

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 or by mail to the address below:

Contact Information

Department of Health Care Services
Director's Office
ATTN: Angeli Lee
MS 0000
P.O. Box 997413
Sacramento, California 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 Cares Services

Enclosure



Department of Health Care Services (DHCS) Tribal and Designees of Indian Health Programs Notice

Purpose

To seek federal approval from the Centers of Medicare and Medicaid Services (CMS) to add Enhanced Community Health Worker (Community Health Representative) Services as a preventive service available through Medi-Cal specialty behavioral health delivery systems.

Background

As part of the BH-CONNECT initiative, DHCS submitted an application for a new [Medicaid Section 1115 demonstration](#) and is pursuing SPA changes to increase access to and improve availability of behavioral health services for Medi-Cal members. BH-CONNECT builds on California's commitment to creating a full continuum of care for mental health and substance use disorder (SUD) treatment, with a special focus on populations that are most at risk. More information about BH-CONNECT can be found at <https://www.dhcs.ca.gov/CalAIM/Pages/BH-CONNECT.aspx>.

Summary of Proposed Changes

This SPA proposes to add Enhanced Community Health Worker (CHW, or Community Health Representative, CHR) Services as a preventive service for Medi-Cal members living with significant behavioral health needs.

County behavioral health programs will have the option to implement Enhanced CHW (CHR) Services as a Specialty Mental Health Service (SMHS), Drug Medi-Cal (DMC), and/or Drug Medi-Cal Organized Delivery System (DMC-ODS) service. SMHS, DMC and DMC-ODS services support members living with serious mental health conditions and SUDs. To be eligible for Enhanced CHW (CHR) Services, a member must meet access criteria for SMHS, defined in BHIN [21-073](#); access criteria for DMC services, defined in BHIN [21-071](#); and/or access criteria for DMC-ODS services, defined in BHIN [24-001](#). The proposed effective date of this SPA is January 1, 2025.

Impact to Tribal Health Programs (THPs)

Counties will remain responsible for reimbursing THPs for SMHS as described in Behavioral Health Information Notice (BHIN) [22-020](#), for Drug Medi-Cal Services (DMC) as described in BHIN [23-027](#), and for Drug Medi-Cal Organized Delivery System Services (DMC-ODS) as described in BHIN [22-053](#). THPs may be reimbursed for providing Enhanced CHW (CHR) Services as a preventive service under the SMHS, DMC, and/or DMC-ODS delivery systems for eligible members. Provision of Enhanced CHW (CHR) Services by THPs can help ensure community-based care is available for Medi-Cal members with mental health conditions and substance use disorders.

Impact to Federally Qualified Health Centers (FQHCs)

Pursuant to Welfare and Institutions (W&I) Code section 14132.100 (l) and (m), FQHCs must be contracted with their county to deliver SMHS and DMC-ODS services prior to furnishing any services. Furthermore, for SMHS, DMC, and DMC-ODS Enhanced CHW (CHR) Services, the CHW personnel must be carved out of the Prospective Payment System (PPS) rate. The proposed SPA changes will not make SMHS and DMC/DMC-

ODS Enhanced CHWs (CHRs) billable PPS practitioners. Counties will be responsible for reimbursing these services at fee-for-service (FFS) rates to FQHC providers, as described in (BHIN) [22-020](#) for SMHS, BHIN [23-027](#) for DMC services, and BHIN [22-053](#) for DMC-ODS services.

Provision of the Enhanced CHW(CHR) Services provided by FQHCs can help ensure community-based care is available for Medi-Cal members with mental health conditions and substance use disorders.

Impact to American Indian Medi-Cal Members

American Indian Medi-Cal members may have increased access to Enhanced CHW (CHR) Services, which are 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 Angeli.Lee@dhcs.ca.gov or by mail to the address below:

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