



Department of Health Care Services  
**MEMORANDUM**

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**DATE:** February 11, 2015

**TO:** Tribal Chairpersons, California Indian Health Programs and Urban Indian Organizations

**FROM:** Sandra "Sam" Willburn, Chief, [REDACTED] Primary, Rural, and Indian Health Division

**SUBJECT:** Notice of Proposed Change to the Medi-Cal Program

The purpose of this memo is to provide information regarding a proposed change to the Department of Health Care Services' (DHCS) Medi-Cal Program that will be submitted to the Centers for Medicare and Medicaid Services (CMS). DHCS is forwarding this information for your review and comment.

DHCS is required to seek advice from designees of Indian Health Programs and Urban Indian Organizations on Medi-Cal matters having a direct effect on Indians, Indian Health Programs or Urban Indian Organizations per the American Recovery and Reinvestment Act of 2009 (ARRA). DHCS must solicit the advice of designees prior to submission to CMS of any State Plan Amendment, waiver requests or modifications, or proposals for demonstration projects in the Medi-Cal program.

**Medi-Cal Specialty Mental Health Services (SMHS) Waiver Renewal Request**

**Summary:** DHCS plans to submit, on or before March 31, 2015, a request to CMS for the renewal of California's Section 1915(b) Freedom of Choice waiver entitled Medi-Cal SMHS waiver. DHCS plans to request a 5-year waiver renewal term. If a 5-year waiver term is approved, the term of this waiver renewal will be July 1, 2015 through June 30, 2020. Please see the enclosed summary of the waiver renewal for a detailed description and contact information for questions or comments.

**QUESTIONS AND COMMENTS:**

Indian Health Programs and Urban Indian Organizations may submit written comments or questions concerning this waiver within 30 days from the receipt of this notice. Comments or feedback may be sent by email to [Shelly.Osuna@dhcs.ca.gov](mailto:Shelly.Osuna@dhcs.ca.gov) or mail to the address below:

**Contact Information:**

Department of Health Care Services  
Mental Health Services Division  
Program Policy and Quality Assurance Branch  
1500 Capitol Avenue, MS 2702  
PO Box 997413  
Sacramento, CA 95899-7413  
ATTN: Shelly Osuna

Notice of Proposed Change to the Medi-Cal Program

Page 2

February 11, 2015

In addition to this notice, DHCS plans to cover this waiver in the next quarterly Medi-Cal Indian Health webinar. Please note that Indian Health Programs and Urban Indian Organizations may also request a consultation on this proposal at any time as needed.

Enclosure

**Mental Health Services Division  
Department of Health Care Services (DHCS)  
Medi-Cal Specialty Mental Health Services (SMHS) Waiver Renewal**

**Background:**

California administers a Section 1915(b) Freedom of Choice waiver to provide Specialty Mental Health Services (SMHS) using a managed care model of service delivery. The SMHS waiver program has been in effect since 1995. The proposed waiver term (July 1, 2015 through June 30, 2020) represents the ninth waiver renewal period. DHCS operates and oversees this waiver.

**Description of Waiver and Effective Date:**

The SMHS waiver program is administered locally by each county's Mental Health Plan (MHP) and each MHP provides, or arranges for, SMHS for Medi-Cal beneficiaries. It is the responsibility of each MHP to either provide the services directly or contract with providers to provide these services at the local level. The SMHS waiver population is all Medi-Cal beneficiaries. Therefore, all Medi-Cal beneficiaries have access to waiver services if they meet medical necessity criteria. To meet SMHS medical necessity criteria, a beneficiary must have one or more of the following diagnosis, and must meet specific impairment and intervention criteria.

- Pervasive developmental disorders, except autistic disorders
- Disruptive behavior and attention deficit disorders
- Feeding and eating disorders of infancy and early childhood
- Elimination disorders
- Other disorders of infancy, childhood, or adolescence
- Schizophrenia and other psychotic disorders, except psychotic disorders due to a general medical condition
- Mood disorders, except mood disorders due to a general medical condition
- Anxiety disorders, except anxiety disorders due to a general medical condition
- Somatoform disorders
- Factitious disorders
- Dissociative disorders
- Paraphilias
- Gender Identity Disorder
- Eating disorders
- Impulse control disorders not elsewhere classified
- Adjustment disorders
- Personality disorders, excluding antisocial personality disorder
- Medication-induced movement disorders related to other included diagnosis

SMHS provided through the SMHS waiver:

(a) Rehabilitative mental health services including:

- 1) Mental health services
- 2) Medication support services
- 3) Day treatment intensive
- 4) Day rehabilitation
- 5) Crisis intervention
- 6) Crisis stabilization
- 7) Adult residential treatment services
- 8) Crisis residential treatment services
- 9) Psychiatric health facility services

(b) Psychiatric inpatient hospital services

(c) Targeted case management services

(d) Early and Periodic Screening, Diagnosis and Treatment specialty mental health services (i.e., Therapeutic Behavioral Services)

The SMHS waiver renewal request will be submitted to the Centers for Medicare and Medicaid Services (CMS) for their review and approval on or before March 31, 2015. The effective date for this waiver renewal will be July 1, 2015.

**Impact on Indian Health Programs and Urban Indian Health Organizations:**

**Impact on Indian Health Programs**

This waiver renewal will impact Indian Health Programs (IHPs) and Urban Indian Health Organizations (UIHOs) by extending the term of the existing SMHS waiver. IHPs and UIHOs may contact their county MHP to obtain information on contracting with the program to provide SMHS at the clinic for eligible Medi-Cal beneficiaries.

**Impact on Indian Medi-Cal Beneficiaries**

This waiver renewal will impact Indian Medi-Cal beneficiaries by extending the term of the existing SMHS waiver to allow for continued services.

**Response Date:**

Indian Health programs and Urban Indian Organizations may submit written comments or questions concerning this waiver within 30 days from the receipt of this letter. Comments may be sent by email to [Shelly.Osuna@dhcs.ca.gov](mailto:Shelly.Osuna@dhcs.ca.gov) or by mail to the address listed below:

Department of Health Care Services  
Mental Health Services Division  
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