Overview

• Budget
• DHCS Initiatives
• State Plan Amendment & Waiver Updates
• Other DHCS Activities
2013-14 Budget
## California State Budget
### Fiscal Year 2013-2014

### California Budget

<table>
<thead>
<tr>
<th>Funds</th>
<th>2013-14 Enacted</th>
<th>(Dollars in Millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund</td>
<td>96,281</td>
<td></td>
</tr>
<tr>
<td>Federal Funds</td>
<td>87,565</td>
<td></td>
</tr>
<tr>
<td>Special Funds</td>
<td>42,021</td>
<td></td>
</tr>
<tr>
<td>Selected Bond Funds</td>
<td>6,997</td>
<td></td>
</tr>
<tr>
<td><strong>Total Funds</strong></td>
<td><strong>232,864</strong></td>
<td></td>
</tr>
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</table>

### DHCS Budget

<table>
<thead>
<tr>
<th>Funds</th>
<th>2013-14 Enacted</th>
<th>(Dollars in Millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund</td>
<td>16,346</td>
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<tr>
<td>Federal Funds</td>
<td>48,019</td>
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</tr>
<tr>
<td>Special Funds &amp; Reimbursements</td>
<td>7,772</td>
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</tr>
<tr>
<td><strong>Total Funds</strong></td>
<td><strong>72,138</strong></td>
<td></td>
</tr>
</tbody>
</table>

Source: DOF The 2013-14 Final Budget Summary and E-budget The 2013-14 Enacted budget details
California State Budget

- Transfers all substance use disorder programs from the Department of Alcohol and Drug Programs (DADP) to the DHCS
- Transfers mental health licensing and quality improvement functions from Department of Social Services to DHCS
The Access for Infants and Mothers (AIM) Program in Managed Risk Medical Insurance Program provides comprehensive health care to pregnant women and infants.

The budget transitions to DHCS infants born to mothers enrolled in the AIM Program whose income is between 250 – 300 percent of federal poverty level.
Includes $206.2 million to strengthen local capacity to stabilize and treat individuals with mental illness

- The California Health Facilities Financing Authority will provide grants to local entities to increase resources (25 Mobile Crisis Support Teams, 2000 beds in Crisis Residential Treatment Programs, additional Crisis Stabilization Units) in the next 2 years. These resources provide a comprehensive continuum of services to address short-term crisis, acute needs, and the longer-term ongoing treatment and rehabilitation opportunities of adults with mental health disorders.

- The Mental Health Oversight and Accountability Commission will provide grants to local entities to add at least 600 triage personnel who will enable high-need individuals to access medical, specialty mental health care, substance use disorder treatment, social, educational and other services in the next two years.
California State Budget (cont.)

- Includes adjustments for several Medi-Cal optional benefits
  - Adult Dental: Restores funds ($33.8 million) to provide preventative adult dental benefits beginning May 1, 2014
  - Enteral Nutrition: funds the Medi-Cal enteral nutrition feeding benefit beginning May 1, 2014
  - Seven Physician Visit Cap: Repeals the seven visit cap per Medi-Cal enrollee per year
    - Update: DHCS formally withdrew State Plan Amendment (SPA) 11-013 on May 28, 2013
- Adds section 14100.3 to Welfare and Institution Code and requires DHCS to post all submitted state plan amendments (SPAs), federal waiver applications, requests for new waivers, waiver amendments (renewals or extensions) within ten business days from the date the department submits them to CMS
“Budget Trailer Bill” Assembly Bill x 1 x 1

- Implements a variety of ACA provisions
  - The new “adult group” streamlining and simplification of the annual renewals and change in circumstance process
  - Implementation of the Modified Adjusted Gross Income (MAGI) methodology for selected individuals including newly eligible population

- Low Income Health Program (LIHP) individuals are part of California’s Bridge to Reform Demonstration Waiver and will become “the newly eligible adult” beginning 2014. Currently LIHP individuals are served by county-based programs and are not eligible for Medi-Cal

- Requires transition the existing LIHP population to MAGI based Medi-Cal coverage on January 1, 2014
“Budget Trailer Bill” Senate Bill x1

- Expands the Medi-Cal program to include a new coverage group: adults and parent/caretaker relatives with incomes up to 138 percent of the federal poverty level
- Newly eligible individuals will receive
  - The comprehensive Medi-Cal benefits as “alternative benefits package”
  - Long-term care services upon federal government approval of the retention of an asset test for these services
  - Expanded mental health and substance use disorder services
    - Non-specialty mental health services will be provided through Medi-Cal managed care plans for all enrollees (currently available in Medi-Cal fee-for-service under the state plan) plus group counseling
    - Substance use disorder services for current and newly eligible adults will be administered by counties
Update on DHCS Initiatives
Managed Care Rural Expansion

• Expansion of Medi-Cal managed care in the 28 primarily rural, fee-for-service (FFS) counties began September 1, 2013 for the 8 County Organized Health System (COHS) counties (Del Norte, Humboldt, Lake, Lassen, Modoc, Shasta, Siskiyou and Trinity)
  – Enrollees will receive all COHS benefits, except enrollees receiving Community-Based Adult Services (CBAS) will be enrolled with the COHS, but will continue to receive CBAS through FFS program
  – CBAS benefit will convert to managed care benefit in 2014
  – Dual Eligible (DE) enrollees will receive Medi-Cal covered services from the COHS and Medicare services from Medicare
• Remaining 20 counties (Alpine, Amador, Butte, Calaveras, Colusa, El Dorado, Glenn, Imperial, Inyo, Mariposa, Mono, Nevada, Placer, Plumas, Sierra, San Benito, Sutter, Tehama, Tuolumne, and Yuba) will start November 1, 2013
  – TANF population will be mandatory
  – DE population will be voluntary indefinitely
  – Seniors and Persons with Disabilities (SPD) population will become mandatory in 2014
  – The CBAS benefit will be paid by the FFS program at the implementation and will convert to a managed care benefit in 2014
• Healthy Families program beneficiaries are being transferred into Medi-Cal at the same time
• For additional information go to: http://www.dhcs.ca.gov/provgovpart/Pages/MMCDRuralExpansion.aspx or http://www.dhcs.ca.gov/services/Pages/HealthyFamiliesTransition.aspx

***Requires clinics to modify billing procedures to retain 100% FQHC and IHS MOA rate
Coordinated Care Initiative (CCI) aka “Cal MediConnect”

- Persons eligible for both Medicare and Medi-Cal (dual eligibles (DE) will receive medical, behavioral health, long term services and supports, and home and community based services through a single managed care health plan.
- An estimated 456,000 DEs will enroll in the CCI on or after April 2014 in specified eight counties (Alameda, Los Angeles, Orange, Riverside, San Bernardino, San Diego, San Mateo, and Santa Clara) participating in the demonstration.
- The state will use a “passive enrollment” process meaning that the state will enroll eligible individuals into a health plan that combines their Medicare and Medi-Cal benefits unless the individual actively chooses not to join and notifies the state of this choice. The state will send eligible individuals multiple notices describing their choices, including the option to “opt out” of joining a Cal MediConnect health plan.
  - “Opting out” is when an eligible beneficiary chooses not to join a demonstration health plan and keep his or her Medicare benefits separate and out of the demonstration health plan. Opting out applies only to Medicare benefits.
- For more information go to [http://www.calduals.org/](http://www.calduals.org/)
Low Income Health Program (LIHP)

- Covers adults between 19 and 64 years of age with family incomes at or below 200% of federal poverty level (628,000 enrollees as of August 2013)
- Approximately 603,000 LIHP enrollees will move to Medi-Cal in January 2014
- Approximately 24,000 of LIHP enrollees will move to the Covered California health benefit exchange
- DHCS estimates that 90% of LIHP enrollees will be able to keep their primary care physician after transition
- DHCS transition plan information can be found at: http://www.dhcs.ca.gov/provgovpart/Pages/LIHPTransition(Revised).aspx
CalHEERS (California Healthcare Eligibility, Enrollment & Retention System)

• A web based system to provide Californians with easy access to the health coverage opportunities that will be available under the Affordable Care Act

• Includes an internet portal where individuals and small employers can sign up for health coverage for themselves or their employees, and see what subsidies are available to help defray the costs of coverage

• The portal will:
  – Allow enrollees to shop for and compare plans based on price, benefits, out-of-pocket costs, and plan quality measures
  – Make it easier to enroll in Medi-Cal
  – Scheduled to be operational on October 1, 2013 for use in pre-enrollment for Covered California/marketplace
# American Indian Identification for Medi-Cal and Covered California Exemption Purposes

<table>
<thead>
<tr>
<th>Medi-Cal</th>
<th>Covered California</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Authority</strong></td>
<td>American Recovery and Reinvestment Act Section 5006 (a) as regulated by 42 Code of Federal Regulations (CFR) § 447.50</td>
</tr>
<tr>
<td><strong>Definition</strong></td>
<td>Indian means any individual defined at 25 United States Code 1603(c), 1603(f), or 1679(b), or who has been determined eligible as an Indian, pursuant to 42 CFR § 136.12 (included California Indian)</td>
</tr>
<tr>
<td><strong>Verification</strong></td>
<td>Self attestation or letter to county on Indian health program letterhead (proposed) that exempts the beneficiary for cost-sharing and premium exemptions</td>
</tr>
<tr>
<td><strong>Special Considerations</strong></td>
<td>Exempts American Indians from cost-sharing and premiums if they have or are eligible to receive an item or services from an Indian Health Service/Tribal 638/Urban Indian Health Program or through a referral under contract health services</td>
</tr>
<tr>
<td><strong>Enrollment System Member Identification</strong></td>
<td>Exemption will be indicated on Medi-Cal Eligibility Data System by indicator/aid code. Providers will be able to query to determine whether an individual may be charged cost-sharing starting January 2014</td>
</tr>
</tbody>
</table>
SPA-Waiver Updates
State Plan, State Plan Amendment (SPA), Medicaid Waiver

- **The 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

- **State Plan Amendment (SPA)** - any formal change to the State Plan. 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

- **Medicaid Waivers** - are not part of the State Plan. Waivers allow the federal government to waive specified provisions of Medicaid law; provide flexibility and encourage innovation to meet the health care needs of its populations; provide medical coverage to individuals who may not otherwise be eligible and/or provide services that may not otherwise be allowed under the regular Medicaid rules
## Calendar Year 2013 Medi-Cal Changes

<table>
<thead>
<tr>
<th>TRIBAL/DESIGNEE NOTIFICATION SENT, SPA STATUS UPDATE</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Outpatient Drug Coverage for Persons with Medicare and Medi-Cal</strong>&lt;br&gt; Federal laws changed to require Medicare Part D plans to cover (1) barbiturates when used for the treatment of epilepsy, cancer, or a chronic mental health disorder and (2) benzodiazepines (typically used for the treatment of anxiety) as of January 1, 2013. Therefore, Medi-Cal will no longer cover these drugs for people who have both Medicare and Medi-Cal effective January 1, 2013.</td>
<td>Approved</td>
</tr>
<tr>
<td><strong>Health Care Reconciliation Act of 2012 (H.R.) 4872-24 Section 1202 Payments to Primary Care Services</strong>&lt;br&gt; Implement Section 1202 of the Affordable Care Act (ACA) for the increased payments to eligible providers for certain primary care services and vaccine administration codes.</td>
<td>Pending Approval</td>
</tr>
<tr>
<td><strong>Optional Targeted Low Income Children (TLIC)</strong>&lt;br&gt; Implementation of Assembly Bill (AB) 1494 and AB 1468 authorized an optional Medicaid expansion program for Targeted Low-Income Children. Provides information on DHCS’ plan to exempt American Indians/Alaska Natives from monthly premiums or copayments as required by Section 5006(a) of ARRA and 42 Code of Federal Regulation Part 447.</td>
<td>Pending Approval</td>
</tr>
<tr>
<td><strong>Clarification of Operating Rules for the Program of All-Inclusive Care for the Elderly (PACE) Health Plans</strong>&lt;br&gt; Implements AB 574 which allows DHCS to increase the number of PACE organizations. SPA will remove caps and update methodologies.</td>
<td>Pending Approval</td>
</tr>
<tr>
<td><strong>Outpatient Mental Health Service Expansion (Amended Notice)</strong>&lt;br&gt; In accordance of SB x1 1 which added Welfare and Institutions Code §14132.03 that allows DHCS to expand outpatient mental health services to all Medi-Cal beneficiaries.</td>
<td>Submission Pending</td>
</tr>
<tr>
<td><strong>Pre-hospital Emergency Medical Care Services provided in preparation for Emergency Medical Transportation</strong>&lt;br&gt; Amends the State Plan to reimburse providers for pre-hospital emergency medical care services provided by eligible licensed or certified emergency medical personnel (i.e. Emergency Medical Technicians, Paramedics) off the grounds of a health facility in preparation for an emergency medical transport provided to Medi-Cal beneficiaries.</td>
<td>Submission Pending</td>
</tr>
<tr>
<td><strong>Medi-Cal Modified Adjusted Gross Income (MAGI) &amp; Children’s Health Insurance Program (CHIP) Eligibility &amp; Benefits</strong>&lt;br&gt; In accordance of AB 1x1 1 and SB x1 1 to implement the MAGI-based eligibility levels and income counting methodologies for Medi-Cal and CHIP as required by ACA.</td>
<td>Pending Approval</td>
</tr>
<tr>
<td><strong>Alternative Benefit Plan (ABP)</strong>&lt;br&gt; Requires state Medicaid agencies to design and implement an Alternative Benefit Plan that allows states to provide medical coverage for the newly eligible low-income adults.</td>
<td>Submission Pending</td>
</tr>
<tr>
<td><strong>Substance Use Disorder Service Expansion</strong>&lt;br&gt; In accordance of SB x1 1 which added Welfare and Institutions Code §141312.03 that allows DHCS to provide SUD services to an expanded Medi-Cal population.</td>
<td>Submission Pending</td>
</tr>
<tr>
<td>TRIBAL/DESIGNEE NOTIFICATION SENT, WAIVERS/DEMONSTRATION PROJECTS STATUS UPDATE</td>
<td>Status</td>
</tr>
<tr>
<td>-----------------------------------------------------------------------------</td>
<td>---------</td>
</tr>
<tr>
<td>Tribal Health Programs Uncompensated Care Amendment to the California Bridge to Reform (BTR) Medicaid Section 1115 Demonstration Project</td>
<td>Approved</td>
</tr>
<tr>
<td>Permit DHCS to make uncompensated care payments for services provided by Indian Health Service tribal health programs operating under the authority of the Indian Self-Determination and Education Assistance Act to individuals with incomes up to 133% of the Federal Poverty Level and who are not eligible for a California county Low Income Health Plan.</td>
<td></td>
</tr>
<tr>
<td>Medi-Cal Specialty Mental Health Services (SMHS) Waiver Renewal Request</td>
<td>Approved</td>
</tr>
<tr>
<td>Renewal request for California’s Section 1915(b) Freedom of Choice SMHS waiver. Requesting a 5-year renewal term.</td>
<td></td>
</tr>
<tr>
<td>California Bridge to Reform 1115 Demonstration Waiver Amendment for the Coordinated Care Initiative (CCI) – Dual Eligible Demonstration</td>
<td>Pending Approval</td>
</tr>
<tr>
<td>Enhance health outcomes and beneficiary satisfaction for low-income seniors and persons with disabilities by shifting service delivery away from institutional care, and into the home and community. DHCS is submitting this 1115 waiver amendment request to enable the state to comply with state law establishing the CCI.</td>
<td></td>
</tr>
<tr>
<td>Medi-Cal Managed Care Rural County Expansion</td>
<td>Approved</td>
</tr>
<tr>
<td>Implementation of AB 1467 authorized expansion of Medi-Cal managed care to Medi-Cal beneficiaries residing in 38 rural California counties who currently receive Medi-Cal services on a Fee-For-Service basis.</td>
<td></td>
</tr>
<tr>
<td>Assisted Living 1915(c) Waiver (ALW) Amendment</td>
<td>Submission Pending</td>
</tr>
<tr>
<td>1915(c) home and community-based waiver amendment to add more services to the ALW by September 2, 2013.</td>
<td></td>
</tr>
<tr>
<td>Medi-Cal Managed Care Outpatient Mental Health Services Expansion Waiver</td>
<td>Submission Pending</td>
</tr>
<tr>
<td>Pursuant to SB X1 1 DHCS will expand outpatient mental health services to beneficiaries receiving Medi-Cal managed care benefits.</td>
<td></td>
</tr>
<tr>
<td>Affordable Care Act (ACA) Optional Adult Eligibility Expansion Group Waiver Amendment</td>
<td>Submission Pending</td>
</tr>
<tr>
<td>Implement the ACA Medicaid optional adult eligibility group expansion provision. Expands Medicaid services to childless adults with annual incomes up to 133% of the Federal Poverty Level.</td>
<td></td>
</tr>
</tbody>
</table>
## DHCS Mental Health and Substance Use Disorder Services Comparison

<table>
<thead>
<tr>
<th>Administration/Funding</th>
<th>Specialty Mental Health Services Expansion</th>
<th>Mental Health Services Expansion</th>
<th>Substance Use Disorder Services Expansion</th>
</tr>
</thead>
<tbody>
<tr>
<td>County Mental Health Plan</td>
<td>State FFS and Managed Care Plans</td>
<td>County Alcohol and Substance Use Departments/ Medi-Cal/County Realignment dollars</td>
<td></td>
</tr>
<tr>
<td>1915(b) Waiver Amendment</td>
<td>SPA 13-008 and 1115 Waiver Amendment</td>
<td>SPA 13-038</td>
<td></td>
</tr>
<tr>
<td>All Medi-Cal beneficiaries (includes expansion population) are enrolled in the SMHS waiver and have access to waiver services if they meet medical necessity conditions. The conditions include specific: (1) Diagnoses, (2) Impairment and (3) Intervention criteria</td>
<td>All Medi-Cal beneficiaries effective January 1, 2014 (includes adults and expansion population)</td>
<td>All Medi-Cal beneficiaries effective January 1, 2014 (Includes adults and expansion population)</td>
<td></td>
</tr>
</tbody>
</table>

*Referral mechanisms are being developed.*

### Example of Services

1) Rehabilitative mental health services, 2) Psychiatric inpatient hospital services; 3) Targeted case management services; 4) Early and Periodic Screening, Diagnosis and Treatment supplemental specialty mental health services

1) Screening and brief intervention; 2) Individual and group mental health evaluation and treatment (counseling); 3) psychological testing when clinically indicated to evaluate a mental health condition; 4) outpatient services for the purposes of monitoring drug therapy; 5) outpatient laboratory, drugs, supplies and supplements; 6) psychiatric consultation

1) Intensive outpatient treatment services; 2) residential treatment services; 3) voluntary inpatient detoxification
Tribal Health Programs Uncompensated Care Waiver Amendment Update

- Amendment to the State’s existing Section 1115 Bridge to Reform that allows DHCS to make uncompensated care payments for services to tribal health programs operating under the Indian Self-Determination and Education Assistance Act for IHS eligible American Indians
- Approved by CMS on April 15, 2013 and ends December 31, 2013
- Payment are made for services provided to uninsured individuals Over Age 19 who are not eligible for Medi-Cal; are not eligible for county LIHP due to income level, cap on LIHP income limit, or no LIHP existing in the county; have incomes below 133% Federal Poverty Level
- Payment for services to Medi-Cal beneficiaries are limited to optional services eliminated from the state plan
- DHCS provides uncompensated care payments to tribal health programs using the Indian Health Service (IHS) encounter rate for
  - Medi-Cal state plan primary care services
  - Optional services eliminated from the state plan for Medi-Cal enrollees (adult dental, psychology, behavioral health, optometry, and podiatry)
- Terms and conditions for California Rural Indian Health Board participation is contained in 1115 Waiver documents and allows for quarterly invoicing
  - To date 1 invoice has been received for 1st quarter (April-June 2013)
  - Invoice total: $68,970
  - Encounters: Uninsured- 4, Medi-Cal Beneficiaries – 205
Other DHCS Activities
Indian Health Program (IHP)

• IHP administers the American Indian Infant Health Initiative (AIIHI)
  — AIIHI is a home visitation support services and basic health care instruction to high-risk pregnant and parenting American Indian families. It provides interventions aimed at reducing infant mortality and teen pregnancy as well as facilitating early entry into prenatal care
  — Administered in five counties (Humboldt, Riverside, San Bernardino, Sacramento, and San Diego) where State data revealed the highest rates of poor Indian Maternal, Child Health outcomes
  — Funding: $628,000, Federal Title V

• IHP manages a Tribal Emergency Preparedness program via an inter-agency agreement with the CDPH-Emergency Preparedness Office
  — Provides free technical assistance to Indian health program regarding emergency preparedness activities including the development of Emergency Operations Plan, and/or receiving aid in initiating or developing a partnership or collaboration with local organizations
  — IHP program consultants will meet with tribal communities and tribal leaders to conduct emergency preparedness presentations, demonstrate use of family emergency kits, and provide recommendations regarding community level emergency preparation
  — For more information on requesting technical assistance please visit: http://www.dhcs.ca.gov/services/rural/Pages/IHPEPTechnicalAssistance.aspx
  — Funding: $192,000, Federal Hospital Preparedness Program

• IHP also facilitates DHCS’ compliance with federal tribal and designee notification requirements

• Youth Residential Treatment Center (YRTC) Update: DHCS will begin enrollment of YRTCs in October 2013; process will allow Indian health programs to directly refer IHS eligible youth to 1 of 4 possible YRTCs (Arizona, Nevada, New Mexico, and Washington); Medi-Cal Managed Care enrollment and referral protocols are under development; DHCS is collaborating IHS-California Area Office
Advisory Process

• Designees:
  – DHCS sent letters request appointment of Indian Health Program Designees on August 19, 2013
  – 7 of 42 Indian health clinics have updated their designees to date
  – Designee responses are due by September 20, 2013
  – In the absence of a designee, DHCS directs communications to the clinic Executive Director

• Tribal Chairpersons:
  – DHCS completed an update of all Tribal Chairperson in March 2013

• DHCS conference call scheduled on September 20, 2013 regarding two proposed changes to the medical program. Call in: 1-800-369-1972 Pass phrase: “DHCS”
  – Alternative Benefit Plan (SPA 13-035)
  – Specialty Mental Health Services Waiver Amendment

• DHCS is in the process of scheduling next annual meeting for February 2014
Telehealth Webinar

• Provider Training Seminars and Webinars offer basic and advanced billing courses for all provider types
• DHCS will host a Telehealth Billing webinar open to all Medi-Cal providers on **Thursday, September 26, 2013 from 10:00 to 11:00 am PDT**. During the webinar providers will be guided in completing accurate claims for timely payment by:
  – Defining billable telehealth services
  – Explaining how to fill out claims for telehealth services
  – Providing examples of claims for services provided via telehealth
  – Listing HCPCS and CPT-4 codes used for telehealth billing
  – Sharing the updated telehealth section of the provider manual
  – Answering questions
• Webinars are available online upon registration at [https://learn.medi-cal.ca.gov/](https://learn.medi-cal.ca.gov/)
• More information can be obtained by calling the Telephone Service Center (TSC) at 1-800-541-5555
Adult Dental Issues

• Department of Developmental Services (DDS) regional center consumers are eligible for optional adult dental services
  – Restored January 2012 - Memorandum of Agreement between DHCS and DDS
  – Regional center consumers’ receipt of dental services utilizing Denti-Cal infrastructure
  – Revised instructions concerning enrollment and billing will be released October 2014

• All Adult Dental Services
  – Expansion and current Medi-Cal population - May 2014

• Ninth Circuit Ruling
  – FQHCs/RHCs
Upcoming Coding Changes

- Health Insurance Portability and Accountability Act (HIPAA) mandated the standardization of administrative code sets and the use of standard service/procedure code sets. The code conversion is effective January 1, 2014.
- DHCS will remove local billing codes (e.g. 01, 03). Additionally DHCS will require clinics to include Current Procedural Terminology (CPT)/Current Dental Terminology (CDT) codes when submitting UB04 claims. The addition of the CPT/CDT codes will identify specific services provided by the clinics.
- Information concerning the HIPAA conversion may visit: [http://files.medicalex.ca.gov/pubsdoco/hipaa/hipaacorrelations_home.asp](http://files.medicalex.ca.gov/pubsdoco/hipaa/hipaacorrelations_home.asp)
- DHCS proposes to include CPT/CDT Codes on claims submitted on UB 04 effective January 1, 2014.
- ICD-9 code sets used to report medical diagnoses and inpatient procedures will be replaced by the ICD-10 codes for services provided on or after October 1, 2014. Everyone covered by HIPAA must be ICD-10 compliant starting October 1, 2014.
  - National Association of Rural Health Clinics organized a presentation on September 27, 2013 at 2 pm eastern time. The presentation titled “ICD-10 Documentation Requirements” will be presented by Dr. Joe Nichols.
    - The call-in number for this call is: 800-779-3177. The access code is: 7614483
    - If you would like to submit a question ahead of time, please send it to: info@narhc.org and put “RHC TA Question” in the subject line.
J-1 Visa Waiver Program

• Enables foreign medical graduates (FMGs) to waive the required two-year residence in their home country and remain in the United States upon completion of their medical education program in exchange for working three years in a federally designated shortage area.

• Recommends 30 visa waivers annually- (Fiscal year begins October, 1)

• Prioritize applications from primary care physicians who are prepared to work in shortage areas. If the 30 slots are not used by July of each year, specialist applications are accepted.

• For more information please go to:
  – http://www.dhcs.ca.gov/services/rural/Pages/J-1VisaWaiver.aspx
Question & Answers

State Plan Amendment (SPA) 13-008 Amended Notice – Outpatient Mental Health Service Expansion

1. Are Licensed Clinical Social Workers (LCSWs) covered under this SPA?
   **DHCS Response:** Yes, LCSWs will be able to provide these services.

2. Is this a change in direction from the current two-visit limit for psychology services?
   **DHCS Response:** Yes, currently psychology services are limited to two visits per month or in combination with other services (acupuncture, chiropractic, occupational therapy, podiatry, speech and audiology). Effective January 1, 2014, medically necessary psychology services will be available to all Medi-Cal beneficiaries and the two-visit limit will not apply.

3. Will there be a limitation on the number of visits allowed per month?
   **DHCS Response:** There will not be a limitation on the number of psychology visits allowed. Services will be provided as medically necessary.

4. What is the timeframe for this change?
   **DHCS Response:** January 1, 2014

5. Will this service be a carve-out from Medi-Cal managed care or would these services go through Centene and Anthem Blue Cross?
   **DHCS Response:** No, this service will not be a carve-out from managed care. Services will be provided by the Medi-Cal managed care plans.

6. Can you discuss a little more about what is meant by “without limitations?” what does that mean exactly?
   **DHCS Response:** See DHCS Response to Question 3 above.

Medi-Cal Managed Care Outpatient Mental Health Service Expansion Waiver Amendment

1. Do mental health services include reimbursement for care by a Licensed Clinical Social Worker (LCSW)?
   **DHCS Response:** LCSWs will be able to provide and be reimbursed for these services.

2. Is reimbursement to Marriage and Family Therapists (MFTs) and Substance Abuse Counselors included in the expanded Mental Health Benefit coverage?
   **DHCS Response:** DHCS is currently evaluating whether this will apply to other providers such as MFTs.

3. DHCS acknowledges receipt of letter via email from Mathiesen Memorial Health Clinic in strong support of this waiver amendment.
   **DHCS Response:** Thank you for your letter of support.

Questions and comments on proposed changes to the Medi-Cal program can be found at: [http://www.dhcs.ca.gov/services/rural/Pages/Tribal_Notifications.aspx](http://www.dhcs.ca.gov/services/rural/Pages/Tribal_Notifications.aspx)