



Department of Health Care Services Fee for Service Rate Development: Doula Benefit

May 16, 2022

Medi-Cal Fee-For-Service Rate Setting

- » DHCS is responsible for developing Medi-Cal reimbursement methodologies and rates for services reimbursed through the Medi-Cal Fee-for-Service (FFS) delivery system.
- » Reimbursement rates are developed in accordance with any applicable requirements set forth in law and regulations.
- » Commonly, Medi-Cal reimbursement rates are established at a percentage of the rate established under the federal Medicare Program for the same or similar service.

Medi-Cal Fee-For-Service Rate Setting

- » When there is no specified maximum allowable Medicare rate or the service is not covered by Medicare, DHCS may establish a rate by:
 - » Comparing reimbursement rates from other State Medicaid programs, rates for comparable services, average market rates, among other factors, or;
 - » Allowing providers to submit additional information with claims, such as procedure number, the nature and purpose of the procedure or service and how it relates to the diagnosis, and reimbursing for the service on a “by report” basis.
- » The Medi-Cal FFS reimbursement rates are published on the Medi-Cal Rates web page: <https://files.medi-cal.ca.gov/rates/rateshome.aspx>.

California Medicaid State Plan

- » The California State Plan is a contract between the California and the federal Centers for Medicare and Medicaid Services (CMS).
- » The State Plan describes the nature and scope of the state's Medicaid program and allows the state to claim Federal Financial Participation (FFP).
- » When DHCS proposes a change to the state plan that affects provider payments or rates, DHCS provides a public notice to stakeholders.
- » Thereafter, DHCS submits the State Plan Amendment (SPA) package to CMS for review and approval.

Doula Benefit Rate Determinants

- » *Length of service*: Doula services typically last significantly longer than other visits with a licensed practitioner.
- » *Medicare rates provide a rate ceiling*: Medi-Cal generally cannot pay more than the Medicare rate for a particular service; however, Medicare does not have rates for doula services.
- » *Methodology*: Doula stakeholders have indicated a strong preference for a per-service methodology versus a bundled, global rate methodology.

Doula Benefit Research and Development

- » The Department analyzed current Medi-Cal rates and historical paid claims for prenatal visits, postpartum visits, and labor and delivery by licensed providers paid by Medi-Cal, Medicare, other State Medicaid programs, and Managed Care Doula Pilot programs.
- » Rate considerations include existing Medi-Cal rates for initial and follow-up prenatal visits, postpartum visits, and professional services for vaginal labor and delivery.
- » Additional considerations included length of service, level of training, rate ceiling, per-service versus bundled rates, and methodologies.

Doula Benefit Rate Proposal

Visit	Rate
Initial Visit	\$126.31
Follow-up Visit	\$60.48
Labor & Delivery	\$544.28

Example (Assuming 9 visits)

Visit	Rate	Number of Visits	Total Rate per Pregnancy
Initial Visit	\$126.31	1	\$126.31
Follow-up Visit	\$60.48	8	\$483.84
Labor & Delivery	\$544.28	1	\$544.28
Total			\$1,154

Doula Rates Proposed Cont.

Using existing Medi-Cal rates has several advantages:

- » The proposed Doula rate serves as a reasonable basis in the context of comparability within Medi-Cal, including Pilot demonstrations, and as compared to other state Doula benefits and services.
- » The Department values and is dedicated to overall social, emotional, and physical support offered to beneficiaries.
- » This parity offers a degree of respect and affirmation for the Doula profession and a recognition of the importance of addressing the non-medical aspects of pregnancy and the perinatal period.