



Department of Health Care Services
MEMORANDUM

DATE: June 30, 2016

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

FROM: Original Signed By Andrea Zubiata for 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 Nathaniel.Emery@dhcs.ca.gov or by mail to the address below:

Contact Information

Nathaniel Emery
Clinical Assurance and Administrative Support Division
Department of Health Care Services
MS 4506
P.O. Box 997413
Sacramento, CA 95899-7413

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: DHCS proposes to submit State Plan Amendments (SPA) 16-025 and 16-027 to the Centers for Medicare and Medicaid Services to seek the necessary approvals to restore acupuncture services as a covered benefit under Medi-Cal, pursuant to Senate Bill (SB) 833¹ in the State Plan and in the Alternative Benefit Plan (ABP).

BACKGROUND

Existing law provides for a schedule of benefits under Medi-Cal, which includes specified outpatient services including acupuncture to the extent federal matching funds are provided. Welfare and Institutions (W&I) Code² excludes certain optional benefits, including acupuncture from coverage under Medi-Cal except for beneficiaries who qualify for Early and Periodic Screening, Diagnostic, and Treatment services; pregnant women for the treatment of other conditions that might complicate the pregnancy; and beneficiaries receiving long-term care in a nursing facility that is both a skilled nursing facility or intermediate care facility.

SUMMARY OF PROPOSED CHANGES

Effective July 1, 2016, as authorized by SB 833, Medi-Cal intends to restore acupuncture services as an optional benefit for all eligible beneficiaries. Acupuncture services will only be restored to the extent that federal financial participation is available and necessary federal approvals are obtained. Acupuncture benefits provided under the Medi-Cal ABP will be the same schedule of acupuncture benefits provided to Medi-Cal beneficiaries, as required by the W&I Code³.

IMPACT TO TRIBAL HEALTH PROGRAMS

SPA 16-025 and SPA 16-027 will restore acupuncture services to the list of benefits available to all eligible Medi-Cal beneficiaries, including newly eligible adults. Restoring acupuncture services may impact Indian Health Programs and Urban Indian Organizations, because providers may experience an increase in Medi-Cal beneficiaries accessing services.

IMPACT TO FEDERALLY QUALIFIED HEALTH CENTERS (FQHCs)

SPA 16-025 and SPA 16-027 may impact Safety Net Clinics because DHCS is restoring acupuncture services as a Medi-Cal benefit for all eligible beneficiaries, including newly eligible adults, and as a result Safety Net Clinics may experience an increase in Medi-Cal beneficiaries accessing services.

IMPACT TO INDIAN MEDI-CAL BENEFICIARIES

¹ [SB 833 Health \(Committee on Budget and Fiscal Review, Chapter 30, Statutes of 2016\)](#)

² [Welfare and Institutions Code Section 14131.10](#)

³ [Welfare and Institutions Code Section 14132.02\(a\)](#)



All eligible Indian Medi-Cal beneficiaries will be able to receive acupuncture services as medically necessary as a covered Medi-Cal benefit.

RESPONSE DATE

Indian Health Programs and Urban Indian Organizations may submit written comments or questions concerning this proposal within 30 days from the receipt of notice.

Comments may be sent by email to Nathaniel.Emery@dhcs.ca.gov or by mail to:

Nathaniel Emery
Clinical Assurance and Administrative Support Division
Department of Health Care Services
MS 4506
P.O. Box 997413
Sacramento, CA 95899-7413