



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

Contact Information

Department of Health Care Services
ATTN: Local Governmental Financing Division
1501 Capitol Avenue, Bld 171, MS 2629
Sacramento, CA 95814

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

Page 2

August 23, 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 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 allow DHCS to increase the non-risk upper payment limit for 12 rural/small counties and allow DHCS to make supplemental payments for Community-Based Mobile Crisis Intervention Services to them.

BACKGROUND

CMS approved SPA 23-0015 on July 20, 2023. SPA 23-0015 described the methodology in which DHCS reimburses county Behavioral Health Plans for Medi-Cal behavioral health services, including Community-Based Mobile Crisis Intervention Services.

SUMMARY OF PROPOSED CHANGES

This SPA proposes to increase the non-risk upper payment limit for 12 rural/small counties and allow DHCS to make supplemental payments for Community-Based Mobile Crisis Intervention Services to them. The proposed effective date of this SPA is July 1, 2024.

IMPACT TO TRIBAL HEALTH PROGRAMS (THPs)

Counties will remain responsible to reimburse THPs as described in Behavioral Health Information Notice (BHIN) 22-020, [22-053](#), 23-027 for the Drug Medi-Cal (DMC), DMC Organized Delivery System (ODS) and Specialty Mental Health 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 not provided by one of the health professionals identified in Supplement 6 to Attachment 4.19-B of California's Medicaid State Plan. During these instances THPs receive 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 Urban Indian Organizations enrolled in Medi-Cal as FQHCs as described in BHIN 22-020, [22-053](#), 23-027 for the Drug Medi-Cal (DMC), DMC Organized Delivery System (ODS) and Specialty Mental Health services listed above. FQHCs that do not contract with a county to provide Specialty Mental Health Services, DMC services, or DMC-ODS services may be reimbursed at their Prospective Payment System rate for those services. FQHCs that contract with a county to provide DMC or DMC-ODS services are required to remove those services from their Prospective Payment System rate and receive reimbursement pursuant to the contract. This SPA will not make any changes to this existing reimbursement methodology.

IMPACT TO AMERICAN INDIAN MEDI-CAL MEMBERS

DHCS anticipates no impact to American Indian Medi-Cal beneficiaries as a result of this SPA because as discussed in BHIN 22-020, [22-053](#), and 23-027 beneficiaries remain eligible to access DMC Services through an Indian Health Care Provider network.

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

CONTACT INFORMATION

Department of Health Care Services
ATTN: Local Governmental Financing Division
1501 Capitol Avenue, Bld 171, MS 2629
Sacramento, CA 95814