



JENNIFER KENT
DIRECTOR

State of California—Health and Human Services Agency
Department of Health Care Services



GAVIN NEWSOM
GOVERNOR

August 9, 2019

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, 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

Angeli Lee
Director's Office
Department of Health Care Services
MS 0000
P.O. Box 997413
Sacramento, CA 95899-7413

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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 also request a consultation on this proposal at any time as needed.

Sincerely,

Original Signed By

Sandra Willburn, Chief
Primary, Rural, and Indian Health Division
Department of Health Care Services

Enclosure



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

PURPOSE:

Establish a time-limited supplemental payment program for Non-Emergency Medical Transportation (NEMT) services¹.

BACKGROUND

On November 8, 2016, California voters approved the California Healthcare, Research and Prevention Tobacco Tax Act² (commonly known as Prop. 56) to increase the excise tax rate on cigarettes and tobacco products. Assembly Bill (AB) 74³ enacted the Budget Act of 2019, which appropriates a specified portion of the Prop. 56 revenue to the Department of Health Care Services (DHCS) for use as the nonfederal share of health care expenditures in accordance with the annual state budget process for the 2019-20 fiscal year (FY) to establish a supplemental payment program for NEMT services.

SUMMARY OF PROPOSED CHANGES

AB 74 appropriates Prop 56. funds during the FY 2019-20. As currently proposed, this includes funds to be allocated for a supplemental payment equivalent to 10% of the current rates for Medi-Cal fee-for-service (FFS) NEMT services. Provider Type 030 (Ground Medical Transportation) and 038 (Air Medical Transportation) will be eligible for the supplemental payments.

An additional supplemental amount will be provided for the services listed below, for the period of July 1, 2019 through December 31, 2021.

Codes	Amount
A0130	\$2.65
A0380	\$0.20

The proposed effective date of SPA 19-0044 is July 1, 2019, with a proposed end date of December 31, 2021. The SPA is subject to approval by the Federal Centers for Medicare and Medicaid Services (CMS).

¹ [SPA 17-017, Attachment 3.1-D](#) defines Non-emergency medical transportation as transportation provided by ambulance, wheelchair van, or litter van that is covered under 42 CFR 440.170 when the recipient's medical and physical condition is such that transport by ordinary means (public or private conveyances) is medically contraindicated and the transportation is required for the purpose of obtaining necessary health care covered by the Medi-Cal program.

² California Healthcare, Research and Prevention Tobacco Tax Act is available at: http://leginfo.legislature.ca.gov/faces/codes_displayText.xhtml?lawCode=RTC&division=2.&title=&part=13.&chapter=2.&article=2.5.

³ Assembly Bill (AB) 74 is available at: http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201920200AB74

IMPACT TO TRIBAL HEALTH PROGRAMS

To the extent a tribal health program is enrolled in Medi-Cal as a NEMT provider or Air Medical Transportation provider, the tribal health program will receive an increase in reimbursement payments for NEMT services.

IMPACT TO FEDERALLY QUALIFIED HEALTH CENTERS (FQHCs)

To the extent a FQHC is enrolled in Medi-Cal as a NEMT provider or an Air Transportation provider, the FQHC will receive an increase in reimbursement payments for NEMT services.

IMPACT TO INDIAN MEDI-CAL BENEFICIARIES

There is no impact to Indian Medi-Cal beneficiaries who receive NEMT services.

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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