



February 20, 2024

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 (SPA), 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 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

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

Page 2

February 20, 2024

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 request a consultation on this proposal at any time as needed.

Sincerely,

Original Signed by

Andrea Zubiate, 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**

PURPOSE

To seek federal approval to specify the settings where inpatient psychiatric services to beneficiaries under 21 years of age (referred to as the “psych under 21 benefit”) can be provided, which shall include Psychiatric Residential Treatment Facilities (PRTFs).

BACKGROUND

[Assembly Bill \(AB\) 2317 \(Ramos, Chapter 589, Statutes of 2022\)](#) authorizes the state to establish PRTFs and authorizes DHCS to license and establish regulations for PRTFs. PRTFs are nonhospital facilities with provider agreements with the State Medicaid Agency to provide the inpatient psychiatric services benefit to Medicaid-eligible individuals under 21 years of age. This proposal would clarify that inpatient psychiatric services for beneficiaries under 21 years of age may be provided in psychiatric hospitals and hospitals with inpatient psychiatric programs.

SUMMARY OF PROPOSED CHANGES

SPA 24-0003 proposes the following changes:

- Include PRTFs as a setting where inpatient psychiatric services to beneficiaries under 21 years of age can be provided;
- Clarify that inpatient psychiatric services can be provided to beneficiaries under 21 years of age in psychiatric hospitals and hospitals with inpatient psychiatric programs;
- Update the prior authorization language to specify that prior authorization is not required to provide inpatient psychiatric services to beneficiaries under 21 years of age; and
- Add a reimbursement methodology for PRTF inpatient psychiatric services.

The proposed effective date for SPA 24-0003 is January 1, 2024.

IMPACT TO TRIBAL HEALTH PROGRAMS (THPs)

THPs may be able to make referrals for Medi-Cal members to receive inpatient psychiatric services in PRTFs. DHCS anticipates Medi-Cal members that receive referrals will be able to better access these services, likely improving their health outcomes.

IMPACT TO FEDERALLY QUALIFIED HEALTH CENTERS (FQHCs)

FQHCs may be able to make referrals for Medi-Cal members to receive inpatient psychiatric services in PRTFs. DHCS anticipates Medi-Cal members that receive referrals will be able to better access these services, likely improving their health outcomes.

IMPACT TO AMERICAN INDIAN MEDI-CAL MEMBERS

DHCS anticipates this proposed SPA will increase access to inpatient psychiatric services for American Indian Medi-Cal members under the age of 21 as it will allow for the provision of the psych under 21 benefit in an additional setting that is not a hospital.

RESPONSE DATE

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 or by mail to the address below:

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