



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



GAVIN NEWSOM
GOVERNOR

December 6, 2021

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

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

The purpose of this letter is to provide an update to the Tribal Notice for State Plan Amendment (SPA) 20-0006, released on May 27, 2020. The enclosed update provides information regarding splitting the SPA into two proposals (SPA 20-0006-A and 20-0006-B).

QUESTIONS AND COMMENTS

Indian Health Programs and Urban Indian Organizations may also submit written comments or questions concerning this SPA within 14 days from the receipt of notice. Comments may be sent by email to PublicInput@dhcs.ca.gov or by mail to the address below:

Contact Information

Department of Health Care Services
Director's Office
1500 Capitol Avenue, MS 0000
Sacramento, CA 95814

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 Andrea Zubiante for

Sandra "Sam" Willburn, Chief
Office of Tribal Affairs
Department of Health Care Services

Enclosure



**Department of Health Care Services (DHCS)
Tribal and Designees of Indian Health Programs
Notice Addendum**

PURPOSE

The purpose of this addendum is to inform Tribal Chairpersons and Designees of Indian Health Programs and Urban Indian Organizations of changes to proposed State Plan Amendment (SPA) 20-0006.

BACKGROUND

As previously communicated in the [Tribal and Designees notice released on May 27, 2020](#), SPA 20-0006 proposed changes to Drug Medi-Cal (DMC) program.

Following submission of SPA 20-0006, the Centers for Medicare & Medicaid Services (CMS) provided guidance to DHCS to split the SPA into two proposals (SPA 20-0006-A and 20-0006-B). Below is a summary of proposed changes that will be covered by each SPA.

DHCS is also proposing to make additions to SPA 20-0006-A authorized by the Peer Support Specialist Certification Program Act of 2020¹. In order to comply with the provisions of the act, SPA 20-0006-A proposes to add peer support services as a DMC covered substance use disorder (SUD) service and includes peer support specialists as a distinct provider type of DMC services. The peer support services portion of SPA 20-0006-A will allow counties that opt in to provide, and claim reimbursement for, peer support services as a DMC service.

In consultation with CMS, DHCS is seeking an effective date of July 1, 2022 for the implementation of the peer support services portion of SPA 20-0006-A to coincide with the establishment of DHCS' peer specialist certification program, which will become effective July 1, 2022. This effective date is specific to the implementation of the peer support services portion of SPA 20-0006-A. The effective date for the implementation of changes to all other DMC substance use disorder treatment services contained in SPA 20-0006-A will remain July 1, 2020.

SUMMARY OF PROPOSED CHANGES

SPA 20-0006-A proposes to:

1. Update SUD service descriptions.
2. Allow the reimbursement of SUD services delivered via face-to-face, telehealth, or telephone.
3. Remove Levo-alpha-acetylmethadol (LAAM) as a specifically identified reimbursable Narcotic Treatment Program (NTP) medication as it has been discontinued by its manufacturer².
4. Remove the prior authorization requirement for Medi-Cal eligible EPSDT beneficiaries to receive additional SUD Outpatient Treatment Services.

¹ [Senate Bill 803, Chapter 150, Statutes of 2020 \(SB 803\)](#)

² If the manufacturer makes LAAM available and it is still FDA approved to treat opioid use disorders, then providers will be able to provide LAAM through the MAT addition to the SPA.

5. Accurately reflect Naltrexone as a medication included in MAT which is a component of all SUD service modalities.
6. Add peer support services as a reimbursable SUD service and to include peer support specialists as a SUD provider type.
7. Make technical changes to the provider qualification requirements for SUD providers.

SPA 20-0006-B proposes to add MAT for Opioid Use Disorders as a Medi-Cal service in compliance with Section 1006(b) of the Substance Use Disorder Prevention that Promotes Opioid Recovery and Treatment (SUPPORT) Act³. SPA 20-0006-B will have a retroactive effective date of October 1, 2020.

IMPACT TO TRIBAL HEALTH PROGRAMS

To the extent that a Tribal health program (THPs) is a certified Drug Medi-Cal provider⁴, SPA 20-0006-A will allow reimbursement for: 1) SUD services delivered via face-to-face, telehealth or telephone; and 2) allow for peer support services provided by peer support specialists. The effective date of the peer support services portion of SPA 20-0006-A will be July 1, 2022, and the effective date for all other DMC SUD treatment services contained in SPA 20-0006-A will be July 1, 2020.

SPA 20-0006-B allows THPs enrolled in Medi-Cal as certified DMC providers to be reimbursed for MAT for opioid use disorder services. The effective date for SPA 20-0006-B will be October 1, 2020.

For both SPAs 20-0006-A and SPA 20-0006-B, to the extent that a THP is not a DMC certified provider, DMC services that meet the definition of a face-to-face visit are reimbursable at the All Inclusive Rate (AIR) if the service is performed by one of the allowable providers in the State Plan.⁵

Please note that THPs participating in Medi-Cal as a Tribal FQHCs that elect to have DMC services reimbursed through a contract with a DMC county or DHCS are required to carve-out the costs associated with providing DMC services from the Alternative Payment Methodology/AIR rate, as required by [Welfare and Institutions Code 14132.100\(I\)\(2\)](#).

IMPACT TO FEDERALLY QUALIFIED HEALTH CENTERS (FQHCs)

To the extent that a FQHC is enrolled in Medi-Cal and is a certified Drug Medi-Cal provider⁶, SPA 20-0006-A will allow for reimbursement for: 1) SUD services delivered via face-to-face, telehealth or telephone; and 2) peer support services provided by peer support specialists. The effective date of the peer support services portion of SPA 20-0006-A will be July 1, 2022, and the effective date for all other DMC SUD treatment services contained in SPA 20-0006-A will be July 1, 2020.

SPA 20-0006-B allows certified DMC FQHCs to be reimbursed for MAT for opioid use disorder services. The effective date for SPA 20-0006-B will be October 1, 2020.

³ The SUPPORT for Patients and Communities Act requires states to include all drugs and biological products approved by the Federal Drug Administration (FDA) to treat opioid use disorders (OUDs) in their State Plan.

⁴ All Drug Medi-Cal provider and Substance Use Disorder Services requirements must be met.

⁵ DHCS State Plan: <https://www.dhcs.ca.gov/Documents/Supplement6toAttachment4.19-B-2-26-21.pdf>

⁶ Ibid.

FQHCs that elect to have DMC services reimbursed through a contract with a DMC county or DHCS are required to carve-out the costs associated with providing DMC services from their PPS rate, as required by [Welfare and Institutions Code 14132.100\(l\)\(2\)](#).

IMPACT TO INDIAN MEDI-CAL BENEFICIARIES

SPA 20-0006-A and SPA 20-0006-B will authorize the provision of SUD services for American Indian beneficiaries via face-to-face, telephone or telehealth, as appropriate. The proposed SPAs will expand access to SUD services for American Indian Medi-Cal beneficiaries by increasing services and removing barriers to access outpatient drug free and MAT services. SPA 20-0006-A will increase access to peer support services for Indian Medi-Cal beneficiaries since counties (that chose to participate) and their providers (including IHS-MOAs clinics, Tribal FQHCs, and FQHCs) will be able to establish peer support services as a SUD service and add peer support specialist as a distinct provider type.

RESPONSE DATE

Indian Health Programs and Urban Indian Organizations may also submit written comments or questions concerning this SPA within 14 days from the receipt of notice. Comments may be sent by email to PublicInput@dhcs.ca.gov or by mail to the address below:

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