

PROPOSED STATE PLAN AMENDMENT TO (1) ADD PSYCHOLOGICAL ASSOCIATE ENCOUNTERS FOR FEDERALLY QUALIFIED HEALTH CENTERS, RURAL HEALTH CLINICS, AND TRIBAL FEDERALLY QUALIFIED HEALTH CENTERS, (2) MAKE CHANGES TO MARRIAGE AND FAMILY THERAPIST REQUIREMENTS, AND (3) MAKE A TECHNICAL CORRECTION RELATED TO INTERMITTENT CLINICS AND MOBILE UNITS

The Department of Health Care Services (DHCS) requests input from Medi-Cal members, providers, and other interested stakeholders concerning proposed State Plan Amendment (SPA) 25-0009, which is provided below.

On December 20, 2024, DHCS released a notice of public interest and addendum regarding proposed SPA 25-0009, which seeks to add encounters between a Medi-Cal member and a psychological associate, under the supervision of a licensed clinical psychologist, as a billable visit at the Prospective Payment System (PPS) or All-Inclusive Rate (AIR), effective January 1, 2025, in accordance with Assembly Bill (AB) 2703 (Chapter 638, Statutes of 2024). This SPA will also remove the mandatory change in scope of service request (CSOSR) requirement when newly adding services by a Marriage and Family Therapist (MFT) as a PPS billable practitioner. You may view the December 20, 2024, public notice at <https://www.dhcs.ca.gov/SPA/Documents/SPA-25-0009-Public-Notice.pdf> and addendum at <https://www.dhcs.ca.gov/SPA/Documents/SPA-25-0009-Public-Notice-Addendum.pdf>. DHCS is now releasing the draft of SPA 25-0009 for public comment.

The effective date of the proposed SPA is January 1, 2025. All proposed SPAs are subject to approval by the Centers for Medicare and Medicaid Services (CMS).

Public Review and Comments

The proposed changes for SPA #25-0009 are included with this notice for public comment. DHCS is requesting stakeholder input on the impact, if any, on access to services as a result of the proposed actions.



Upon submission of the SPA to CMS, a copy of SPA #25-0009 will be published at the following internet address:

<https://www.dhcs.ca.gov/formsandpubs/laws/Pages/PendingStatePlanAmendments.aspx>.

If you would like to view the SPA in person once it becomes available, please visit your local county welfare department. You may also request a copy of SPA #25-0009 or a copy of submitted public comments related to SPA #25-0009 by requesting it in writing to the mailing or email address listed below. Please indicate SPA #25-0009 in the subject line or message.

Written comments may be sent to the following address:

Department of Health Care Services
Fee For Service Rates Development Division
Attn: Aditya Voleti
P.O. Box 997413, MS 4600
Sacramento, California 95899-7417

Comments may also be emailed to PublicInput@dhcs.ca.gov. Please indicate SPA #25-0009 in the subject line or message.

To be assured consideration prior to submission of the SPA to CMS, comments must be received no later than March 26, 2025. Please note that comments will continue to be accepted after March 26, 2025, but DHCS may not be able to consider those comments prior to the initial submission of SPA #25-0009 to CMS.

- (b) Optional services that are furnished by an FQHC and RHC within the scope of subparagraph C.1(a), or any other provision of this State Plan, are covered only to the extent that they are identified in the State Plan segments titled, "Limitations on Attachment 3.1-A" and "Limitations on Attachment 3.1-B" on pages 3 through 3e, effective July 1, 2016.
2. Effective January 1, 2025, a "visit" for purposes of reimbursing FQHC or RHC services includes any of the following:
- a. A face-to-face encounter or an interaction using synchronous audio-only or asynchronous modality, between an FQHC or RHC patient and one of the following practitioners hereafter referred to as a "health professional," to the extent the services are reimbursable as covered benefits under C.1(a) and subject to any applicable supervision requirements:
 - i. Doctor of Medicine or Osteopathy.
 - ii. Doctor of Podiatry.
 - iii. Doctor of Optometry.
 - iv. Dentist or Dental Surgeon.
 - v. Chiropractor.
 - vi. Acupuncturist.
 - vii. Resident in a teaching health center graduate medical education program.
 - viii. Clinical Psychologist.
 - ix. Licensed Clinical Social Worker.
 - x. Licensed Marriage and Family Therapist.
 - xi. Licensed Professional Clinical Counselor.
 - xi. Associate clinical social worker.
 - xii. Associate marriage and family therapist.
 - xiii. Associate professional clinical counselor.
 - xiv. Psychological associate.
 - xv. Physician assistant.
 - xvi. Nurse practitioner.
 - xvii. Certified nurse midwife.
 - xviii. Registered dental hygienist or registered dental

- hygienist in alternative practice.
- xix. Visiting nurse as defined in Title 42 of the Code of Federal Regulations, Section 405.2416.
 - b. Comprehensive perinatal services, when provided by a comprehensive perinatal service practitioner.

RHC, the prospective payment reimbursement rate for the first fiscal year was calculated by adding the visit rate for fiscal years 1999 and 2000, and then dividing the total by two.

- (b) If the cost per visit for the period(s) used to establish the prospective payment reimbursement rate in subparagraph b.2(a) was calculated using a visit definition that does not conform to Section C, the FQHC or RHC must submit a revised visit count and supporting documentation that conforms with Section C. The FQHC or RHC must supply the revised visit count with supporting documentation and certify to its authenticity within 90 days after the date written instructions are issued by DHS. DHS must review the revised visit count and supporting documentation supplied by the FQHC or RHC to determine whether a rate adjustment was necessary. This subparagraph D.2(b) was applicable to either a FQHC or a RHC that established its PPS reimbursement rate for fiscal years 1999 and 2000 exclusively.
- 3. Services provided at intermittent service sites that are affiliated with an FQHC or RHC that operate up to the number of approved hours in accordance with Section 1206(h) of the Health & Safety Code, or mobile facilities are reimbursed at the rate established for the affiliated FQHC or RHC. For purposes of this paragraph, a facility is affiliated with an FQHC or RHC when the facility is owned or operated by the same entity, as well as, licensed or enrolled as a Medi-Cal provider.
 - 4. Effective October 1st of each year, for services furnished on and after that date, DHS will adjust the rates established under paragraph D.2 by the percentage increase in the MEI applicable to primary care services (as defined in Section I 842(i)(4) of the Act) as published in the Federal Register for that calendar year.
 - 5. DHS will notify each FQHC and RHC of the effect of the annual MEI adjustment.

E. Alternative Payment Methodology Using the Reported Cost-Based Rate for the Fiscal Year Ending in Calendar Year 2000

An FQHC or RHC that elected the alternative payment methodology under this Section E receives reimbursement under the following provisions:

1. Each FQHC and RHC that elected to receive payment in an amount calculated using the alternative payment methodology described in this Section E, the rate was effective the first day of the fiscal year that began on or after January 1, 2001. For the period January 1, 2001, until the payment methodology described in this Section E became effective for the

P. Scope of Service Rate Adjustments for Marriage and Family Therapist (MFT)

1. Notwithstanding Section K, if an FQHC's or RHC's PPS rate currently includes the cost of MFT services, and the FQHC or RHC elects to bill MFT services as a separately reimbursable PPS visit, it shall apply for an adjustment to its PPS rate by utilizing the change in scope of services request forms to determine the FQHC's or RHC's rate within 150 days following the beginning of the FQHC's or RHC's fiscal year. The rate adjustment request must include one full fiscal year (12 months) of MFT costs and visits. DHCS' approval of a rate adjustment pursuant to this subparagraph shall not constitute a change in scope of services within the meaning of Section K. Rate changes based on an FQHC's or RHC's application for a rate adjustment, and DHCS's reconciliation of costs and visits shall be evaluated in accordance with Medicare reasonable cost principles, as set forth in Part 413 (commencing with Section 413.1) of Title 42 of the Code of Federal Regulations, or its successor.