



Department of Health Care Services
MEMORANDUM

DATE: September 16, 2013

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

FROM: Sandra "Sam" Willburn, Chief, Primary and Rural 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.

Specialty Mental Health Services (SMHS) Waiver Amendment: DHCS is submitting a request to CMS to amend the Medi-Cal SMHS waiver pursuant to Senate Bill (SB) x 1 1, which authorizes the implementation of Medi-Cal expansion and includes the provision of mental health services to all Medi-Cal beneficiaries. SB x 1.1 requires the provision of non-specialty mental health services to be covered through Medi-Cal managed care plans. Non-specialty mental health services will be available to all Medi-Cal members who may not meet the medical necessity requirement of the SMHS waiver and/or require a more moderate level of mental health services than are provided in the SMHS waiver. The effective date for this waiver amendment is January 1, 2014. Please see the enclosed summary of the SMHS waiver amendment for a detailed description and contact information for questions or comments.

DHCS will hold a teleconference to provide an opportunity to discuss and provide for immediate feedback regarding this waiver. The teleconference will be held from 10:00 a.m. to 11:00 a.m. on Friday, September 20, 2013. To participate in this teleconference dial toll-free, 1-800-369-1972. When asked for a participant code number, please respond "DHCS". Please note this this waiver is scheduled for submission on or before September 30, 2013.

September 16, 2013

QUESTIONS AND COMMENTS:

Indian Health Programs and Urban Indian Organizations may submit written comments or questions concerning this proposal prior to the scheduled submission date.

Comments or feedback may be sent by email Dina.Kokkos@dhcs.ca.gov or by mail to the address below:

Contact Information:

Department of Health Care Services
Mental Health Services Division
Program Policy and Quality Assurance Branch
1500 Capitol Ave. MS 2702
PO Box 997413
Sacramento, CA 95899-7413
ATTN: Dina Kokkos-Gonzales

Enclosure

**Department of Health Care Services (DHCS)
Mental Health Services Division
Program Policy and Quality Assurance Branch
Medi-Cal Specialty Mental Health Services (SMHS) Waiver Amendment**

Background:

California administers a Section 1915(b) Freedom of Choice waiver to provide specialty mental health services using a managed care model of service delivery. The SMHS waiver program has been in effect since 1995 and the current waiver term (July 1, 2013 - June 30, 2015) represents the eighth waiver period. DHCS operates and oversees this waiver.

The SMHS waiver program is administered locally by each county's Mental Health Plan (MHP) and each MHP provides, or arranges for, specialty mental health services for Medi-Cal beneficiaries. The SMHS waiver population is defined as all full-scope Medi-Cal beneficiaries. Therefore, all Medi-Cal beneficiaries are enrolled in the SMHS waiver and have access to waiver services if they meet medical necessity conditions. The conditions include specific: (1) Diagnoses, (2) Impairment and (3) Intervention criteria.

The specialty mental health services provided through the SMHS waiver are the following:

- (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 (EPSDT) supplemental specialty mental health services (i.e. Therapeutic Behavioral Services)

Description of Waiver Amendment and Effective Date:

DHCS is submitting a request to the Centers for Medicare and Medicaid Services to amend the Medi-Cal SMHS waiver pursuant to Senate Bill (SB) x 1 1, which authorizes the implementation of Medi-Cal expansion and includes the provision of mental health services to all Medi-Cal beneficiaries. SB x 1 1 requires the provision of non-specialty mental health services to be covered through Medi-Cal managed care plans. Non-specialty mental health services will be available to all Medi-Cal members who may not meet the medical necessity requirement of the SMHS waiver and/or require a more moderate level of mental health services than are provided in the SMHS waiver.

The effective date for this waiver amendment is January 1, 2014.

Impact on Indian Health Programs and Urban Indian Health Organizations:

Impact on Indian Health Programs

Indian health programs may be impacted by this proposal as a result of Medi-Cal managed care expansion. Based on their participation in managed care health plans, Indian health programs may see an increase in Medi-Cal beneficiaries accessing mental health services as a result of this proposal.

Impact on Indian Health Beneficiaries

Indian Health Beneficiaries, who are Medi-Cal eligible, may be covered for Medi-Cal specialty mental health services provided they meet the medical necessity conditions that include 1) Diagnoses, (2) Impairment and (3) Intervention criteria. However, if Indian Health Beneficiaries do not meet the medical necessity conditions, services that address a more moderate level of mental health needs will be provided by managed care health plans.

Response Date:

DHCS plans to conduct a teleconference from 10:00 a.m. to 11:00 a.m. on Friday, September 20, 2013 to allow for immediate feedback and provide an opportunity to discuss this proposal. Comments may be sent by email to Dina.Kokkos@dhcs.ca.gov or by mail to the address listed below:

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