



Department of Health Care Services  
**MEMORANDUM**

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**DATE:** May 23, 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 [HHP@dhcs.ca.gov](mailto:HHP@dhcs.ca.gov) or by mail to the address below:

**Contact Information**

Oksana Meyer  
Managed Care Quality & Monitoring Division  
Department of Health Care Services  
MS 4400  
P.O. Box 997413  
Sacramento, CA 95899-7413

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 memo is to provide information regarding DHCS plan to submit State Plan Amendments (SPA) 18-0019 and 18-0020 to the Centers for Medicare and Medicaid Services (CMS) in July 2018 for the Health Homes Program (HHP). SPA 18-0019 will amend SPA 18-0018 (pending CMS approval), to implement Group 2 counties of Riverside and San Bernardino on January 1, 2019, for physical health/Substance Use Disorder (SUD) chronic condition eligibility. SPA 18-0020 will provide enhanced care coordination services to members with serious mental illness or serious emotional disturbance in San Francisco County. DHCS is requesting that these SPAs have an effective date of January 1, 2019.

**BACKGROUND**

Section 2703 of the Affordable Care Act<sup>1</sup> allows states to implement a HHP which is designed to coordinate the full range of physical, behavioral health, and community-based long term services and supports for members with chronic conditions. Assembly Bill 361<sup>2</sup> authorizes DHCS to submit a SPA(s) for HHP. Federal funds pay for 90 percent of the program service costs for the first two years. A private foundation is funding the remaining 10 percent. The limit for the 10 percent is \$50 million over the two years. CMS approved SPA 16-007 on December 19, 2017, to add HHP enhanced care coordination services (HHP services) for eleven counties to the Medi-Cal program. SPA 18-0018 was submitted to CMS on May 4, 2018, as an amendment to SPA 16-007 for approval of the change to the HHP implementation schedule.

**SUMMARY OF PROPOSED CHANGES**

SPA 18-0019 will begin implementation of HHP services for members with physical health/SUD chronic conditions for the Group 2 counties of Riverside and San Bernardino on January 1, 2019. SPA 18-0020 will provide HHP services for members with serious mental illness or serious emotional disturbance in San Francisco County.

**IMPACT TO TRIBAL HEALTH PROGRAMS**

SPA 18-0019 and 18-0020 may impact Indian Health Programs. Indian health providers have the option to become HHP providers within the local community as a community-based care management entity. Medi-Cal managed care health plans will select and certify local community-based providers to provide HHP services. HHP services are entirely optional for members. The changes to SPA 18-0019 will provide this benefit in the additional counties of Riverside and San Bernardino for members with physical

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<sup>1</sup> Patient Protection and Affordable Care Act (Pub. L. 111-148) enacted on March 23, 2010, as revised by the Health Care and Education Reconciliation Act of 2010 (Pub. L. 111-152), enacted on March 30, 2010.

<sup>2</sup> Assembly Bill 361 (Chapter 642, Statutes of 2013).



health/SUD chronic conditions and SPA 18-0020 will provide HHP services to members with serious mental illness or serious emotional disturbance in San Francisco County.

**IMPACT TO FEDERALLY QUALIFIED HEALTH CENTERS (FQHCs)**

The changes may allow additional participation of FQHCs in Riverside and San Bernardino counties for chronic conditions and in San Francisco County for serious mental illness or serious emotional disturbance.

**IMPACT TO INDIAN MEDI-CAL BENEFICIARIES**

Eligible members for these SPAs may include American Indians with physical health/SUD chronic conditions in Riverside and San Bernardino and members with serious mental illness or serious emotional disturbance in San Francisco County.

**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 [HHP@dhcs.ca.gov](mailto:HHP@dhcs.ca.gov) or by mail to the address below:

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