



# Financial Solvency Standards Board

May 27, 2021



# Medi-Cal Rx Update



# Helpful Information and Resources

**DHCS encourages all stakeholders to STAY INFORMED!**

- Sign up for [Medi-Cal Rx subscription service](#), to receive Medi-Cal Rx updates in near real-time by email.
- The dedicated Medi-Cal Rx secure web portal has launched the registration page for Medi-Cal provider access, including, but not limited to, physician prescribers and pharmacies.
  - <https://medi-calrx.dhcs.ca.gov/home/>
- For detailed registration and training instructions, access the *Medi-Cal Rx Web Portal and Training Registration* article located on the Pharmacy News Page
  - <https://medi-calrx.dhcs.ca.gov/provider/pharmacy-news>
- For more information about Medi-Cal Rx, please visit DHCS' dedicated Medi-Cal Rx transition website: [Medi-Cal Rx: Transition](#)
- DHCS invites stakeholders to submit questions and/or comments regarding Medi-Cal Rx via email to [RxCarveOut@dhcs.ca.gov](mailto:RxCarveOut@dhcs.ca.gov)



# Telehealth



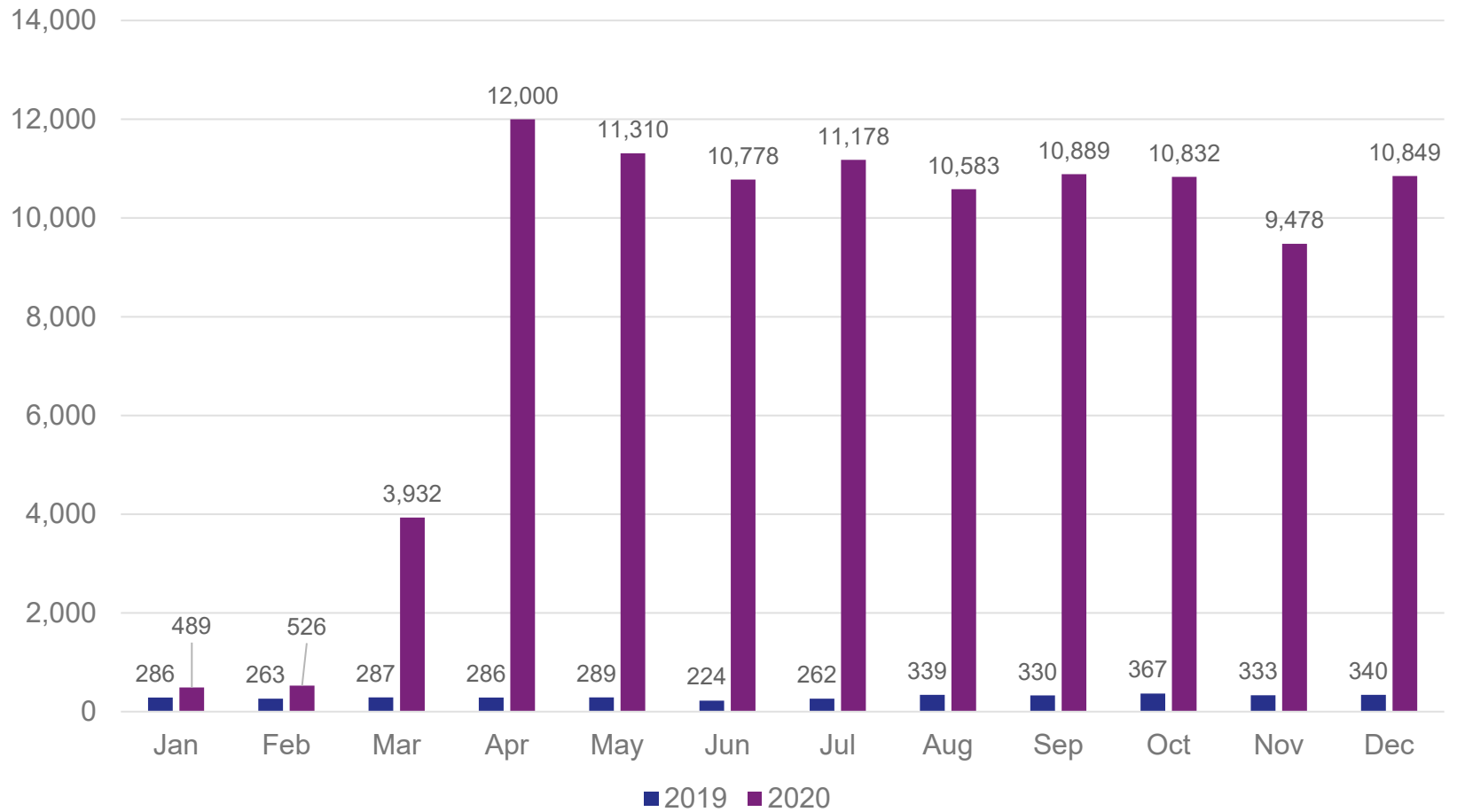
# Telehealth Brief History

- **Pre-COVID Telehealth Policy**
  - Medi-Cal's telehealth policy was originally established pursuant to Assembly Bill 415, known as the Telehealth Advancement Act of 2011.
  - In 2019 DHCS, following extensive stakeholder engagement and public comment, introduced revised telehealth policy which afforded substantial flexibility to licensed providers to make clinically appropriate decisions regarding the use of synchronous and asynchronous telehealth modalities across both fee-for-service (FFS) and managed care.
- **Temporary COVID-19 PHE flexibilities:**
  - Expand the ability for providers to render all applicable Medi-Cal services that could be appropriately provided by via telehealth modalities – including those historically not identified or regularly provided via telehealth such as home and community-based services, Local Education Agency (LEA) and Targeted Case Management (TCM) services.
  - Allow most telehealth modalities to be provided for new and established patients.
  - Allow many covered services to be provided telephonic/audio only services for the first time.
  - Allow payment parity between in-person, synchronous telehealth, and telephonic services including FQHC/RHCs in both FFS and managed care.
  - Waive site limitations for both providers and patients for FQHC/RHCs.
  - Allow expanded access to good-faith provision of telehealth through non-public technology platforms that would otherwise not be allowed under HIPAA requirements.



# Telehealth Visits

Per 100,000 beneficiaries



Preliminary Data as of 01/2021



# Pathway Forward

Post COVID-19, DHCS is recommending broad changes to allow the continuation of additional Medi-Cal covered benefits and services to be provided via telehealth modalities.

- Approach is both reasonable and balanced to ensure equity in availability of modalities across the delivery systems while protecting the integrity of the Medi-Cal program.
- Use of the various telehealth modalities continue to provide beneficiaries with increased access to critically needed subspecialties and could improve access to culturally appropriate care.
- Ensure adherence to HIPAA Privacy Rule for appropriate uses and disclosures of information.



# Telehealth Recommendations

- Allow specified FQHC and RHC providers to establish a new patient, located within its federal designated service area, through synchronous telehealth and make permanent the removal of the site limitation.
- Expand synchronous and asynchronous telehealth services to 1915(c) waivers, the TCM Program and the LEA Medi-Cal Billing Option Program (LEA BOP) and add synchronous telehealth and telephone services to Drug Medi-Cal.
- Require payment parity between in-person, face-to-face visits and synchronous telehealth modalities, when those services meet all of the associated requirements of the underlying billing code(s), including for FQHC/RHCs.
  - Payment parity is required in both FFS and managed care delivery systems, unless plan and network provider mutually agree to another reimbursement methodology.





# Telehealth Recommendations (cont.)

- Expands the use of clinically appropriate telephonic/audio-only, other virtual communication and remote patient monitoring for established patients only.
  - These modalities would be subject to a separate fee schedule and not billable by FQHC/RHCs.
- Provides that the TCM Program and the LEA BOP will follow traditional certified public expenditure (CPE) cost-based reimbursement methodology when rendering services via applicable telehealth modalities.



# Telehealth Recommendations May Revise Updates

- Require DHCS to establish a separate fee schedule for applicable health care services provided via telephonic (audio-only) modality at 65 percent of the applicable Medi-Cal rate for services delivered via in-person face-to-face contact.
- Require a telephonic (audio-only) visit for FQHCs/RHCs to be reimbursed at a rate determined by DHCS that is comparable to the separate fee schedule rates developed in the Medi-Cal program in lieu of the PPS rate (W&I Code Section 14132.100(g)(5)(B)).
- Establish utilization management protocols for the telephonic/audio-only modality that may include, but not limited to, developing appropriate ratios of such visits to that of in-person face-to-face visits, per day, by provider, daily limits, and other standards deemed appropriate by DHCS



# DHCS Next Steps

- **Advancing Trailer Bill Language (TBL):** The TBL, with an effective date of July 1, 2021, which includes the following:
  - Add virtual communication, telephonic/audio-only and RPM as allowable modalities under Medi-Cal
  - Allow DMC providers to deliver all allowable SUD services via synchronous and telephonic/audio only modalities
  - Expand the definition of a FQHC and RHC visit to include synchronous interaction and include the ability of these providers to establish patients through synchronous telehealth.
  - Use of telehealth to meet network adequacy standards in Medi-Cal managed care health plans, County mental health plans, dental managed care plans and DMC-ODS
  - Revise Alternate Access Standards submission and review process and to postpone the network adequacy sunset provision until 2026



# DHCS Next Steps (cont.)

- **Submission of State Plan Amendments (SPAs):** as necessary, submit any needed SPAs for necessary federal approvals, with an effective date of July 1, 2021.
- **Submission of 1915(c) Home and Community Based Services (HCBS) Waivers:** will amend existing 1915(c) HCBS waivers, with an effective date of July 1, 2021, to allow for telehealth and other virtual communication modalities and amendment waiver contracts, as necessary.
- **Promulgating CA Regulations:**
  - TCM
  - SMH
  - DMC



# DHCS Next Steps (cont.)

- **Developing and Issuing Policy Guidance:** Through calendar year 2021, develop and issue clear policy guidance for Medi-Cal providers across delivery systems.
  - Updates to various sections of the Medi-Cal Provider Manual and other policy/procedure documents.
  - Creation of new and amendments to existing provider and patient education materials.
  - Execution of contract amendments, as appropriate across various delivery systems
- **Initiating Stakeholder Engagement**
  - Consult with SMEs and interested stakeholders on utilization management protocols developed for all telehealth services prior to the implementation of post-pandemic telehealth modalities



# COVID-19 Response



# Continuous Medi-Cal Coverage Through the Public Health Emergency

- To ensure Californians continued to receive Medi-Cal health coverage during the public health emergency (PHE), per Executive Orders N-29-20 and N-71-20, DHCS issued guidance directing counties to delay the processing of Medi-Cal annual renewals, and to defer discontinuances and negative actions, effective March 16, 2020, through the duration of the PHE.
- Exceptions to the moratorium on discontinuances/negative actions are:
  - voluntary requests for discontinuance,
  - death of a beneficiary, or
  - individuals who move out of state.



# Medi-Cal Reinstatements During COVID-19 Public Health Emergency

- DHCS, working collaboratively with the SAWS and counties, are continually working to identify individuals who have been inadvertently discontinued, and have their eligibility restored each month.
  - The identified cases targeted for restoration take into consideration the legitimate discontinuances that are allowed during the PHE.
  - To date, approximately 131,000 individuals were restored back into coverage since the beginning of the COVID-19 PHE, as a result of the reinstatement effort.
- Beginning with the November 2020 benefit month, DHCS worked with SAWS and Counties to identify in advance any cases slated for discontinuance.
  - ***Due to this early identification effort, individuals scheduled for discontinuance, November 2020 benefit month forward, have been retained in coverage without a break in aid.***





# COVID-19 Uninsured Group

- COVID-19 Uninsured Coverage Group (aka COVID-19 PE):
  - For uninsured individuals
  - Services limited to medically necessary COVID-19 testing, testing-related, treatment services (state only funding) and vaccine administration
  - 12-month enrollment period or end of public health emergency, whichever comes later
- COVID-19 Uninsured Application Pathways:  
All PE Qualified Providers, including:
  - Hospital PE
  - Child Health and Disability Prevention Gateway
  - PE for Pregnant Women
- COVID-19 Uninsured Enrollments as of 4/19/2021: 154,542



# Medi-Cal COVID-19 Update

- On December 22, 2020, CMS issued policy guidance related to the unwinding of the public health emergency (PHE).
- On January 7, 2021, HHS issued a renewal of the PHE for a full 90-day extension through April 20, 2021.
- On April 15, 2021 CMS extended the current PHE declaration and will now be set to expire on July 20, 2021.
- The Biden Administration announced that it intends to renew the PHE throughout 2021, and that HHS will provide states with a 60-day notice prior to the end of the PHE.
- DHCS has started engaging in pre-work with counties, advocates and health plans on the unwinding of the PHE and resumption of Medi-Cal redeterminations.



# COVID-19 Vaccine Administration

## Statewide

**16,127,065 (47.5%)** *People fully vaccinated*  
**4,606,421 (13.6%)** *People partially vaccinated*



**35,414,233 (79.5%)** *Doses administered*  
**252,501** *Average doses per day*



**7,986,086** *Doses on hand*  
**(32 days of inventory)**



**44,529,710** *Doses Delivered*  
**10,088,140** *CDC Pharmacy Doses Delivered*

## Doses Administered by County of Residence

County

(All) ▾



Los Angeles	8,974,188
San Diego	3,194,089
Orange	2,944,938
Santa Clara	2,181,155
Alameda	1,788,363
Riverside	1,735,806
San Bernardino	1,411,712
Contra Costa	1,253,634
Sacramento	1,249,110
San Francisco	1,049,563
San Mateo	875,697
Ventura	785,085
Fresno	712,625
Kern	529,296
Sonoma	525,616
San Joaquin	522,127
Santa Barbara	409,943
Stanislaus	379,907
Solano	372,987
Monterey	372,041

See [Data Dictionary](#) for Details.



# COVID-19 Vaccine Administration (cont.)

- DHCS will pay pharmacy claims at the Medicare administration rate, which is different than Medi-Cal's current pharmacy administration fee.
- The current COVID-19 vaccine administration rate is \$40 for all claims based on the number of required doses, regardless of vaccine manufacturer.
- DHCS has received federal approval to pay Tribal 638 clinics for vaccine administration outside of its All Inclusive Rate, if the visit is with a non-billable provider.
- DHCS is also seeking federal approvals to pay Federally Qualified Health Centers, Rural Health Centers, for the vaccine administration outside of their current Prospective Payment System.



# COVID-19 Vaccine Administration (cont.)

- DHCS has requested, via an 1115 waiver, federal approval to cover vaccine administration for individuals with limited coverage
- DHCS will also be providing call center scripts for DHCS operated call centers, the Medi-Nurse Advice Line and MCP and county partners so all are providing consistent messaging regarding the COVID-19 vaccine roll-out
- DHCS continues to issue guidance on COVID-19 vaccine administration and reimbursement policies on a rolling basis.



# COVID-19 1115 Waiver Updates

- On March 1, 2021 DHCS obtained CMS approval to provide COVID-19 testing for children covered under Medicaid and CHIP exclusively through the fee-for-service (FFS) delivery system when testing occurs in schools
  - The authority would be effective February 1, 2021, through a date that is 60 days after the end of the public health emergency (PHE) (including any renewal of the PHE).
- On April 5, 2021 DHCS received CMS approval for expenditure authority to reimburse for vaccine administration for all covered Medi-Cal populations exclusively through the fee-for-service (FFS) delivery system, and carved out from all managed care contracts
  - The authority for the covered populations would be effective November 2, 2020, through a date that is 60 days after the end of the public health emergency (PHE).
- Still awaiting federal approval on the covered populations for vaccine administration, retroactive to Nov. 2, 2020



# Golden State Grant Program

- Assembly Bill (AB) 88 (Chapter 12, Statutes of 2021) and Senate Bill (SB) 88 (Chapter 8, Statutes of 2021) were signed into law, which authorized the Golden State Stimulus and the Golden State Grant payments.
- The Golden State Stimulus, depending on the recipient's qualifications, provides families with a one-time payment of \$600 or a one-time payment of \$1,200. Payments will be based on the individuals 2020 California tax return and be issued to individuals by the California Franchise Tax Board.
- On April 9, 2021 DHCS submitted a disaster relief SPA to exclude Golden State Supplement and Golden State Grant payments made to qualifying individuals, from being counted as income or resources in the Medi-Cal eligibility determination.



# COVID-19 Resources/Links

- CA COVID-19 webpage: <https://covid19.ca.gov/>
- DHCS COVID-19 webpage: <https://www.dhcs.ca.gov/Pages/DHCS-COVID%E2%80%9119-Response.aspx>
- California Department of Public Health COVID-19 webpage: <https://www.cdph.ca.gov/Programs/CID/DCDC/Pages/Immunization/ncov2019.aspx>
- Centers for Disease Control and Prevention: <https://www.cdc.gov/coronavirus/2019-nCoV/index.html>





***Thank you!***