



August 23, 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 [Angeli.Lee@dhcs.ca.gov](mailto:Angeli.Lee@dhcs.ca.gov) or by mail to the address below:

### **Contact Information**

Department of Health Care Services  
Director's Office  
ATTN: Angeli Lee  
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P.O. Box 997413  
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 request a consultation on this proposal at any time as needed.

Sincerely,

Original signed by

Andrea Zubiarte, 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 expand the list of providers who can supervise Community Health Workers/Community Health Representatives (CHW/Rs). DHCS also seeks approval from CMS to make technical edits to update the Alternative Benefits Plan (ABP) section of the State Plan to include recent changes to specialty mental health services.

**BACKGROUND**

DHCS proposes to update the ABP section of the State Plan to add pharmacies as supervisors of CHW/Rs. Currently, the State Plan authorizes community-based organizations (CBOs), local health jurisdictions (LHJs), licensed providers, hospitals, and clinics, as defined in Title 42 of the Code of Federal Regulations Section 440.90, to supervise CHW/Rs.

In addition, per CMS guidance, DHCS will use this ABP State Plan Amendment (SPA) to make additional technical edits to align the ABP with changes made from several SPAs for specialty mental health that CMS approved between 2020 and 2022.

**SUMMARY OF PROPOSED CHANGES**

The proposed effective date for the ABP SPA 24-0038 is October 1, 2024. ABP SPA 24-0038 is a companion to SPA 24-0037 that will update the list of supervisors for CHW/Rs. In addition, based on CMS guidance, SPA 24-0038 will also align the ABP with four SPAs for specialty mental health that CMS approved between 2020 and 2022. This ABP SPA is subject to approval by CMS.

DHCS is seeking to expand the list of providers who supervise CHW/Rs to include pharmacies. Currently, the State Plan lists CBOs, LHJs, licensed providers, hospitals, and clinics as defined in 42 CFR 440.90, to supervise CHW/Rs. The expanded list of providers who can supervise CHW/Rs would include providers in both the fee-for-service (FFS) and managed care delivery systems.

DHCS also seeks to align the ABP with updates made from the following SPAs:

- SPA 20-0006B, which added medication-assisted treatment, effective October 1, 2020.
- SPA 21-0051, which added peer support services and included peer support specialists as a distinct provider type, effective July 1, 2022.
- SPA 21-0058, which expanded substance use disorder treatment services as part of the Drug Medi-Cal Organized Delivery Services, effective January 1, 2022.
- SPA 22-0051, which added Qualifying Community-Based Mobile Crisis Intervention Services, effective January 1, 2023.

**IMPACT TO TRIBAL HEALTH PROGRAMS (THPs)**

A tribal clinic may use CHW/Rs to provide services, but CHW/Rs are not considered THP billable providers. Therefore, CHW/R services are not considered billable encounters and will not be eligible for reimbursement at the federal All-Inclusive Rate (AIR). Per current policy, reimbursement for CHW/R services will be available at FFS rates outside of the federal AIR or Tribal FQHC Alternative Payment Methodology (which is set at the AIR) including at a separately enrolled tribal retail pharmacy.

THPs will not see an impact to update the ABP to align with specialty mental health SPAs. These additions are only technical updates for benefits previously implemented through approval of SPAs 20-0006B, 21-0051, 21-0058, and 22-0051.

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

FQHC and RHC providers may use CHW/Rs to provide covered CHW/R services, however, CHW/Rs are not FQHC and RHC billable providers and FQHCs and RHCs may not bill for their services.

FQHCs and RHCs will not see an impact to update the ABP to align with specialty mental health SPAs. These additions are only technical updates for benefits previously implemented through approval of SPAs 20-0006B, 21-0051, 21-0058, and 22-0051.

**IMPACT TO AMERICAN INDIAN MEDICAL MEMBERS**

Medi-Cal members may have increased access to CHW/R services through pharmacies who supervise and utilize CHW/Rs, which are expected to improve health outcomes for American Indian members receiving these services.

Medi-Cal members will not see an impact to update the ABP to align with specialty mental health SPAs. These additions are only technical updates for benefits previously implemented through approval of SPAs 20-0006B, 21-0051, 21-0058, and 22-0051.

**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 the notice. Comments may be sent by email to [Angeli.Lee@dhcs.ca.gov](mailto:Angeli.Lee@dhcs.ca.gov) or by mail to the address below:

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