



October 25, 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 [BHpaymentreform@dhcs.ca.gov](mailto:BHpaymentreform@dhcs.ca.gov) or by mail to the address below:

### **Contact Information**

Department of Health Care Services  
ATTN: Local Governmental Financing Division  
Director's Office  
1500 Capitol Ave, MS 0000  
Sacramento, CA 95814

In addition to this notice, DHCS plans to cover this SPA in the next quarterly Medi-Cal Indian Health webinar. Please note that Tribes, Indian Health Programs, and Urban Indian Organizations may request a consultation on this proposal at any time as needed.

Sincerely,

Original signed by

Andrea Zubiato, 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 update the Fee Schedule for Withdrawal Management (WM) Level 1 and 2. Withdrawal Management Level 1 and 2 are outpatient services. Level 1 is Ambulatory Withdrawal Management without extended on-site monitoring. Level 2 is Ambulatory Withdrawal Management with extended on-site monitoring.

**BACKGROUND:**

Currently, the fee schedule for Withdrawal Management Level 1 and 2 includes a rate for providers in Los Angeles, Marin, and San Diego Counties. These three DMC-ODS Counties were the first Drug Medi-Cal Organized Delivery System (DMC-ODS) Counties to submit claims for these outpatient services. This update of the fee schedule includes a rate for providers in all DMC-ODS counties in anticipation of all DMC-ODS Counties providing and submitting claims for these services.

**SUMMARY OF PROPOSED CHANGES:**

This State Plan Amendment (SPA) proposes to update the fee schedule for WM Level 1 and 2. The update would revise the Fee Schedule to include a rate for providers in all DMC-ODS Counties. The proposed effective date of this SPA is November 2, 2024.

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

Counties will remain responsible to reimburse THPs as described in Behavioral Health Information Notice (BHIN) 22-053 for the Drug Medi-Cal (DMC) services listed above. As part of the reimbursement process THPs are not eligible to receive the Federal All-Inclusive Rate (AIR) when the service is provided by a health professional not identified in Supplement 6 to Attachment 4.19-B of California's Medicaid State Plan. During these instances, THPs are currently entitled to payment at the fee schedule described in the State Plan. This SPA will update the fee schedule to include a rate for providers in all DMC-ODS Counties.

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

Counties will remain responsible to reimburse providers enrolled in Medi-Cal as FQHCs as described in BHIN 22-053 for the DMC services listed above. As part of the reimbursement process, FQHCs are not eligible to receive the Prospective Payment System rate for these services because existing state law requires that FQHCs carve-out DMC services. Consequently, FQHCs are currently entitled to payment for these services at the fee schedule described in the State Plan. This SPA will update the fee schedule to include a rate for providers in all DMC-ODS Counties.

**IMPACT TO AMERICAN INDIAN MEDI-CAL MEMBERS:**

DHCS anticipates no impact to American Indian Medi-Cal members as a result of this SPA. American Indian Medi-Cal members will remain eligible to access DMC Services through an Indian Health Care Provider network as well as through providers in DMC-ODS Counties.

**RESPONSE DATE:**

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

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