**From**: Mann, Cynthia (CMS/CMCS) [<mailto:Cynthia.Mann@cms.hhs.gov>]   
**Sent**: Friday, April 05, 2013 01:04 PM

Dear Tribal Leaders,

CMS is pleased to announce that it has approved California’s amendment to their section 1115(a) demonstration, entitled California Bridge to Reform Demonstration. As discussed at the CMS meeting with Tribes on February 4, 2013 this amendment allows for supplemental payments to tribal health facilities to recognize the burden of uncompensated care costs faced by IHS and tribal facilities in California.

The state officially submitted the amendment request to CMS on March 1, 2013 following two consultations held on February 15 and 22, 2013 to discuss the uncompensated care payments to IHS and 638 facilities in greater detail.   These payments approved through this amendment will support the facilities’ ability to continue to provide primary care services so that they will be an available delivery system option in 2014 and beyond.  The amendment will:

* Provide supplemental payments to Medicaid-participating IHS and tribal facilities operating in 37 out of 58 California counties.
* The supplemental payments will recognize the burden of uncompensated primary care provided by IHS and tribal facilities to uninsured individuals with incomes up to 133 percent of the Federal Poverty Level (FPL) who are not enrolled in a county-based low income health program.
* The supplemental payments will also recognize the burden of uncompensated care in the form of services that were eliminated from the Medicaid state plan in 2009 that are furnished to these uninsured individuals or Medi-Cal beneficiaries.
* The supplemental payments will reflect the costs of qualifying uncompensated encounters based on the published Indian Health Service (IHS) encounter rate.  The California Rural Indian Health Board will operate as a billing agent for participating facilities.
* IHS eligible individuals receiving care at these facilities would continue to receive other services, such as acute care hospital and specialty care services, as they do now through the IHS contract health service referral system.

Thank you for working with the State and CMS on the successful approval of this amendment.

We value your input and believe that your efforts will better help us serve our program beneficiaries through improving health outcomes in tribal communities.

Sincerely,

Cindy Mann

Director, Center for Medicaid and CHIP Services