



Department of Health Care Services  
**MEMORANDUM**

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**DATE:** August 19, 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.

**State Plan Amendment (SPA) 14-026-Adding Behavioral Health Treatment (BHT) as a Covered Medi-Cal Service:** Senate Bill 870 (Committee on Budget, Chapter 40, Statutes of 2014), Section 8, added Section 14132.56 to the Welfare and Institutions Code, which requires DHCS to add BHT as a covered Medi-Cal service, to the extent federally required. DHCS will submit SPA 14-026 to CMS to seek federal approval to add BHT as a covered Medi-Cal service for individuals under 21 years of age, who are diagnosed autism spectrum disorder and have a medical need for these services. Please see the enclosed summary document for a detailed description of SPA 14-026 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  
[Nathaniel.Emery@dhcs.ca.gov](mailto:Nathaniel.Emery@dhcs.ca.gov)

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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**  
**Department of Health Care Services (DHCS)**  
**State Plan Amendment (SPA) 14-026**  
**Adding Behavioral Health Treatment (BHT) as a Covered Medi-Cal Service**

**Background:**

Senate Bill 870 (Committee on Budget, Chapter 40, Statutes of 2014), Section 8, added Section 14132.56 to the Welfare and Institutions Code, which requires DHCS to add Behavioral Health Treatment (BHT) as a covered Medi-Cal service, to the extent federally required. BHT is defined in Section 1374.73 of the Health and Safety Code (HSC).

**Description of the SPA and Effective Date**

DHCS will submit a State Plan Amendment (SPA) 14-026 to the Centers for Medicare & Medicaid Services (CMS) by September 30, 2014 to seek federal approval to add BHT as a covered Medi-Cal service for individuals under 21 years of age, who are diagnosed autism spectrum disorder and have a medical need for these services. DHCS will seek approval to provide BHT as it is defined by Section 1374.73 of the HSC Code.

In accordance with state law, DHCS is required to perform the following in development of the benefit:

- (1) Obtain all necessary federal approvals to secure federal funds for the provision of BHT in Medi-Cal;
- (2) Seek statutory authority to implement the new benefit in Medi-Cal;
- (3) Seek an appropriation that would provide the necessary state funding estimated to be required for the applicable fiscal year; and
- (4) Consult with stakeholders.

In consultation with stakeholders, DHCS will develop and define eligibility criteria, provider participation criteria, utilization controls, and the delivery system for BHT services, subject to the limitations allowed under federal law. As part of this effort, DHCS may enter into exclusive or nonexclusive contracts on a bid or negotiated basis, including contracts for the purpose of obtaining subject matter expertise or other technical assistance in implementing BHT services. Contracts may also be statewide or on a more limited geographic basis. DHCS will make the SPA public at least 30 days prior to submitting to the federal CMS and will work with stakeholders to address public comments submitted. The addition of BHT will only be implemented to the extent that federal financial participation is available and any necessary federal approvals are obtained. The proposed effective date of SPA 14-026 is July 1, 2014.

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

- **Impact on Indian Health Programs**  
This SPA may impact Indian Health Programs and Urban Indian Organizations because it may increase Medi-Cal beneficiary's access to services.
- **Impact on Indian Medi-Cal Beneficiaries**  
The SPA may impact Indian Health beneficiaries who are under the age of 21 and need services related to autism.

**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 notice. Comments or feedback may be sent by mail or email to the address below:

**Contact Information:**

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