



Department of Health Care Services
MEMORANDUM

DATE: August 7, 2018

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

FROM: Original Signed By Sandra "Sam" Willburn, Chief,
Primary, Rural, and Indian Health Division

SUBJECT: Notice of Proposed Change to the Medi-Cal Program

The purpose of this memo 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, 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 Publicinput@dhcs.ca.gov or by mail to the address below:

Contact Information

Department of Health Care Services
Safety Net Financing Division
Attention: John Mendoza
P.O. Box 997436, MS 4504
Sacramento, CA 95899

In addition to this notice, DHCS plans to cover this proposal in the next quarterly Medi-Cal Indian Health webinar. Please note that Indian Health Programs and Urban Indian Organizations may also request a consultation on this proposal at any time as needed.

Enclosure

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

PURPOSE:

The purpose of this proposal is to update the definition of allowable cost, to revise the timeline for settlement, and to make needed technical edits to cost report instructions for the Supplemental Payments for Ground Emergency Medical Transportation (GEMT) Services Program.

BACKGROUND:

The GEMT program was approved by the CMS on September 4, 2013. The program provides supplemental reimbursement for eligible GEMT providers that meet specified requirements and provide GEMT services to Medi-Cal beneficiaries. Supplemental reimbursements are available only for the uncompensated care costs incurred by eligible GEMT providers. Uncompensated care costs are the allowable costs that are in excess of the payments made to each eligible GEMT provider for GEMT services to Medi-Cal beneficiaries. Eligible GEMT providers must certify to the State the total expenditure incurred for providing the GEMT services that will be used to determine the supplemental payments. The supplemental payments are made annually on a lump-sum basis after the conclusion of each state fiscal year.

SUMMARY OF PROPOSED CHANGES:

DHCS proposes the following changes to the State Plan effective July 1, 2018 upon approval from CMS:

- 1) Define shared direct GEMT costs that can be allocated to two or more departmental functions or cost objectives on the basis of shared benefits.
- 2) Include shared direct costs in the Cost Determination Protocols.
- 3) Modify the final settlement timeline from three to four years.
- 4) Technical edits to cost report instructions.

IMPACT TO TRIBAL HEALTH PROGRAMS:

DHCS does not anticipate an impact to Tribal health programs. However, if a tribe operates a Medi-Cal enrolled GEMT provider, there may be an increase in reimbursement under the GEMT program as a result of this proposal.

IMPACT TO FEDERALLY QUALIFIED HEALTH CENTERS (FQHCs):

DHCS does not anticipate an impact as FQHCs are not eligible to participate in the GEMT program.

IMPACT TO INDIAN MEDI-CAL BENEFICIARIES:

SPA 18-007 is expected to increase GEMT supplemental reimbursement; therefore, more providers may enroll in Medi-Cal, which may increase access to care for Indian Medi-Cal beneficiaries.

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

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