



Tribal and Designee Medi-Cal Advisory Process Webinar on Proposed Changes to the Medi-Cal Program

February 28, 2023

Purpose

- The Department of Health Care Services (DHCS) is hosting this webinar regarding proposed changes to the Medi-Cal Program. This webinar will provide information and allow for feedback on State Plan Amendments (SPA) and Waiver Renewals/Amendments proposed for submission to Centers for Medicare and Medicaid Services (CMS).
- Background: Executive Orders recognize the unique relationship of Tribes with the federal government and emphasize the importance of States to work with Tribes on matters that may impact Indian health.
- This webinar is one way for DHCS to provide information about the Medi-Cal program and get feedback verbally and in writing.

Agenda

Topics	Presenters
Welcome/Overview	Stephanie Hockman, Health Program Specialist I DHCS Office of Tribal Affairs/Indian Health Program
SPAs Scheduled for Submission by March 31, 2022	
SPA 23-0010	Geanne Lyons, Health Program Specialist I Benefits Division
SPA 23-0011	Geanne Lyons, Health Program Specialist I Benefits Division
SPA 23-0015	Brian Fitzgerald, Division Chief Local Governmental Financing Division
Feedback/Closing	All

State Plan Amendment Overview

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Medicaid State Plan Overview

State Plan: The official contract between the state and federal government by which a state ensures compliance with federal Medicaid requirements to be eligible for federal funding.

The State Plan describes the nature and scope of Medicaid and gives assurance that it will be administered in accordance with the specific requirements of Title XIX of the Federal Social Security Act, Code of Federal Regulations, Chapter IV, and State law/regulations.

California's State Plan is over 1600 pages and can be accessed online at:

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

State Plan Amendment (SPA) Overview

SPA: Any formal change to the State Plan.

Approved State Plans and SPAs ensure the availability of federal funding for the state's program (Medi-Cal).

The CMS reviews all State Plans and SPAs for compliance with:

- Federal Medicaid statutes and regulations
- State Medicaid manual
- Most current State Medicaid Directors' Letters, which serve as policy guidance.

SPA 23-0010

Alternate Payment Methodology for Dyadic Services

Geanne Lyons
Health Program Specialist I
Benefits Division

Background

- » The California Welfare and Institutions Code section 14132.755 authorizes dyadic behavioral health (DBH) well-child visits be provided for the child and caregiver or parent at medical visits, provided that they are screening for behavioral health problems, interpersonal safety, tobacco or substance use, or social determinants of health.

Background Continued

- » DHCS proposes to add dyadic services for children ages 0 – 20 years and their caregivers. This benefit is designed to treat caregivers and children together, targeting family well-being as a mechanism to support healthy child development and mental health.
- » Federally Qualified Health Centers (FQHCs), Rural Health Clinics (RHCs) and Tribal Health Programs (THPs) will be reimbursed a fee-for-service (FFS) rate for dyadic services.
- » Dyadic Services must be billed under the child/youth's Medi-Cal ID.

Purpose

- » To seek the necessary approvals to establish an alternate payment methodology for dyadic services from the Centers for Medicare and Medicaid Services (CMS).

Summary of Proposed Changes

- » FQHCs, RHCs, and THPs will be reimbursed a FFS rate for dyadic services that includes Behavioral Health Well-Child Visits, Comprehensive Community Support Services, Psychoeducational Services, Family Training, and Counseling for Child Development.
- » In addition, dyadic services will include screening, and brief intervention services provided to a caregiver for the benefit of the child.
- » The proposed effective date for SPA 23-0010 is one day after the public notice is published. SPA 23-0010 is subject to approval by CMS.

Impact to Tribal Health Programs

- » THPs will be able to receive Medi-Cal FFS reimbursement for dyadic services provided to caregivers of beneficiaries as part of the child/caregiver dyad.
- » DHCS anticipates this proposal will increase access to preventive care for children, improve care coordination, support child social-emotional health and safety, and encourage developmentally appropriate parenting and caregiver mental health.

Impact to Federally Qualified Health Centers (FQHCs)

- » FQHCs will be able to receive Medi-Cal FFS reimbursement for dyadic services provided to caregivers of beneficiaries as part of the child/caregiver dyad.
- » DHCS anticipates this proposal will increase access to preventive care for children, improve care coordination, support child social-emotional health and safety, and encourage developmentally appropriate parenting, and caregiver mental health.

Impact to Indian Medi-Cal Beneficiaries

- » Medi-Cal beneficiaries may have increased access mental health and social support services for both them and their caregivers, which is expected to improve health outcomes for beneficiaries receiving these services.

Contact Information

- » Indian Health Programs and Urban Indian Organizations may 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:

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

SPA 23-0011

Virtual Communication Services Reimbursement

Geanne Lyons
Health Program Specialist I
Benefits Division

Background

- » Virtual communication services was initially included in State Plan Amendment (SPA) 22-0014 that proposed to continue fee-for-service (FFS) reimbursement for FQHC, RHC, IHS-MOA and Tribal FQHC providers.
- » However, DHCS removed this provision from SPA 22-0014 and instead will seek federal approval in SPA 23-0011 to allow for publication of the federally required rate methodology
- » In addition, this provision has been removed from the state's disaster relief policies for COVID-19 (item E.3 of section 7.4, page 90j) , effective January 1, 2023.

Purpose

- » To seek federal approval for coverage of virtual communication services in a new SPA.

Summary of Proposed Changes

- » DHCS is proposing to seek approval for virtual communication services in a new SPA with an effective date of March 4, 2023, subject to the publication of the public notice.
- » DHCS will no longer reimburse virtual communication at the Public Health Emergency Medicare rate.
- » The Department will seek reimbursement of virtual communication services at \$11.74, the 2020 FFS schedule rate.

Impact to Tribal Health Programs

- » Tribal Health Programs will continue to have access to virtual communication flexibility at the 2020 FFS schedule rate. Further, DHCS does not expect a gap in coverage for this service as a result of this SPA.

Impact to Federally Qualified Health Centers (FQHCs)

- » FQHCs will continue to have access to the virtual communication flexibility at the 2020 FFS schedule rate. Further, DHCS does not expect a gap in coverage for this service as a result of the SPA.

Impact to Indian Medi-Cal Beneficiaries

- » DHCS does not anticipate an impact to Indian Medi-Cal beneficiaries and will continue to have access to virtual communication services as a result of this SPA.

Contact Information

Indian Health Programs and Urban Indian Organizations may also submit written comments or questions concerning this proposal within 30 days from the receipt of the Tribal Notice. Comments may be sent by email to Angeli.Lee@dhcs.ca.gov or by mail to the address below:

Department of Health Care Services

Director's Office

ATTN: Angeli Lee

MS 0000

P.O. Box 997413

Sacramento, CA 95899-7413

SPA 23-0015

Behavioral Health Payment Reform

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Brian Fitzgerald
Division Chief
Local Governmental Financing Division

Background

- » Under the California Advancing and Innovating Medi-Cal (CalAIM), DHCS is proposing change to the State Plan to move forward with Behavioral Health Payment Reform.
- » Currently, Behavioral Health Services reimbursed on a cost basis- which requires interim rates, cost reports, and cost reconciliation.
- » SPA 23-0015 proposes to replace the current methodology with a prospective fee schedule.

Purpose

The purpose of SPA 23-0015 is obtain federal approval to modify the DHCS reimbursement methodology for Medi-Cal Behavioral Health services.

Summary of Proposed Changes

- The SPA proposes to revise reimbursement methodologies for the following services:
 - Outpatient Services
 - Psychiatric Inpatient Services
 - Narcotic Treatment Programs
 - Inpatient Withdrawal Management
 - Day Treatment Intensive & Day Rehabilitation
 - Drug Medi-Cal 24 Hour Services
 - Specialty Mental Health 24 Hour Services
 - Ambulatory Withdrawal Management
 - Crisis Stabilization
 - Therapeutic Foster Care
 - Mobile Crisis
- SPA 23-0015 will authorize reimbursement for these services through a county specific fee for allowable Medi-Cal Behavioral Health Services.
- Counties will continue to be required to negotiate appropriate rates with network providers and are not required to pay the same amount to providers that they are reimbursed by DHCS.

Impact to Tribal Health Programs

- » Counties will remain responsible to reimburse Tribal Health Programs as described in Behavioral Health Information Notices (BHIN) [22-020](#) and [22-053](#) for the Specialty Mental Health Services, (SMHS) and Drug Medi-Cal (DMC).
- » The SPA proposes to remove the methodology of cost-based reimbursement used in instances when THPs aren't eligible for the Federal All-Inclusive Rate (AIR), and replace it with a fee schedule for services.
- » The proposed SPA may eliminate the need for THPs to submit cost reports as required by the State for cost-based reimbursement.
- » There is no change in services county Behavioral Health Plans will be required to deliver under the Medi-Cal program.

Impact to Federally Qualified Health Centers (FQHCs)

- » Counties will remain responsible to reimburse Urban Indian Organizations enrolled in Medi-Cal as FQHCs as described in BHINs [22-020](#) and [22-053](#) for SMHS and DMC.
- » Currently, FQHCs carve out SMHS and DMC services which are paid through cost-based methodology NOT the Prospective Payment System (PPS) rate.
- » The SPA proposes to replace the cost-based reimbursement methodology currently used with a fee schedule for each service.
- » The proposed SPA may eliminate the need for FQHCs to submit cost reports as required by the State for cost-based reimbursement.
- » There is no change in services county Behavioral Health Plans will be required to deliver under the Medi-Cal program.

Impact to Indian Medi-Cal Beneficiaries

- » DHCS anticipates no impact to American Indian Medi-Cal beneficiaries as a result of this SPA.
- » Beneficiaries will remain eligible to access Specialty Mental Health Services, Substance Use Disorder Treatment Services, and Expanded Substance Use Disorder Treatment Services through an Indian Health Care Provider whether or not that provider is a part of the county's provider network.

Contact Information

» Email: Bhpaymentreform@dhcs.ca.gov

» Mail:

Department of Health Care Services

ATTN: Local Governmental Financing Division

Director's Office

1500 Capitol Avenue, MS 2692

Sacramento, CA 95814.

Feedback/Questions

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