participate in the Drug Medi-Cal Organized Delivery System (DMC-ODS) Pilot Program.

This document will be updated as necessary.

For additional information regarding the DMC-ODS:

- Visit <http://www.dhcs.ca.gov/provgovpart/Pages/Drug-Medi-Cal-Organized-Delivery-System.aspx>
- Contact us at DMCODSWAIVER@dhcs.ca.gov

Fiscal Resources:

- [Information Notice 15-034](#) – Drug Medi-Cal Organized Delivery System Pilot Fiscal Provisions
- [Information Notice 16-006](#) – Drug Medi-Cal Organized Delivery System Waiver County Implementation Fiscal Plan Guide

What is the interim rate-setting process & what are the parameters?

Annual interim rates for each covered service must be developed by the county for review and approval by DHCS. DHCS has provided guidance and a format for rates development (see [Information Notice No. 16-006](#)), and will provide technical assistance upon request. The interim rates must conform to federal requirements pursuant to SSA §1903(w)(6) and §42 CFR 433.51. Interim rates should be calculated to include all estimated subcontractor expenditures and county direct and indirect for directly delivered services.

Can you set a rate range?

No.

Are revenues other than 2011 realignment funds eligible to for federal match?

Yes, as long as they are non-federal public funds and are otherwise eligible to be used as match consistent with the requirements outlined in SSA §1903(w)(6) and 42 CFR §433.51.

What are the claim submission timeframes for counties contracted to participate in the DMC-ODS Pilot Program?

The current DMC Short Doyle 2 claims submission timeframes remain in effect unless waived by DHCS for good cause.

What is involved in reconciliation?

The county must complete and submit an annual cost report to reconcile the interim payments to the finalized cost report. Under or overpayment of federal funds will be addressed as a part of the final settlement process. The requirements for cost settlement will be outlined in the CMS approved Certified Public Expenditure (CPE) protocol which is an addendum to the waiver terms and conditions.