



Department of Health Care Services
MEMORANDUM

DATE: February 21, 2014

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

FROM: Original signed by
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 (SPA), waiver requests or modifications, or proposals for demonstration projects in the Medi-Cal program.

SPA 14-011- Therapeutic Foster Care (TFC): DHCS plans to submit SPA 14-011 to CMS in order to add TFC services as a covered Medi-Cal Specialty Mental Health Service for children/youth who are eligible under the terms of the Katie A. v Bonta settlement agreement. TFC services are special services provided by a foster care parent to a child or youth who has special behavioral needs and who is being considered to be placed in an institution such as a group home or psychiatric hospital. The foster care parent would provide mental health treatment and other service activities. These activities may include helping the child or youth improve their skills, improve anger management, self-esteem or peer relations, and helping the child or youth to access other services. The proposed effective date of SPA 14-011 is January 1, 2014. Please see the enclosed summary of SPA 14-011 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 or email to the address below:

Contact Information:

Teresa.Castillo@dhcs.ca.gov or by mail to:
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: Teresa Castillo

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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
Program Policy and Quality Assurance Branch
Department of Health Care Services (DHCS)
State Plan Amendment (SPA) 14-011 for Therapeutic Foster Care (TFC) Services**

Background:

A class action lawsuit (Katie A. v. Bonta) was filed in July 2002. The purpose of the lawsuit was to improve the mental health and supportive services for children and youth in foster care, or children and youth that may soon be in foster care. A settlement agreement was reached in December 2012. As a result, DHCS and the California Department of Social Services (CDSS) are working to provide better community-based mental health services to children and youth who meet specific criteria (as described in the settlement agreement), are in foster care or who may soon be in foster care.

To help these children and youth to live and be active in the community; DHCS is planning to add Therapeutic Foster Care (TFC) services to the Specialty Mental Health Services (SMHS), to the extent that TFC services are federally approved as a Medi-Cal service. TFC services are covered by many other state Medicaid programs and this service has proven to be helpful in treating these at-risk children/youth that would otherwise be placed in institutional settings.

As with other SMHS, TFC services (if federally approved) will be provided through the SMHS waiver program which is administered locally by each county's Mental Health Plan (MHP). Each MHP provides, or arranges for, SMHS for Medi-Cal beneficiaries. The SMHS waiver population includes all full-scope Medi-Cal members. Therefore, all Medi-Cal members may be able to receive SMHS if they meet specific diagnoses and other criteria. In addition to meeting SMHS waiver medical necessity criteria, children/youth must also meet Katie A. subclass criteria to be eligible to receive TFC services.

For more information on the Katie A. settlement agreement, please visit the following website:

<http://www.dhcs.ca.gov/Pages/KatieAImplementation.aspx>

Description of SPA and Effective Date:

DHCS plans to submit SPA 14-011 to the Centers for Medicare & Medicaid Services in order to add TFC services as a covered Medi-Cal SMHS for children/youth who are members of the Katie A. subclass. TFC services are special services provided by a foster care parent to a child or youth who has special behavioral needs and who is being considered to be placed in an institution such as a group home or psychiatric hospital. The foster care parent would provide mental health treatment and other service activities. These activities may include helping the child or youth improve their skills, improve anger management, self-esteem or peer relations and helping the child or youth to access other services. Foster care parents would work with a Child and Family Team which would include the child, youth, family members and other mental health and child welfare staff to develop a treatment plan for the child or youth. This plan would ensure that the needs and strengths of the child or youth are considered and

would assist with a successful transition out of the child welfare system. The foster care parent would also contract with a TFC provider agency.

DHCS is working on the TFC service components such as a service description and eligibility, provider qualifications, reimbursement methods and any service limits.

DHCS intends to submit this SPA to CMS by March 31, 2014 for an effective date of January 1, 2014.

Impact on Indian Health Programs or Urban Indian Health Organizations:

Impact on Indian Health Programs

DHCS does not anticipate that this proposal will impact Indian health programs or Urban Indian Organizations.

Impact on Indian Health Beneficiaries

American Indian children or youth who are Medi-Cal members and part of the Katie A. subclass may be eligible to receive TFC services under the SMHS waiver.

Response Date

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

Comments may be sent by email or mail to Teresa.Castillo@dhcs.ca.gov or by mail to the address listed below:

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: Teresa Castillo