



Department of Health Care Services
MEMORANDUM

DATE: November 5, 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 Ashley.draper@dds.ca.gov or by mail to the address below:

Contact Information

Ashley Draper
Department of Developmental Services
Community Services Division
1600 Ninth Street, M.S. 3-8
Sacramento, CA 95814

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:

DHCS proposes to submit a State Plan Amendment (SPA) to the Centers for Medicare and Medicaid Services (CMS) to seek approval to add Community Crises Homes as a new provider type to the 1915(i) State Plan.

BACKGROUND

The Lanterman Act,¹ was enacted to reduce institutionalization of people with developmental disabilities and prevent their dislocation from their home communities. Under the Lanterman Act, people with developmental disabilities have a right to services and supports in the least restrictive environment. With the reduced reliance on restrictive institutional and out-of-state placements, there is a need to increase community capacity and develop new alternatives, particularly for the most difficult-to-serve consumers.

To continue the development of alternative living arrangements, Senate Bill 856², requires the Department of Developmental Services (DDS) to develop the residential option of Community Crisis Homes. Specifically, Welfare & Institutions Code (W&I), section 4698 (b)(1)³ requires DDS to “establish a community-based residential option consisting of community crisis homes for adults with developmental disabilities receiving regional center services who require crisis intervention services and who would otherwise be at risk of admission to the acute crisis center . . .” The Community Crisis Homes are required by statute to be an alternative to placements such as an out-of-state placement, a general acute hospital, an acute psychiatric hospital, or an institution for mental disease. The first Community Crisis Home was opened January 1, 2018, and 17 more are projected to open during 2018.

SUMMARY OF PROPOSED CHANGES

DHCS plans to submit proposed SPA 18-0054 to the CMS by December 31, 2018, with a proposed effective date of October 2, 2018, for the following proposed changes:

- Adding Community Crisis Homes as a new provider type for Behavioral Intervention Services;
- Requiring that Community Crisis Homes be an Adult Residential Facility or Group Home licensed by the Department of Social Services pursuant to Health and Safety Code sections 1567.80 through 1567.87;⁴

¹ Lanterman Act Developmental Disabilities Services Act (Lanterman Act), W&I Code section 4500 et seq. is available at:

http://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?sectionNum=4512.&lawCode=WIC

² Senate Bill 856, Chapter 30, Statutes of 2014 is available at:

http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201320140SB856

³ W&I Code Section 4698 (b)(1) is available at:

http://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?sectionNum=4698.&lawCode=WIC

⁴ Health and Safety Code sections 1567.80 through 1567.87 is available at:

https://leginfo.legislature.ca.gov/faces/codes_displayText.xhtml?lawCode=HSC&division=2.&title=&part=&chapter=3.&article=9.7

- Limiting categorically needy and medically needy recipients to 18 months in a Community Crisis Home unless additional days are approved by the Department of Developmental Services and reviewed monthly thereafter.
- Adding a rate methodology for Community Crisis Homes made up of the following three components, the sum total of which may not exceed the rate limit determined by DDS:
 - facility component (including payroll costs of facility staff and facility related costs such as lease, facility maintenance, repairs, cable/internet, etc.)
 - individualized services and supports component (including the salaries, wages, payroll taxes, and benefits of individuals providing individualized services and supports and other consumer specific program costs), and
 - transition plan component (including salaries, wages, payroll taxes and benefits of direct care staff providing services and supports needed to support a consumer during times of transition and other consumer specific program costs).

IMPACT TO TRIBAL HEALTH PROGRAMS

Tribal health programs are able to apply to become Community Crisis Homes if they meet all licensure requirements and DDS laws and regulations. The 1915(i) State Plan establishes the provider qualifications that must be met to be enrolled as a Community Crisis Home. However, pursuant to 25 USC 1647a⁵, tribal health programs are not required to be licensed through the Department of Social Services to become Community Crisis Homes.

IMPACT TO FEDERALLY QUALIFIED HEALTH CENTERS (FQHCs)

DHCS does not anticipate an impact to FQHCs.

IMPACT TO INDIAN MEDI-CAL BENEFICIARIES

Eligible Indian Medi-Cal beneficiaries will be able to receive Behavioral Intervention Services in a Community Crisis Home.

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 Ashley.draper@dds.ca.gov or by mail to the address below:

CONTACT INFORMATION

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 Department of Developmental Services
 Community Services Division
 1600 Ninth Street, M.S. 3-8
 Sacramento, CA 95814

⁵ 25 United States Code (USC) 1647a

<http://uscode.house.gov/view.xhtml?req=granuleid:USC-prelim-title25-section1647a&num=0&edition=prelim>