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DIRECTOR

State of California—Health and Human Services Agency  
Department of Health Care Services



GAVIN NEWSOM  
GOVERNOR

August 26, 2019

To: Tribal Chairpersons, Designees of Indian Health Programs, and  
Urban Indian Organizations

Subject: Notice of Proposed Change to the Medi-Cal Program

The purpose of this letter 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.

Please see the enclosed summary for a detailed description of this DHCS proposal.

**QUESTIONS AND COMMENTS:**

Indian Health Programs and Urban Indian Organizations may also submit written comments or questions concerning this proposal within 30 days from the receipt of notice. Comments may be sent by email to [PublicInput@dhcs.ca.gov](mailto:PublicInput@dhcs.ca.gov) or by mail to the address below:

**CONTACT INFORMATION**

Department of Health Care Services  
Director's Office  
P.O. Box 997413, MS 0000  
Sacramento, CA 95899-7413

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And Urban Indian Organizations  
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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.

Sincerely,

Original Signed By

Sandra Willburn, Chief  
Primary, Rural, and Indian Health Division  
Department of Health Care Services

Enclosure



## Department of Health Care Services Tribal and Designees of Indian Health Programs Notice

### **PURPOSE**

DHCS proposes to submit a State Plan Amendment (SPA) #19-0014 to the Centers for Medicare and Medicaid Services (CMS) to seek necessary approvals to expand Medi-Cal beneficiary access to substance use disorder (SUD) services.

### **BACKGROUND**

Assembly Bill (AB) 2861<sup>1</sup>, passed in 2017, amends the State Plan (SP) to allow Medi-Cal reimbursement payment for SUD individual counseling services delivered by telehealth. The current restriction in the SP requires individual counseling to be delivered face-to-face. Telehealth is the use of telecommunication technology to allow a Medi-Cal beneficiary, who is located at a distance from a counselor or doctor's office, to receive services by electronic means using a computer in a secure setting. This change applies to counties that are covered under Drug Medi-Cal (DMC) that are not currently participating in the Drug Medi-Cal Organized Delivery System (DMC-ODS).

Currently, prior authorization is required for outpatient drug free treatment services for additional Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) services. This SPA removes the prior authorization requirement to align with the passage of Senate Bill (SB) 1287<sup>2</sup>, revising the definition of "medically necessary" for an individual under 21 years of age to incorporate the existing federal standards related to EPSDT services.

### **SUMMARY OF PROPOSED CHANGES**

SPA 19-0014 proposes to amend DMC SUD services to allow reimbursement for SUD individual counseling services delivered by telehealth for DMC enrolled providers for counties that are currently in the SP but have not opted-in to the DMC-ODS waiver. Additionally, this SPA removes the prior authorization requirement for EPSDT services for youth under the age of 21 for outpatient drug-free treatment services. The change is to align with the federal standards related to EPSDT services.

### **IMPACT TO TRIBAL HEALTH PROGRAMS**

The proposed SPA may impact Tribal health programs in the following ways:

- **SUD Individual Counseling**

To the extent that a Tribal health program is a certified DMC provider, this SPA will allow DMC certified Tribal health program reimbursement for SUD individual counseling services delivered via telehealth. Telehealth applies to any mode of delivery under individual counseling in the SP. This change only applies to counties

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<sup>1</sup> Assembly Bill (AB) 2861 is available at:

[http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\\_id=201720180AB2861](http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201720180AB2861)

<sup>2</sup> Senate Bill (SB) 1287 is available at:

[http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\\_id=201720180SB1287](http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201720180SB1287)

that are covered under the SP and have not opted-in to the DMC-ODS waiver program.

- **EPSDT Services**

This SPA will also remove all prior authorization requirements for EPSDT services from outpatient drug free treatment services, which will remove barriers for Tribal health programs to provide outpatient drug free treatment services.

### **IMPACT TO FEDERALLY QUALIFIED HEALTH CENTERS (FQHCs)**

The proposed SPA may impact FQHCs in the following way:

- **SUD Individual Counseling**

To the extent that a FQHC is enrolled in Medi-Cal and is a certified DMC provider this SPA will allow DMC certified reimbursement for SUD individual counseling services delivered via telehealth. This change only applies to counties that are covered under the SP and have not opted-in to the DMC-ODS waiver program.

- **EPSDT Services**

To the extent that a FQHC is enrolled in Medi-Cal and is a certified DMC provider this SPA will allow individuals under 21 years of age to receive “medically necessary” outpatient drug-free treatment services without prior authorization.

### **IMPACT TO INDIAN MEDI-CAL BENEFICIARIES**

The proposed SPA will increase access to individual SUD counseling services for American Indian beneficiaries by allowing the provision of telehealth visits. Additionally, the proposed SPA will expand access to SUD services for American Indian Medi-Cal beneficiaries by increasing services and removing barriers to access outpatient drug free treatment services.

### **RESPONSE DATE**

Indian Health Programs and Urban Indian Organizations may also submit written comments or questions concerning this SPA within 30 days from the receipt of notice. Comments may be sent by email to [PublicInput@dhcs.ca.gov](mailto:PublicInput@dhcs.ca.gov) or by mail to the address below:

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