

February 21, 2025

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

Subject: Addendum to Notice of Proposed Changes to the Medi-Cal Program

The purpose of this letter is to provide an update to the Tribal Notice for State Plan Amendment (SPA) 25-0014, released November 22, 2024. The enclosed update provides information about supplemental reimbursement for providers at Federally Qualified Health Centers and Rural Health Clinics.

If additional information is needed, please send an 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, CA 95899-7413

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 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
Addendum**

PURPOSE

The purpose of this addendum is to inform Tribal Chairpersons and Designees of Indian Health Programs and Urban Indian Organizations of changes to proposed State Plan Amendment (SPA) 25-0014 (previously 24-0032).

The Department of Health Care Services (DHCS) is seeking federal approval to reimburse Federally Qualified Health Center (FQHC) and Rural Health Clinic (RHC) providers a supplemental reimbursement amount through an Alternative Payment Methodology (APM) for services provided by CWCs effective January 1, 2025.

BACKGROUND

Pursuant to Welfare & Institutions Code (WIC) section 14132.100(g)¹ and Attachment 4.19-B² of the California State Plan, only FQHC and RHC visits with specified physicians and other non-physician health professionals are currently eligible for Prospective Payment System (PPS). A CWC visit does not constitute a PPS-eligible visit under current law and the State Plan.

This APM will authorize FQHCs and RHCs to elect to receive a supplemental reimbursement payment equal to the established Medi-Cal Fee-For-Service (FFS) rate when CWC services are provided on the same or a different day as a PPS-eligible visit. Medi-Cal Managed Care Plan (MCP) reimbursement for CWC services in amount not to exceed the applicable Medi-Cal FFS rate will be excluded from annual reconciliations.

Tribal health programs will be able to receive reimbursement at FFS rates as outlined in the DHCS Tribal and Designees of IHPs notice previously released on November 22, 2024. The proposed effective date of this proposal is January 1, 2025.

SUMMARY OF PROPOSED CHANGES

SPA 25-0014 proposes the following changes:

- Add CWC services as a new state plan preventive service to support behavioral health needs and well-being of Medi-Cal members.
- Add CWCs that may provide the following services:
 - Wellness promotion and education.
 - Screening not requiring a licensed provider.
 - Care coordination including navigation services.
 - Individual and group behavioral health coaching, including wellness education, coping skills, goal setting and planning, teaching life skills, stress management,

¹ WIC section 14132.100:

https://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?sectionNum=14132.100.&lawCode=WIC

² Attachment 4.19-B: <https://www.dhcs.ca.gov/SPA/Documents/Attachment-4-19B-6-6AA5.pdf>

- and problem solving.
- Crisis referral, including identifying potential risk, providing emotional support, and engaging in warm handoffs with licensed, credentialed, or associate behavioral health providers.
- Add an APM supplemental reimbursement for FQHCs and RHCs.
- Require that CWCs be supervised by a licensed billable FQHC, RHC, or THP mental health practitioner such as a psychiatrist, clinical psychologist, Licensed Clinical Social Worker (LCSW), Licensed Marriage Family Therapists (LMFT), or (Licensed Professional Clinical Counselor) LPCC.

IMPACT TO TRIBAL HEALTH PROGRAMS (THPs)

This addendum proposes no changes to THP policy related to the CWC provider type that was outlined in the notice for [SPA 24-0032](#). THPs may use CWCs to provide services, but CWCs are not considered THP billable providers. Therefore, CWC services are not considered billable encounters and will not be eligible for reimbursement at the federal All-Inclusive Rate (AIR). Reimbursement for CWC services will be available at fee-for-service (FFS) rates outside of the Office of Management and Budget Indian Services per visit rate for Tribal 638 clinic providers. To the extent that THPs provide CWC services, an increase in Medi-Cal members that access the services within THPs may occur.

IMPACT TO FEDERALLY QUALIFIED HEALTH CENTERS (FQHCs)

Under this APM, FQHCs may elect to receive a supplemental reimbursement equal to the established Medi-Cal FFS rate when CWC services are provided on the same or a different day as a PPS-eligible visit. All Medi-Cal FFS rates are published at <https://mcweb.apps.prd.cammis.medi-cal.ca.gov/rates?tab=rates>.

IMPACT TO AMERICAN INDIAN MEDI-CAL MEMBERS

Medi-Cal members may have increased access to this benefit, which is expected to improve health outcomes for members receiving these services.

RESPONSE DATE

Indian Health Programs and Urban Indian Organizations may also submit written comments or questions concerning this proposal within 14 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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