



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



GAVIN NEWSOM  
GOVERNOR

**Date:** July 28, 2020 PPL 20-032

**To:** Local Governmental Agency (LGA) Coordinators for the Targeted Case Management (TCM) Program

**SUBJECT:** **Temporary Increase of 6.2 percent Federal Medicaid Assistance Percentage (FMAP) during the Public Health Emergency**

This Policy and Procedure Letter (PPL) provides guidance to all LGAs participating in the TCM Program regarding the temporary 6.2 percent increase to the FMAP for qualifying expenditures effective January 1, 2020, and extending through the last day of the calendar quarter in which the public health emergency declared by the Secretary of Health and Human Services for COVID-19 (Public Health Emergency).

Effective as of the date of this PPL, the Department of Health Care Services (DHCS) will commence the process to reimburse eligible expenditures the temporary 6.2 percent FMAP increase by creating Not in TCM System (NTS) invoices at the end of every quarter until the end of the Public Health Emergency.

## Background

House Resolution (H.R.) 6021, the Families First Coronavirus Response Act (FFCRA), provides a temporary 6.2 percentage increase to each qualifying state and territory's FMAP under section 1905(b) of the Social Security Act (the Act) for expenditures incurred on or after January 1, 2020 through the end of the calendar quarter in which the Public Health Emergency ends. The 6.2 percent increase in FMAP is only available for expenditures for which federal matching is ordinarily 50 percent per section 1905(b). In other words, it is only available for aid codes eligible for a 50 percent FMAP and not under any other enhanced aid code category.

## NTS Invoice Creation and Processing

The TCM Online System reimburses all valid TCM encounters at 50 percent FMAP and transfers that data into the Medi-Cal Management Information System/Decision Support Systems (MIS/DSS). Encounters starting with date of service of January 1, 2020, until the end of the Public Health Emergency, the TCM program will retrieve the data from

MIS/DSS of all encounters eligible for the 6.2 percent FMAP increase and manually create quarterly NTS invoices by target population for each LGA. DHCS will email the LGA a PDF file of the NTS documentation. The following instructions regarding the NTS invoices will be stated in the email:

1. Please print the attached NTS invoices on official LGA letterhead,
2. Review and sign the NTS invoices in blue ink,
3. Include a standard LGA cover letter for the NTS invoices, and
4. Email DHCS the electronic invoice and submit a blue ink signed copy by mail.

Once signed NTS invoices have been received and reviewed, DHCS will process the NTS invoices and issue payment.

**Note:** Affordable Care Act (ACA) encounters are not eligible to receive the additional FMAP reimbursement since these are already eligible for an enhanced FMAP rate.

### **Termination of State of Emergency**

This PPL will cease to be in effect upon the last day of the calendar quarter in which the Public Health Emergency ends, at which time DHCS will no longer reimburse the LGAs the additional 6.2 percent FMAP.

For questions regarding this PPL, please contact DHCS' TCM program at [DHCS-TCM@dhcs.ca.gov](mailto:DHCS-TCM@dhcs.ca.gov).

Sincerely,

**ORIGINAL SIGNED BY SHELLY TAUNK**

Shelly Taunk, Chief  
County Based Claiming and Inmate Services Section