

## Reimbursement for American Indian Health Service Programs

As communicated in the Department of Health Care Services (DHCS) All Plan Letter 17-020, released on December 15, 2017, DHCS has changed its policy regarding reimbursement of American Indian Health Service Programs providing services to Medi-Cal members, for dates of service on or after January 1, 2018.

### OVERVIEW

Under federal law, California must ensure that American Indian Health Service Program providers are paid the applicable Office of Management and Budget (OMB) encounter rates published annually in the Federal Register by Indian Health Service. If there is any difference between the amount paid by a managed care plan (MCP) and the applicable OMB encounter rate, the state is required to make a supplemental payment pursuant to Title 42 of the United States Code (USC) Section 1396u-2(h)(2)(C)(ii) and Title 42 of the Code of Federal Regulations (CFR) Sections 438.14(c)(2) and (3).

Effective January 1, 2018, Health Net Community Solutions, Inc. (Health Net), on behalf of CalViva Health, is required to reimburse American Indian Health Service Program providers for eligible services provided on or after January 1, 2018, at the applicable OMB encounter rate.

### INDIAN HEALTH SERVICE OMB REIMBURSEMENT RATES

The OMB all-inclusive rates are published annually and are effective on a calendar year basis. The comprehensive list of Indian Health Service OMB reimbursement rates for 2018 is available in Federal Register Vol. 83, No.4, January 5, 2018, on page 682, available online at [www.gpo.gov/fdsys/pkg/FR-2018-01-05/content-detail.html](http://www.gpo.gov/fdsys/pkg/FR-2018-01-05/content-detail.html).

Where the OMB rate applies, Health Net will reimburse Indian Health Service Program providers as follows:

- For Medi-Cal members who do not have Medicare coverage or have Medicare Part A coverage only, reimbursement for providers identified by DHCS will be at the outpatient encounter rate of \$427 for eligible services received on or after January 1, 2018.
- For Medi-Cal members who have full Medicare coverage or have Medicare Part B only, reimbursement to providers identified by DHCS will be at the outpatient encounter rate of \$287.72 for eligible services received on or after January 1, 2018.
- Health Net ensures any retroactive outpatient per-visit rates are appropriately reimbursed to program providers.

THIS UPDATE APPLIES TO  
MEDI-CAL PROVIDERS:

- Participating Physician Groups
- Hospitals
- Ancillary Providers

### PROVIDER SERVICES

1-888-893-1569

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## **AFFECTED PROVIDERS**

A complete list of American Indian Health Service Program providers identified by DHCS is available at [www.dhcs.ca.gov/formsandpubs/Documents/MMCDAPLsandPolicyLetters/APL2017/APL17-020\\_Att1.pdf](http://www.dhcs.ca.gov/formsandpubs/Documents/MMCDAPLsandPolicyLetters/APL2017/APL17-020_Att1.pdf). Participating physician groups (PPGs) may reference this list to identify providers who should be reimbursed at the 2018 OMB rates, and identify those who require retroactive outpatient per-visit rate reimbursement.

## **REIMBURSEMENT FOR RATE INCREASE**

Health Net, on behalf of CalViva Health, will run reports on a monthly basis to identify services rendered by Indian Health Service Program providers and reimburse the difference between the payments made by PPGs and the OMB rate directly to Indian Health Service Program providers. No changes are required to current processes for Health Net PPGs; however, PPGs must ensure that the National Provider Identifier (NPI) is included on the 837 claim forms so the payment adjustment can be made to the appropriate Indian Health Service Program providers.

## **ADDITIONAL INFORMATION**

Providers are encouraged to access the provider portal online at [provider.healthnet.com](http://provider.healthnet.com) for real-time information, including eligibility verification, claims status, prior authorization status, plan summaries, and more.

If you have questions regarding the information contained in this update, contact CalViva Health at 1-888-893-1569.