



Department of Health Care Services
MEMORANDUM

DATE: September 5, 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.

State Plan Amendment (SPA) 13-035 Alternative Benefit Plan (ABP): The Affordable Care Act (ACA), Section 2001 requires state Medicaid agencies to design and implement an ABP. An ABP or "benchmark" or "benchmark-equivalent" allows states to provide medical coverage for newly eligible low-income adults. In order to implement this federal provision Senate Bill (SB) X1 1 authorizes California's ABP for Medi-Cal by adding Welfare and Institutions Code Section 14132.02. DHCS plans to submit SPA 13-035 to the CMS to seek approval to allow the Medi-Cal program to provide benefits to newly eligible adults qualifying under the modified adjusted gross income standard as required by ACA. Please see the enclosed summary of the SPA 13-035 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 SPA 13-035. 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 SPA is scheduled for submission on or before September 30, 2013.

September 5, 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 to Kathryn.Waje@dhcs.ca.gov or by mail to the address below:

Contact Information:

Kathryn Waje
Administrative Support Unit
Utilization Management Division
1501 Capitol Avenue, MS 4506
Sacramento, CA 95814

Enclosure

**Benefits Division
Department of Health Care Services (DHCS)
State Plan Amendment (SPA) 13-035
Alternative Benefit Plan**

Background:

The Affordable Care Act, Section 2001 requires state Medicaid agencies to design and implement the Alternative Benefit Plan (ABP). An ABP or "benchmark" or "benchmark-equivalent" allows states to provide medical coverage for newly eligible low-income adults. In order to implement this federal provision Senate Bill (SB) X1 1 authorizes California's ABP for Medi-Cal by adding Welfare and Institutions (W & I) Code Section 14132.02.

Description of the SPA and Effective Date:

DHCS is submitting SPA 13-035 to the Centers for Medicare and Medicaid Services to allow the Medi-Cal program to provide benefits to newly eligible adults qualifying under the modified adjusted gross income standard. The benefits provided under the Medi-Cal ABP will be the same schedule of benefits provided to full-scope Medi-Cal beneficiaries as required by W&I Code 14132.02 (a). DHCS will also seek federal approval to provide coverage for long-term services and supports in accordance with W&I Code Section 14132.02(b). These services will be subject to an asset test. The proposed effective date of this SPA is January 1, 2014.

Impact to Indian Health Programs and Urban Indian Organizations:

- **Impact on Indian Health Programs**
DHCS anticipates that this SPA may impact Indian Health Programs and Urban Indian Organizations by increasing the number of patients covered by Medi-Cal.
- **Impact on Indian Medi-Cal Beneficiaries**
This SPA may impact American Indian Medi-Cal beneficiaries by increasing the number of individuals who will have access to affordable medical coverage.

Response Date:

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

Kathryn Waje
Administrative Support Unit
Utilization Management Division
1501 Capitol Avenue, MS 4506
Sacramento, CA 95814
Kathryn.Waje@dhcs.ca.gov