



NOTICE OF GENERAL PUBLIC INTEREST

RELEASE DATE: February 6, 2024

PROPOSED AMENDMENT TO MEDI-CAL HOME AND COMMUNITY BASED SERVICES 1915(i) STATE PLAN FOR THE DEVELOPMENTALLY DISABLED

This notice is to provide information of public interest about a proposed Medi-Cal State Plan Amendment (SPA) by the Department of Health Care Services (DHCS). This amendment proposes to do the following:

- Complete the implementation of the rate reform informed by the DDS 2019 Rate Study subject to continued statutory authority to fully implement on July 1, 2024.

DHCS requests input from beneficiaries, providers, and other interested stakeholders regarding proposed SPA #24-0006. A copy of the proposed SPA #24-0006 is attached.

DHCS administers the Medi-Cal Home and Community Based Services 1915(i) State Plan for the Developmentally Disabled (1915(i) State Plan). Department of Developmental Services (DDS) ensures, under the oversight of DHCS (the State Medicaid agency), that the 1915(i) State Plan is implemented by regional centers in accordance with Medicaid law and the State's approved State Plan. Regional centers coordinate, provide, arrange, or purchase the services and supports available under the 1915(i) State Plan.

Under the Lanterman Developmental Disabilities Services Act (Lanterman Act), Welfare & Institutions (W&I) Code section 4500 et seq., people with developmental disabilities, as defined in W&I Code section 4512(a), are eligible to receive services and supports that meet their individual needs and choices as defined in W&I Code section 4512(b). DDS administers the Lanterman Act.

Pursuant to Welfare and Institutions Code Section 4519.8, the Department of Developmental Services (DDS) submitted a rate study to the Legislature in March 2019. The rate study included proposed rate models and payment methodologies for services. The rate models were developed for specific services that include specific assumptions related to the various costs associated with delivering each service, including direct care worker wages, benefits, and 'productivity' (i.e., billable time); staffing ratios; mileage; facility expenses; and agency program support and administration. The rate study covered services with rates established under the median rate, cost statement, the Alternative Residential Model, as well as rates set in statute or regulation. Information



about the rate study implementation can be found at:

<https://www.dds.ca.gov/rc/vendor-provider/rate-study-implementation/rates-by-regional-center/>

General information about the 1915(i) State Plan can be found at

<https://www.dds.ca.gov/initiatives/hcbs/>

The Medi-Cal Home and Community-Based Services 1915(i) State Plan supplemental benefit package can be viewed at

https://www.dhcs.ca.gov/formsandpubs/laws/Documents/11-041_Attach3.1i_1915i.pdf.

The aggregate fiscal impact of this amendment is estimated to be \$67,200,000 federal funds for federal fiscal year (FFY) 2023-24 and \$268,800,000 in federal funds for FFY 2024-25. The effective date of the proposed SPA is July 1, 2024. All proposed SPAs are subject to approval by the Centers for Medicare and Medicaid Services (CMS).

Public Review and Comments

The proposed changes included in SPA #24-0006 are enclosed in this notice for public comment. DHCS is requesting stakeholder input on the impact, if any, on access to services as a result of the proposed action.

Upon submission to CMS, a copy of proposed SPA #24-0006 will be published at the following internet addresses:

<https://www.dhcs.ca.gov/formsandpubs/laws/Pages/Pending-2023.aspx> and at

<https://www.dds.ca.gov/initiatives/hcbs/>

Copies of the proposed SPA #24-0006 and/or copies of submitted public comments related to SPA #24-0006 can be obtained by sending a written request to the mailing or email address listed below. Please indicate SPA #24-0006 in the subject line or message.

Written comments may be sent to the following address:

Department of Developmental Services

Attn: Jonathan Hill

1215 O Street MS 7-40

Sacramento, CA 95814

Email to: Federal.Programs@dds.ca.gov

To be assured consideration prior to DHCS' submission of the proposed SPA to CMS, comments must be received by DHCS no later than March 7, 2024. Please note that

comments will continue to be accepted after March 7, 2024, but DHCS may not be able to consider those comments prior to the initial submission of SPA #24-0006 to CMS.