

March 30, 2023

*THIS LETTER SENT VIA EMAIL*

Mr. James G. Scott, Director  
Division of Program Operations  
Medicaid and CHIP Operations Group  
Centers for Medicare & Medicaid Services  
601 East 12<sup>th</sup> Street, Suite 0300  
Kansas City, MO 64106-2898

**STATE PLAN AMENDMENT 23-0010: REIMBURSEMENT FOR DYADIC SERVICES FOR FEDERALLY QUALIFIED HEALTH CENTERS, RURAL HEALTH CLINICS, AND TRIBAL HEALTH PROGRAMS**

Dear Mr. Scott:

The Department of Health Care Services (DHCS) is submitting State Plan Amendment (SPA) 23-0010 for your review and approval. This SPA proposes to establish a fee-for-service (FFS) reimbursement methodology for dyadic services provided by Federally Qualified Health Centers (FQHCs), Rural Health Clinics (RHCs) and Tribal Health Programs (THPs), effective on March 15, 2023.

Dyadic services refer to serving both the child (under the age of 21) and parent(s) or caregiver(s) together as a dyad, and they are a form of treatment that targets family well-being as a mechanism to support healthy child development and mental health. The dyadic service benefit is provided within the child's primary care settings whenever possible and can help identify behavioral health interventions and other behavioral health issues, help provide referrals to services, and help guide the parent-child or caregiver-child relationship. Dyadic service includes mental health and social support concerns, including screening and brief intervention services provided to the parent(s) or caregiver(s) for the benefit of the child, and it improves the delivery of pediatric preventive care.

DHCS is proposing to allow FQHC, RHC, and THP providers the option to be reimbursed for dyadic services provided to the parent(s) or caregiver(s) on a FFS basis. Please refer to the proposed California State Medicaid Plan, Attachment 4.19-B, Page 6AA6 and Supplement 6 Attachment 4.19-B, Page 2e.

A Notice of Public Interest for SPA 23-0010 regarding the establishment of a Medi-Cal FFS rate for FQHC, RHC, and THP clinic providers was published on March 14, 2023. Indian Health Programs and Urban Indian Organizations were notified by means of a Tribal and Designees of Indian Health Program Notice, detailing the provisions of the

Mr. James G. Scott

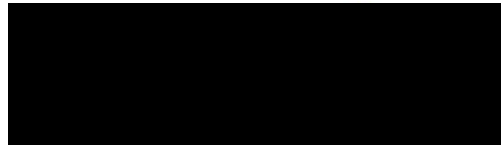
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proposed SPA on February 22, 2023, and were given the opportunity to comment on this proposal. A copy of both notices are also enclosed.

If you have any questions, please contact Michael Freeman, Assistant Deputy Director, Health Care Benefits and Eligibility at (916) 345-8632 or by e-mail at [Michael.Freeman@dhcs.ca.gov](mailto:Michael.Freeman@dhcs.ca.gov).

Sincerely,



Jacey Cooper  
State Medicaid Director  
Chief Deputy Director  
Health Care Programs

Enclosures

cc: Ms. René Mollow, MSN RN  
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**TRANSMITTAL AND NOTICE OF APPROVAL OF  
STATE PLAN MATERIAL  
FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES**

1. TRANSMITTAL NUMBER

2. STATE

3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL SECURITY ACT

XIX

XXI

TO: CENTER DIRECTOR  
CENTERS FOR MEDICAID & CHIP SERVICES  
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE

5. FEDERAL STATUTE/REGULATION CITATION

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)

a. FFY \_\_\_\_\_ \$ \_\_\_\_\_  
b. FFY \_\_\_\_\_ \$ \_\_\_\_\_

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)

9. SUBJECT OF AMENDMENT

10. GOVERNOR'S REVIEW (Check One)

GOVERNOR'S OFFICE REPORTED NO COMMENT  
COMMENTS OF GOVERNOR'S OFFICE ENCLOSED  
NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

OTHER, AS SPECIFIED:  
Please note: The Governor's Office does not wish to review the State Plan Amendment.

11. SIGNATURE OF STATE AGENCY OFFICIAL

12. TYPED NAME

13. TITLE

14. DATE SUBMITTED

March 30, 2023

15. RETURN TO

**FOR CMS USE ONLY**

16. DATE RECEIVED

17. DATE APPROVED

**PLAN APPROVED - ONE COPY ATTACHED**

18. EFFECTIVE DATE OF APPROVED MATERIAL

19. SIGNATURE OF APPROVING OFFICIAL

20. TYPED NAME OF APPROVING OFFICIAL

21. TITLE OF APPROVING OFFICIAL

22. REMARKS

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT  
STATE: California

A1. ALTERNATIVE PAYMENT METHODOLOGY (APM) for payments to Federally Qualified Health Centers (FQHC), Rural Health Clinics (RHC) for Dyadic Services

- a. Definition of dyadic service:
  - i. Dyadic Services refer to serving both parent or caregiver and child (under the age of 21) together as a dyad. It is a service to help identify behavioral health interventions and other behavioral health issues, provide referrals to services, and help guide the parent-child relationship.
- b. APM Reimbursement:
  - i. The FQHC providers must agree to receive the APM, and the total amount paid under this APM will not be less than what would be paid under the PPS methodology.
  - ii. Payment for dyadic services provided to the parent or caregiver will be a separate payment to the applicable Prospective Payment System (PPS) rate for a medical visit as described in Attachment 4.19-B, page 6B.1.
  - iii. If the service is reimbursed as part of an otherwise billable FQHC or RHC encounter described in Attachment 4.19-B, page 6B.1, the encounter is reimbursed under the existing PPS and no supplemental payment will be made.
  - iv. Medi-Cal managed care plan reimbursement for dyadic services under this APM will be excluded from the reconciliation of clinics' reimbursement to the PPS rate.
- c. APM Term:
  - i. For dates of service after March 15, 2023, the reimbursement rates for dyadic services will be established based on Medi-Cal FFS fee schedule rate.
- d. Eligible Dyadic Services:
  - i. Behavioral Health Well-Child Visits
  - ii. Comprehensive Community Support Services
  - iii. Psychoeducational Services
  - iv. Family Training and Counseling for Child Development
  - v. Caregiver Services

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT  
STATE: California

REIMBURSEMENT FOR INDIAN HEALTH SERVICES TRIBAL 638 HEALTH  
FACILITIES

Payments for Dyadic Services

- a. Definition of dyadic service:
  - i. Dyadic Services refers to serving both parent or caregiver and child (under the age of 21) together as a dyad. It is a service to help identify behavioral health interventions and other behavioral health issues, provide referrals to services, and help guide the parent-child relationship.
- b. Reimbursement:
  - i. Payment for dyadic services provided to the parent or caregiver will be a separate payment to the applicable to the applicable All-Inclusive Rate (AIR) rate.
  - ii. If the service is reimbursed as part of an otherwise billable IHS-MOA 638 provider encounter described in Supplement 6 Attachment 4.19-B, the encounter is reimbursed under the existing AIR and no other payment will be made.
- c. Payment Term:
  - i. For dates of service after March 15, 2023, the reimbursement rates for dyadic services will be established based on Medi-Cal FFS fee schedule rate.
- d. Eligible Dyadic Services:
  - i. Behavioral Health Well-Child Visits
  - ii. Comprehensive Community Support Services
  - iii. Psychoeducational Services
  - iv. Family Training and Counseling for Child Development
  - v. Caregiver Services

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TN: 23-0010

Supersedes

TN: None

Approval Date: \_\_\_\_\_

Effective Date: March 15, 2023