

August 13, 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 SPPApplication@dhcs.ca.gov or by mail to the address below:

Contact Information

Department of Health Care Services
Health Care Financing
P.O. Box 997413, MS 4050
Sacramento, California 95899-7417

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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 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 extend the time-limited supplemental payment pool for qualifying non-hospital 340B community clinics.

BACKGROUND

Assembly Bill 80 (Chapter 12, Statutes of 2020) authorizes DHCS to implement a payment methodology to provide supplemental payments to qualifying non-hospital 340B community clinics to secure, strengthen, and support the community clinic and health center delivery system for Medi-Cal members. The supplemental payments will support clinics who apply and certify that they are providing additional levels of engagement to integrate and coordinate health care and manage Medi-Cal member health complexities.

SUMMARY OF PROPOSED CHANGES

The supplemental payments for qualifying non-hospital 340B community clinics will be based on an estimated total pool amount of \$52.5 million divided by the number of visits provided from July 1, 2024 to December 31, 2024. The calculation will be based on a per-visit basis. The supplemental payment amounts will be in addition to any other amounts payable to clinic or center providers with respect to those services.

IMPACT TO TRIBAL HEALTH PROGRAMS

Eligible Tribal Health Programs will be required to submit an application to demonstrate the clinic is eligible to receive supplemental payments. DHCS anticipates that Tribal Health Programs that qualify for supplemental payments under this proposal would likely be in a better position to provide services that integrate, coordinate, and manage health care for Medi-Cal members.

IMPACT TO FEDERALLY QUALIFIED HEALTH CENTERS (FQHCs)

FQHCs will be required to submit an application to demonstrate the clinic is eligible to receive supplemental payments. DHCS anticipates FQHCs that qualify for supplemental payments under this proposal would probably be more able to provide services that integrate, coordinate, and manage health care for Medi-Cal members. The supplemental payments will not impact FQHC annual reconciliation of their Prospective Payment System rate.

IMPACT TO AMERICAN INDIAN MEDI-CAL MEMBERS

American Indian Medi-Cal members may have increased access to these services, which is expected to improve health outcomes for those who are able to access them.

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 SPPApplication@dhcs.ca.gov or by mail to the address below:

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