

# California Requests Federal Government Waiver to Cover Medi-Cal Recipients and Expand Tele-Health Options

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*California asks for federal 1135 waiver to provide care to 13 million Medi-Cal recipients*

SACRAMENTO – Governor Gavin Newsom today announced that the state has asked federal officials to make it easier for California to quickly and effectively provide care to about 13 million Medi-Cal beneficiaries as California works to protect the public from COVID-19.

“To get Californians the care they need during this crisis, we need to change how that care is delivered and communicated,” said Governor Newsom. “By expanding our telehealth options we’re minimizing disruption to our health care system to prioritize care for those who need it most, while providing easier, more accessible options for other Californians seeking care.”

The [federal request](#) would ease certain federal rules governing doctors and other health care providers who treat people covered through Medi-Cal, California’s version of Medicaid. It also would loosen rules regarding the use of telehealth and where care can be provided, making it easier to protect seniors and other populations at high risk for harm if exposed to the virus.

The DHCS letter to the Centers for Medicare & Medicaid Services asked that the rules be waived under Section 1135 of the Social Security Act. President Donald Trump on March 13 declared a national emergency over COVID-19, which allowed DHCS to seek the waiver.

DHCS also filed five “Appendix K” waiver requests over the weekend of March 14-15 to ease rules regarding home- and community-based care for certain Medi-Cal beneficiaries. The Department may seek additional waivers if the evolving situation shows they would help to improve care delivery and protect the public.

Here are some of the specific changes DHCS requested under the 1135 waiver:

- Streamlined enrollment for health care providers, making it easier to meet the increased need for services and ensure they can be paid.
- Flexibility allowing providers to be paid for services at a quarantine site or other location where Medi-Cal care isn’t usually offered.
- Flexibility for telehealth and virtual communications to make it easier for providers to care for people in their homes. Specifically, flexibility to allow telehealth and virtual/telephonic communications for covered State plan benefits, including but not limited to, behavioral health treatment services, waiver of face-to-face encounter requirements for Federally Qualified Health Centers, Rural Health Clinics, and Tribal Health Clinics relative to covered services via telehealth, allowance for reimbursement of virtual communication and e-consults for FQHCs, RHCs, Tribal 638 clinics and waiver of limitations around virtual/telephonic communications prior to or after an in office visit.
- Easing rules requiring prior authorization for certain services linked to COVID-19, as well as waiving various utilization controls on covered services.
- Permission to reimburse for “off-label” use of safe and effective medications that have shown promise in treating COVID-19, even if the normally required documentation of that use has not yet been published.
- Waiving the requirement for a three-day prior hospitalization for coverage of a skilled nursing facility stay to maximize hospital capacity.
- Changes to allow telephonic or live video interactions for individual with development disabilities.
- Recognition that COVID-19 testing and any medically necessary follow-up care should be considered as “emergency services” even if they do not occur in a hospital emergency room. These services would be free of cost to all Medi-Cal beneficiaries, even the small percentage who are in income places them in a group that normally must pay a share of cost.
- Expenditure authority related to temporary housing for homeless, as necessary for quarantining, isolating, or treating individuals who test positive for COVID-19 or who have had a high-risk exposure and are thought to be in the incubation period.
- Expanding presumptive eligibility to people who are over 65 or disabled, allowing hospitals to quickly enroll them into Medi-Cal coverage.

DHCS has requested that most of the changes be made retroactive to January 27, 2020, when the public health emergency declared by U.S. Health and Human Services Secretary Alex Azar took effect.

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