



Department of Health Care Services  
**MEMORANDUM**

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**DATE:** July 28, 2014

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

**FROM:** Original Signed by Sandra "Sam" Willburn, Chief,  
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 (SPA), waiver requests or modifications, or proposals for demonstration projects in the Medi-Cal program.

**Notification on Implementation of the Full-Scope Medi-Cal Coverage and Affordability and Benefit Program for Low-Income Pregnant Women:** In accordance with Senate Bill 857, (Chapter 31, Statutes of 2014) (Welfare and Institutions (W&I) Code Sections 14148.65 and 14148.67), DHCS in collaboration with Covered California, will implement the Full-Scope Medi-Cal Coverage and Affordability and Benefit Program for Low-Income Pregnant Women, subject to federal approvals. DHCS will seek federal approval through either a SPA or 1115 Bridge to Reform Waiver Amendment to provide pregnant women with incomes above 138 percent up to 213 percent of the Federal Poverty Level who enroll in both Medi-Cal and a Qualified Health Plan with no-cost health coverage. Please see the enclosed summary document 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 SPA within 30 days from the receipt of this notice. Comments or feedback may be sent by mail to the address below:

**Contact Information:**

Nathaniel Emery  
Clinical Assurance and Administrative Support Division  
Department of Health Care Services  
1501 Capitol Avenue, MS 4506  
P.O. Box 997413  
Sacramento, CA 95899-7413  
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In addition to this notice, DHCS plans to cover this SPA 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

**Benefits Division**  
**Tribal and Designees of Indian Health Programs**  
**Notification on Implementation of the**  
**Full-Scope Medi-Cal Coverage and Affordability and Benefit Program for**  
**Low-Income Pregnant Women**

**Background:**

In accordance with Senate Bill (SB) 857, (Chapter 31, Statutes of 2014) (Welfare and Institutions (W&I) Code Sections 14148.65 and 14148.67), the California Department of Health Care Services (DHCS) in collaboration with Covered California, will implement the Full-Scope Medi-Cal Coverage and Affordability and Benefit Program for Low-Income Pregnant Women, subject to federal approvals.

**Description of the State Plan Amendment (SPA) or Waiver and Effective Date:**

DHCS will seek federal approval through either a SPA or 1115 Bridge to Reform (BTR) Waiver Amendment to provide the following beneficiaries eligible for pregnancy related Medi-Cal coverage, with no-cost health coverage:

- Pregnant women with incomes above 138 percent up to 213 percent of the federal poverty level (FPL) who enroll in both Medi-Cal and a Qualified Health Plan (QHP) through the California Health Benefit Exchange (Exchange) will be able to choose to receive premium and out-of-pocket payment assistance and access additional Medi-Cal and Denti-Cal services to the extent those services are not covered in the Exchange QHP.

Pregnant women who enroll in both Medi-Cal and an Exchange QHP will also be able to access Medi-Cal Family Planning Services (i.e., exercise freedom of choice) even if those services are covered in the Exchange QHP.

Pregnant women will have the option to enroll or remain enrolled in Medi-Cal for pregnancy-related and postpartum services without enrolling or remaining enrolled in an Exchange QHP. They may also enroll or remain enrolled in an Exchange QHP without enrolling or remaining enrolled in Medi-Cal for pregnancy-related and postpartum services.

Medi-Cal providers, Exchange QHPs, and QHP providers are prohibited from charging, billing, requesting, or requiring the women to pay any of the costs or charges for any services covered by the Exchange QHP, or any premiums or cost sharing during their pregnancy and postpartum coverage or eligibility in the Affordability and Benefit Program. If the beneficiary makes any premium or cost sharing payments, DHCS will promptly reimburse the beneficiary. Further, Medi-Cal providers cannot refuse to provide Medi-Cal covered services that are not covered in the Exchange QHP.

The Affordability and Benefit Program will be available after the DHCS Director determines in writing that the California Healthcare Eligibility, Enrollment and Retention System (CalHEERS) has been programmed for implementation, but no sooner than January 1, 2015.

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

- **Impact on Indian Health Programs**

The SPA or 1115 Waiver Amendment will impact Indian Health Programs and Urban Indian Organizations to the extent that providers may provide services to pregnant women who access Medi-Cal services not covered in the Exchange QHP. Billing for these services will not change and Indian Health Programs and Urban Indians Organizations will bill Medi-Cal fee-for-service.

- **Impact on Indian Health Beneficiaries:**

The SPA or 1115 Waiver Amendment will only impact Indian Health Beneficiaries who are pregnant women by enabling them to access additional Medi-Cal services to the extent services are not covered in the Exchange QHP.

**Response Date:**

Indian Health Programs and Urban Indian Organizations may submit written comments or questions concerning this notice within 30 days from the receipt of this letter.

Comments may be sent by email to [Nathaniel.Emery@dhcs.ca.gov](mailto:Nathaniel.Emery@dhcs.ca.gov) or by mail to the address listed below:

Nathaniel Emery  
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