

March 27, 2025

THIS LETTER SENT VIA EMAIL

Mr. James G. Scott, Director
Division of Program Operations
Medicaid and CHIP Operations Group
Centers for Medicare & Medicaid Services
601 East 12th Street, Suite 0300
Kansas City, MO 64106-2898

STATE PLAN AMENDMENT 25-0014: CERTIFIED WELLNESS COACH AS A NEW
MEDI-CAL BENEFIT

Dear Mr. Scott:

The Department of Health Care Services (DHCS) is submitting State Plan Amendment (SPA) 25-0014 (previously SPA 24-0032) for your review and approval. This SPA proposes to add Certified Wellness Coach (CWC) services as a new benefit, to support behavioral health needs and to promote physical and mental health. CWC services are tailored preventive services for Medi-Cal members living with behavioral health needs. The SPA proposes to add an Alternative Payment Methodology (APM) supplemental reimbursement for Federally Qualified Health Center (FQHC) and Rural Health Clinic (RHC) providers. DHCS seeks an effective date of January 1, 2025, for this SPA.

DHCS is proposing to add CWC Services as a preventive service, as defined in Title 42 of the Code of Federal Regulations § 440.130(c). CWC Services are services recommended by a physician or licensed practitioner of the healing arts. DHCS' aim is to increase the state's capacity to deliver behavioral prevention and early intervention services as part of a comprehensive continuum of care. CWC Services, such as health literacy, wellness promotion, screening services, and crisis referrals, will provide Medi-Cal members with increased access to preventative behavioral health services and improve behavioral health outcomes for Medi-Cal members by promoting access to care in a wide variety of community-based settings, including school-based health centers, schools, FQHCs, and in the community.

DHCS is seeking to add CWC Services as a new Medicaid benefit and to allow Medicaid payments in the Medi-Cal managed care and FFS delivery systems, when provided to eligible Medi-Cal members. Under the FQHC and RHC APM, to the extent, eligible providers rendering CWC services, may elect to receive a supplemental



reimbursement equal to the established Medi-Cal FFS rate when CWC services are provided on the same or a different day as a PPS-eligible visit.

CWCs are state-certified providers with extensive training and expertise in addressing the unmet mental health and substance use needs of children, youth, and young adults (see California Health & Safety Code § 127825). CWCs will operate as part of a care team to provide wellness promotion and education; screening not requiring a licensed provider; care coordination including navigation services; individual and group behavioral health coaching; and crisis referrals. CWCs must be supervised by a licensed qualified practitioner including Pupil Personnel Services (PPS) credential holders, physician, or licensed behavioral health clinicians.

DHCS issued a public notice on December 31, 2024.¹ DHCS issued an addendum to the public notice on February 24, 2025.² This addendum provides updates about how outpatient CWC services as a covered Medi-Cal benefit will provide supplemental reimbursements to FQHC and RHC, through an APM for services provided by CWCs.

DHCS issued a Tribal Notice on November 25, 2024.³ This Tribal Notice was issued 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 about adding CWC as a new benefit. DHCS issued an addendum to the Tribal Notice on February 21, 2025.⁴ This addendum provides updates about supplemental reimbursement will be provided for providers at FQHCs and RHCs that elect to provide CWC services.

DHCS is submitting the following SPA documents for review and approval:

- CMS 179 – Transmittal and Notice of Approval of State Plan Material
- Limitations to Attachment 3.1-A pages 18l and 18m – New
- Limitations to Attachment 3.1-B pages 18l and 18m – New
- Attachment 4.19-B, pages 6AA17 and 6AA18 – New
- Budget Impact Explanation
- Public Notice
- Addendum to Public Notice
- Tribal Notice
- Addendum to Tribal Notice

¹ [SPA 25-0014 Public Notice](#)

² [SPA 25-0014 30-Day Public Notice](#)

³ [Tribal Notice SPA 24-0032](#)

⁴ [Tribal Notice SPA 25-0014](#)

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If you have any questions or need additional information, please contact Autumn Boylan, Deputy Director of the Office of Strategic Partnerships at (916) 508-9284 or by email at Autumn.Boylan@dhcs.ca.gov.

Sincerely,



Tyler Sadwith
State Medicaid Director
Chief Deputy Director, Health Care Programs
California Department of Health Care Services

Enclosures

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**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL
FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES**

1. TRANSMITTAL NUMBER

2. STATE

3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL SECURITY ACT

XIX

XXI

TO: CENTER DIRECTOR
CENTERS FOR MEDICAID & CHIP SERVICES
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE

5. FEDERAL STATUTE/REGULATION CITATION

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)

a. FFY _____ \$ _____

b. FFY _____ \$ _____

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)

9. SUBJECT OF AMENDMENT

10. GOVERNOR'S REVIEW (Check One)

GOVERNOR'S OFFICE REPORTED NO COMMENT
COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

OTHER, AS SPECIFIED:
Please note: The Governor's Office does not wish to review the State Plan Amendment.

11. SIGNATURE OF STATE AGENCY OFFICIAL

15. RETURN TO

12. TYPED NAME

13. TITLE

14. DATE SUBMITTED

FOR CMS USE ONLY

16. DATE RECEIVED

17. DATE APPROVED

PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL

19. SIGNATURE OF APPROVING OFFICIAL

20. TYPED NAME OF APPROVING OFFICIAL

21. TITLE OF APPROVING OFFICIAL

22. REMARKS

TYPE OF SERVICE	PROGRAM COVERAGE**	PRIOR AUTHORIZATION OR OTHER REQUIREMENTS*
<p>13c. Certified Wellness Coach Services</p>	<p>Certified Wellness Coach services are preventive services, as defined in 42 CFR 440.130(c), to support behavioral health needs and promote physical and mental health.</p> <p>Certified Wellness Coaches operate as part of a care team to provide the following services:</p> <ul style="list-style-type: none"> • Wellness promotion and education. • Screening not requiring a licensed provider. • Care coordination including navigation services. • Individual and group behavioral health coaching, including wellness education, coping skills, goal setting and planning, teaching life skills, stress management, and problem solving. • Crisis referral, including identifying potential risk, providing emotional support, and engaging in warm handoffs with licensed, credentialed, or associate behavioral health providers. <p>Certified Wellness Coach services do not include the following:</p> <ul style="list-style-type: none"> • Assessing, diagnosing, or providing clinical intervention or treatment. • Providing clinical referrals. 	<p>Pursuant to 42 CFR Section 440.130(c), Certified Wellness Coach services are recommended by a physician or other licensed practitioner of the healing arts within their scope of practice under state law.</p> <p>Certified Wellness Coaches must be supervised by one of the following licensed qualified practitioners: Individuals holding a valid Pupil Personnel Services (PPS) credential issued by the Commission on Teacher Credentialing, including a school counselor, school psychologist, school social worker, or a registered credentialed school nurse; a psychologist, licensed marriage and family therapist, licensed clinical social worker, or licensed professional clinical counselor, as defined in Item 6d.1; a nurse practitioner, as defined in Item 6d.4 and Item 23; and a physician, as defined in Item 5a.</p> <p>Certified Wellness Coaches must demonstrate minimum qualifications by possession of a Certified Wellness Coach certificate issued by the state or a state-approved vendor:</p> <p>Wellness Coach Certification:</p> <ul style="list-style-type: none"> ○ A certification issued by a state-approved certification vendor to demonstrate skills and competencies in

* Prior authorization is not required for emergency services.

**Coverage is limited to medically necessary services.

STATE PLAN CHART

TYPE OF SERVICE	PROGRAM COVERAGE**	PRIOR AUTHORIZATION OR OTHER REQUIREMENTS*
13c. Certified Wellness Coach Services (continued)		the following areas: cultural concordance, professionalism, ethics, legal mandates, communication, wellness promotion and education, screening, care coordination and navigation, crisis referral, individual and group support, and evidence-based documentation. The certification shall also include field experience as a requirement.

* Prior authorization is not required for emergency services.

**Coverage is limited to medically necessary services.

TN No. 25-0014

Supersedes

TN No. None

Approval Date: _____

Effective Date: January 1, 2025

TYPE OF SERVICE	PROGRAM COVERAGE**	PRIOR AUTHORIZATION OR OTHER REQUIREMENTS*
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STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
STATE: California

C1. ALTERNATIVE PAYMENT METHODOLOGY (APM) for supplemental reimbursements to Federally Qualified Health Centers (FQHCs) and Rural Health Clinics (RHCs) for outpatient Certified Wellness Coach (CWC) services.

- a. This APM authorizes supplemental reimbursements for FQHCs and RHCs for outpatient CWC services described in Attachment 3.1-A of the State Plan for dates of service on or after January 1, 2025. Outpatient CWC services must be provided in addition to a Prospective Payment System (PPS)-eligible visit subject to the requirements of 42 United States Code (USC) section 1396a(bb)(6). These supplemental reimbursements for outpatient CWC services will be paid in addition to the applicable PPS visit rate.
- b. FQHCs, RHCs, and the California Department of Health Care Services (DHCS) must agree to participate in this APM on an annual basis at the time and in the manner specified by DHCS.
- c. APM Reimbursement:
 - i. The APM supplemental reimbursement rates for CWC services will be established based on the Medi-Cal Fee-For-Service (FFS) fee schedule rate.
 - ii. Except as otherwise noted in the State Plan, state-developed fee schedule rates are the same for both governmental and private providers of outpatient CWC services. All Medi-Cal FFS rates are published at <https://mcweb.apps.prd.cammiis.medi-cal.ca.gov/rates?tab=rates>.
 - iii. Outpatient CWC services may be reimbursed under this APM on either the same day or different day as a PPS-eligible visit.
 - iv. The total reimbursement amount paid under this APM will not be less than what would be paid under the FFS methodology.
 - v. For FQHCs and RHCs that have agreed to participate in this APM, Medi-Cal Managed Care Plan (MCP) reimbursement for outpatient CWC services in an amount not exceeding the applicable Medi-Cal FFS rate must be excluded from the reconciliation of the clinics' reimbursement to the PPS rate pursuant to Section L of Attachment 4.19-B of the State Plan (beginning on page 6R).
 - vi. For FQHCs and RHCs that have agreed to participate in this APM and are undergoing rate setting or a change in scope-of-service request pursuant to Section J and K of Attachment 4.19-B of the State Plan, the calculation of the newly established per-visit rate shall exclude the amount of reimbursement for outpatient CWC services paid under this APM at the applicable FFS rate or received from Medi-Cal MCPs in an amount not exceeding the applicable FFS rate.

TN No. 25-0014

Supersedes

TN No. NEW

Approval Date: _____

Effective Date: Jan 1, 2025

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
STATE: California

- vii. FQHCs and RHCs must ensure that any APM supplemental reimbursements paid to them by DHCS are not duplicative of services provided by and paid to other Medi-Cal providers, programs, or other state agencies.