



AB 1297- Medi-Cal: Mental Health

SUMMARY OF THE BILL

Existing law provides for the Medi-Cal program, administered by the State Department of Health Care Services, under which qualified low-income persons are provided with health care services, including mental health services. This bill would require the standards, guidelines, and reimbursement amounts to be set in accordance with federal Medicaid requirements and the approved Medicaid state plan and waivers. The bill also would require bills for service to be submitted by MHPs within the timeframes required by federal Medicaid requirements and the approved Medicaid state plan and waivers. Existing law requires the State Department of Health Care Services and the State Department of Mental Health to jointly develop a new ratesetting methodology for reimbursements for direct client services that meets specified requirements, including that administrative cost be claimed separately and limited to 15% of the total cost of direct client services. This bill would instead require the development of a ratesetting methodology that conforms with federal Medicaid requirements and the approved Medicaid state plan and waivers.

- For purposes of federal reimbursement, require reimbursement amounts to be consistent with federal Medicaid requirements and approved state plan and waivers. The goal of this provision is to eliminate California’s use of administratively-established Statewide Maximum Allowances (SMAs), and instead, utilize existing federal Medicaid Upper Payment Limits. The current use of SMAs places a ceiling on Mental Health Plans’ abilities to obtain federal reimbursement.
- Clarify that administrative costs should be consistent with federal Medicaid requirements and approved state plan and waivers. Delete the provision in current law limiting administrative costs to 15% of the total cost of direct client services.
- Require claims to be submitted by Mental Health Plans within the timeframes specified in federal Medicaid requirements and approved state plan and waivers. The goal of this provision is to eliminate California’s use of an administratively-established submission deadline of six months for Specialty Medi-Cal Mental Health Managed Care claims. At present, the federal timeframe for Medicaid claims submission is twelve months.

RECOMMENDED ACTION: Support/Oppose Support

REASON FOR RECOMMENDATION/IMPACT TO COUNTY

This purpose of the bill includes ensuring full and timely federal reimbursement to counties for services that are rendered and claimed consistent with federal Medicaid requirements. Move federal Medicaid reimbursement as quickly as possible to support direct mental health services to consumers. Reduce unnecessary state-only requirements that limit federal Medicaid reimbursement.

POSSIBLE SUPPORTERS

County Mental Health Directors Association

POSSIBLE OPPOSITION

COUNTY CONTACT

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