



Tribal and Designees of Indian Health Programs Medi-Cal Advisory Process Webinar on Proposed Changes to the Medi-Cal Program

December 1, 2020



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 writing.



Agenda

Topics	Presenters
Welcome/Overview	Andrea Zubiante, Primary, Rural, and Indian Health Division
State Plan Amendment (SPA) Scheduled for Submission by December 31, 2020	
Repeal Medi-Cal Monthly 6 Prescription Limit & Eliminate Medi-Cal Fee-For-Service Drug Prescription Copays (SPA 20-0039)	Teresa Ann Miller, Pharm.D. Pharmaceutical Consultant II Dorothy Uzoh, Pharm.D. Pharmaceutical Consultant II Pharmacy Benefits Division, DHCS
Feedback/Closing	All



State Plan Amendment Overview



Medicaid State Plan Overview

- State Plan: The official contract between the state and federal government by which a state ensure compliance with federal Medicaid requirements to be eligible for federal funding.
- The State Plan describes the nature and scope of Medicaid program 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 1400 pages and can be accessed online at:

[http://www.dhcs.ca.gov/formsandpubs/laws/Pages/
CaliforniStatePlan.aspx](http://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.



Repeal Medi-Cal Monthly 6 Prescription Limit & Eliminate Medi-Cal Fee-For-Service Drug Prescription Copays

SPA 20-0039

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Background

California's 2020 Budget Trailer Bill

- California's 2020 Budget Trailer Bill eliminated 6 prescription monthly limit, and \$1 per prescription (or refill) copayment for Medi-Cal beneficiaries (effective January 1, 2021)
- SPA 20-0039 seeks to make California's state plan consistent with state law, by removing references to 6 Rx limit, and \$1 copay



Background

Medi-Cal monthly 6 Prescription limit

- 6 Rx limit was implemented in 1994 (in the FFS delivery system) to prevent inappropriate overuse of prescribed drugs
 - Each beneficiary is limited to 6 prescriptions (or refills) per month
 - To exceed 6 Rx limit, beneficiary must obtain a Treatment Authorization Request (TAR)
- Rather than reducing inappropriate overuse of prescribed drugs, the 6 Rx limit has created a heavy administrative burden for providers and DHCS
 - Burden is expected to worsen with the implementation of the Governor's Executive Order (EO) N-01-19 in 2021



Background

\$1 Medi-Cal FFS Copay

- A \$1 copayment for prescriptions and refills has existed since the founding of the Medi-Cal program
- According to W&I Code section 14134(a)
 - 1) “the copayment may be collected and retained, or waived by the provider”
 - 2) “the department shall not reduce the reimbursement otherwise due to providers”
 - Essentially, providers can choose to collect and keep copayments; however, most providers choose not to collect copayments from beneficiaries



Summary of Proposed Changes

SPA 20-0039 seeks to:

- Remove language that references a monthly 6 prescription limit and a \$1 per prescription copayment
- Make selected technical/non-substantive changes



Impact to Tribal Health Programs

- Access to medications should improve:
 - Prescriptions dispensed to Medi-Cal beneficiaries by pharmacies on behalf of tribal health programs will no longer be subjected to a monthly six prescription limit or \$1 copayment
- Reduced administrative burden for Tribal health programs with Medi-Cal enrolled retail pharmacies due to removal of monthly prescription limits and copays



Impact to Federally Qualified Health Centers (FQHCs)

- Access to medications should improve:
 - Prescriptions dispensed to Medi-Cal beneficiaries by pharmacies on behalf of FQHCs will no longer be subjected to a monthly six prescription limit or \$1 copayment,
- Reduced administrative burden for Medi-Cal enrolled retail pharmacies operated by FQHCs due to removal of monthly prescription limits and copays



Impact to Indian Medi-Cal Beneficiaries

- Proposal will lead to improved access to outpatient prescription drugs for Indian Medi-Cal beneficiaries



Contact Information

Written comments or questions concerning this proposal may be sent by email to Angeli.Lee@dhcs.ca.gov, or by mail to:

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Questions?



Thank You!