



State of California—Health and Human Services Agency
Department of Health Services



ARNOLD SCHWARZENEGGER
Governor

SANDRA SHEWRY
Director

May 5, 2004

PPL No. 04-003

TO: Local Governmental Agency (LGA) Coordinators for
Targeted Case Management (TCM)

SUBJECT: **TCM FEDERAL MEDICAL ASSISTANCE PERCENTAGE (FMAP)
DECREASE**

This letter advises LGAs that the FMAP will decrease from 52.95 percent to 50.00 percent effective for services provided on or after July 1, 2004, the start of State fiscal year (FY) 2004-05. The FMAP is used to calculate the maximum federal share for reimbursement to the LGA. The TCM System will automatically adjust invoices submitted after October 1, 2004, when the TCM System is adjusted with the start of the federal FY. Staff from the Local and Schools Services Unit (LSSU) will manually adjust invoices with dates of service from July 1, 2004, to September 30, 2004, to be reimbursed at the correct FMAP. Continue to process invoices normally.

The following chart identifies the FMAP from April 1, 2003 forward:

| DATES OF SERVICE | FMAP |
|------------------------------------|---------------|
| April 1, 2003 – September 30, 2003 | 54.35 percent |
| October 1, 2003 – June 30, 2004 | 52.95 percent |
| July 1, 2004 – September 30, 2005 | 50.00 percent |

This decrease in the FMAP does not change how an LGA submits TCM claims. LSSU staff will calculate the federal share for reimbursement based on the prevailing FMAP for the date of service. The change in FMAP applies only to TCM claims and does not affect the federal financial participation for the Medi-Cal Administrative Activities (MAA) program.

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If you have any questions, please contact Ms. Elizabeth Touhey, Chief of the LSSU, at (916) 552-9616 or by e-mail at etouhey@dhs.ca.gov.

Sincerely,

Original Signed by Mary Lamar-Wiley

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