

Medi-Cal Coverage of Traditional Health Care Practices CMS ITU Training Webinar

Presenter

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Today's Agenda

- » **Traditional Health Care Practices Background**
- » **Traditional Health Care Practices Benefits Overview**
- » **Next Steps**

Traditional Health Care Practices

Background

Traditional Health Care Practices Overview

- » Beginning in 2017, DHCS sought approval from federal partners at the Centers for Medicare and Medicaid Services (CMS) **to cover traditional health care practices under the Drug Medi-Cal Organized Delivery System (DMC-ODS).**
 - The purpose of these requests was to provide culturally appropriate options and improve access to Substance Use Disorder (SUD) treatment for American Indians and Alaska Natives (AI/AN) receiving SUD treatment services through Indian Health Care Providers (IHCPs).
- » **In October 2024, CMS approved Medicaid coverage of Traditional Health Care Practices** in four states (CA, AZ, OR, NM) with a standard framework through Section 1115 waivers. California's coverage is authorized through **December 31, 2026**, unless extended or amended.
 - Traditional health care practices in Medi-Cal will initially be covered for Medicaid and CHIP members through the DMC-ODS only. **California will explore the option to expand to other populations and/or delivery systems in the future.**

Importance of Traditional Health Care Practices

» Western mental health focuses on the individual as the locus of illness, while for American Indian/Alaska Native (AI/AN) individuals, mental illness is just a symptom of a whole community that is suffering from its own history of oppression and violence.

» Research shows that AI/AN who meet criteria for depression/anxiety or substance use disorder are significantly more likely to seek help from traditional/spiritual healers than from other sources.

❖ **723,225** AI/ANs live in California

❖ **55,302** Medi-Cal enrollees who self-identify as AI/AN

Importance of Traditional Health Care Practices

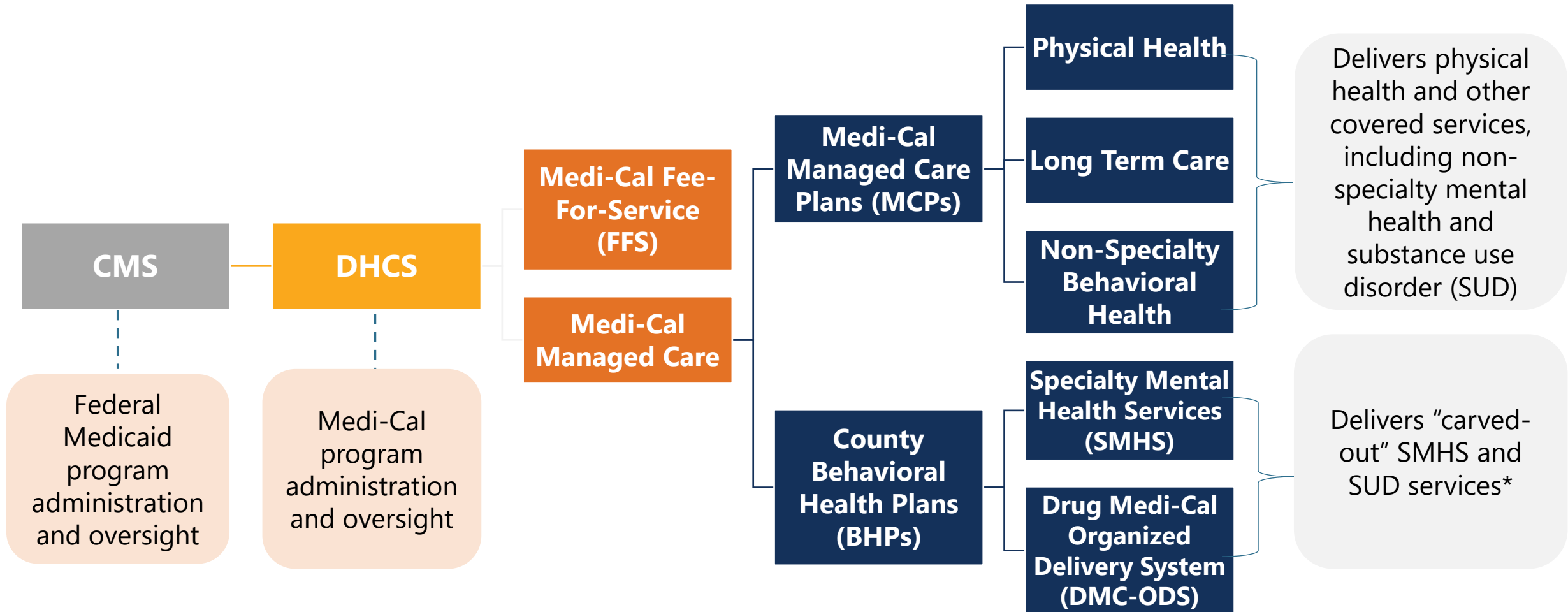
- » "Today's approval is an important first step in ensuring these life-saving services are made available to Tribal people across the state as they begin their healing journey." **Jesus Tarango, Tribal Chairman of Wilton Rancheria**
- » "In reimbursing these services, California is not creating new services. It's the state and federal government acknowledging that Indian country has resources and tools to heal ourselves." **Virginia Hedrick, Director of the California Consortium for Urban Indian Health**
- » "The inclusion of traditional healers and natural helpers in Medi-Cal is a pivotal moment, marking a significant step forward in honoring and preserving Native cultures. This initiative recognizes the value of our ancestral knowledge and ensures holistic care is accessible to those who need it most." **Clayton Dumont (The Klamath Tribes), Chief Operating Officer at Friendship House**

California's Approach

DHCS received approval from CMS to implement state-specific terms to meet the needs of Medi-Cal members.

- » **Eligible Members:** DHCS will make these services available to Medi-Cal and CHIP members receiving care delivered by Indian Health Care Providers (IHCPs) and covered by DMC-ODS counties to promote treatment of SUDs.
- » **Counties:** All DMC-ODS counties will be required to cover Traditional Healer and Natural Helper services. As of January 2025, there are 40 DMC-ODS counties; approximately 96 percent of California's Medi-Cal population are covered within these counties.

Medi-Cal BH Coverage



**As of March 2025, 40 California counties operate a DMC-ODS managed care plan and cover an expanded set of SUD services; the remaining counties cover a more limited set of Drug Medi-Cal benefits and that coverage is outside of managed care.*

Covered DMC-ODS Services

DMC Standard Program

- Outpatient treatment
- Intensive outpatient treatment
- Medications for Addiction Treatment (MAT)
- Narcotic Treatment Program Services
- Residential SUD services for youth under 21 and perinatal women only (limited to facilities with 16 beds or fewer)
- Mobile Crisis
- Medi-Cal Peer Support Services (optional)
- Independent Placement and Support Model of Supported Employment (optional, beginning 2025)
- Enhanced Community Health Worker Services (optional, beginning 2025)



DMC-ODS Program

- Multiple levels of residential SUD treatment (not limited to youth, perinatal women or to facilities with < 16 beds)
- Withdrawal management (at least one ASAM level)
- Recovery services
- Care coordination (Case management)
- Clinician consultation
- Partial hospitalization (optional)
- Inpatient Treatment/Withdrawal Management (optional)
- Contingency Management (optional)
- **Traditional health care practices**

DMC-ODS Counties

- » Alameda
- » Contra Costa
- » El Dorado
- » Fresno
- » Humboldt*
- » Imperial
- » Kern
- » Lake
- » Lassen*
- » Los Angeles
- » Marin
- » Mariposa
- » Mendocino*
- » Merced
- » Modoc*
- » Monterey
- » Napa
- » Nevada
- » Orange
- » Placer
- » Riverside
- » Sacramento
- » San Benito
- » San Bernadino
- » San Diego
- » San Francisco
- » San Joaquin
- » San Luis Obispo
- » San Mateo
- » Santa Barbara
- » Santa Clara
- » Santa Cruz
- » Shasta*
- » Siskiyou*
- » Solano*
- » Sonoma
- » Stanislaus
- » Tulare
- » Ventura
- » Yolo

**These counties offer DMC-ODS services through a regional, multi-county model. Partnership Health Plan administers covered SUD services on behalf of the seven counties.*

Timeline

2017-2021

DHCS requests
authority to
cover traditional
health care
practices under
DMC-ODS

October 16, 2024

CMS approves
coverage of
traditional health
care practices
through Medi-Cal

**March
21,
2025**

DHCS
releases
BHIN

**Summer
2024**

Policy
development
and
consultation

January 2025

DHCS releases
draft policy
guidance for
Tribes, Tribal
partners, and
the public for
comments

2025-2026

Ongoing
technical
assistance
for IHCPs
and DMC-
ODS
Counties

Traditional Health Care Practices

Benefits Overview

Defining Terms

- » **"Traditional health care practices"** is the term used by the Centers for Medicare & Medicaid services in the approval of services that are delivered by or through Indian Health Service facilities, Tribal facilities, or Urban Indian Organization facilities (collectively referred to as **Indian Health Care Providers, or IHCPs**).
- » In California, traditional health care practices encompasses **Traditional Healer** and **Natural Helper** services, provided by Traditional Healers and Natural Helpers.

Overview of IHCPs

There are an array of Indian Health Care Providers (IHCPs) within California offering health care services to meet the needs of diverse populations with varying needs.

In California, there are:

57 Indian Health Service Memorandum of Agreement (IHS-MOA) 638 clinics

Butte, Colusa, Del Norte, Fresno, Humboldt, Imperial, Kings, Lassen, Madera, Mendocino, Modoc, Plumas, Riverside, San Bernardino, San Diego, Shasta, Siskiyou, Sutter, Tehama

72 Tribal Federally Qualified Health Centers (FQHCs)

Amador, Butte, Calaveras, El Dorado, Glen, Humboldt, Inyo, Lake, Mariposa, Modoc, Mono, Nevada, Placer, Riverside, San Bernardino, San Diego, Santa Barbara, Shasta, Sonoma, Tehama, Tuolumne, Yolo

Of the 17 enrolled UIOs, 15 are FQHCs and 2 are not FQHCs.

17 Urban Indian Organizations (UIOs)

Alameda, Fresno, Los Angeles, Sacramento, San Francisco, San Diego, Santa Barbara, Santa Clara

2 IHS Youth Regional Treatment Centers

Yolo, Riverside

Practitioner Descriptions

DHCS partnered with Tribes and Tribal partners to develop practitioner descriptions of Traditional Healers and Natural Helpers. These descriptions are designed as a framework for reference and to encourage a shared understanding among IHCPs and DMC-ODS counties.

Practitioner Descriptions

- » A *Traditional Healer* is a person currently recognized as a spiritual **leader in good standing with a Native American Tribe, Nation, Band, Rancheria, or a Native community, and with two years of experience** as a recognized Native American spiritual leader practicing in a setting recognized by a Native American Tribe, Nation, Band, Rancheria, or Native Community who is contracted or employed by the IHCP. A Traditional Healer is a person **with knowledge, skills and practices based on the theories, beliefs, and experiences which are accepted by that Indian community as handed down through the generations** and which can be established through the collective knowledge of the elders of that Indian community.
- » A *Natural Helper* is a **health advisor**, contracted or employed by the IHCP, who seeks to deliver **health, recovery, and social supports** in the context of Tribal cultures. A Natural Helper could be a spiritual leader, elected official, paraprofessional or other individual who is a trusted member of a Native American Tribe, Nation, Band, Rancheria, or a Native community.

Service Descriptions

DHCS partnered with Tribes and Tribal partners to develop service descriptions of traditional healer and natural helper services. Individual IHCPs may identify and offer a variety of culturally specific practices; the below descriptions are not intended to be exhaustive.

Service Descriptions

Individual IHCPs may identify and offer a variety of culturally specific practices; the below descriptions are not intended to be exhaustive.

- » Traditional Healers may use an **array of interventions including, music therapy (such as traditional music and songs, dancing, drumming), spirituality (such as ceremonies, rituals, herbal remedies) and other integrative approaches.**
- » Natural Helpers may assist with **navigational support, psychosocial skill building, self-management, and trauma support** to individuals that restore the health of eligible Medi-Cal members.

Member Eligibility

» **Traditional health care practices are covered for Medi-Cal members who:**

1. Are enrolled in Medi-Cal or CHIP in a DMC-ODS County;
2. Are able to receive services delivered by or through an IHCP, as determined by the facility; and
3. Meet DMC-ODS access criteria.
 - Members enrolled in Medi-Cal in a DMC-ODS county must meet existing DMC-ODS access criteria detailed in [BHIN 24-001](#) or subsequent guidance to be eligible to receive traditional health care practices.

Participating IHCP Requirements

Medi-Cal Enrollment and Certifications

IHCPs that bill Medi-Cal for traditional health care practices are required to enroll as Medi-Cal providers. If the IHCP is providing DMC-ODS services beyond traditional health care practices, they must also become DMC certified.

IHCP DMC Certification Requirements Based on Services Offered	
Medi-Cal Services Offered	Drug Medi-Cal (DMC) Certification
Only traditional health care practices (and no other DMC-ODS services)	Not required
Traditional health care practices and other DMC-ODS services	Required

Medications for Addiction Treatment (MAT) services do not require DMC certification or participation in the DMC-ODS.

Alcohol and Other Drug: (AOD) Certification: Consistent with federal law*, Indian Health Care Providers enrolled as Medi-Cal providers are **not** required to obtain DHCS' certification for Alcohol and Other Drug (AOD) programs if they meet all applicable standards.

*See U.S. Code, title 25, section 1647a.

Practitioner Qualifications

- » Participating IHCPs are required to **establish methods for determining whether employees or contractors are qualified to provide traditional health care practices.**
- » Participating IHCPs must **determine and document** (available to DHCS upon request), that each practitioner, provider, or staff member employed or contracted with the facility to provide traditional health care practices is:
 - Qualified to provide traditional health care practices to the IHCP's patients; and
 - Has the necessary experience and appropriate training.
- » IHCPs may only bill Medi-Cal for traditional health care practices furnished only by employees or contractors who are **qualified** to provide them.

Ensuring Access to Continuum of Treatment Services

- » Participating IHCPs must provide, or coordinate with DMC-ODS counties to ensure access to, additional services to promote the **treatment of substance use disorders (SUDs)**, including:
 - Comprehensive **American Society of Addiction Medicine (ASAM)** assessments to identify other SUD treatment needs;
 - **Medications for addiction treatment (MAT)**: services may be offered directly through the IHCP or there must be an effective MAT referral process in place; IHCP must implement and maintain a MAT policy; and
 - **Other DMC-ODS services**, as needed and desired by the member.

Ensuring Access to Continuum of Treatment Services (continued)

- » IHCPs that opt to provide traditional health care practices are required to implement **evidence-based treatment practices** (EBPs).
 - Note: If an EBP(s) does not exist for the population(s) of focus and types of problems or disorders being addressed, but there are culturally adapted practices, Community Defined Evidence Practices, and/or culturally promising practices that are appropriate, the **complementary practices that have been shown to be effective for your population(s) of focus may be used**.*

DMC-ODS Evidenced-Based Treatment Practices (EBPs):

- Motivational Interviewing
- Cognitive-Behavioral Therapy
- Relapse Prevention
- Trauma-Informed Treatment
- Psycho-Education

**This exception applies to IHCPs providing only traditional health care practices and no other DMC-ODS services.*

Service Documentation

- » **IHCPs providing traditional health care practices are required to follow the progress note and problem list documentation requirements in [BHIN 23-068](#).**
 - Individual Traditional Healers or Natural Helpers are not solely responsible for developing or maintaining the member's clinical records. These requirements shall be completed at the organizational (IHCP) level.
 - Other licensed or non-licensed practitioners may complete service documentation on behalf of the Traditional Healer or Natural Helper as needed.

Opt-in Process for IHCPs to Provide Traditional Health Care Practices

IHCP Opt-in Process

IHCPs must opt-in to providing traditional health care practices.

- » **IHCPs shall complete and submit an Opt-In Package to DHCS for approval**, using a DHCS template that includes, but is not limited to:
- **Information for each site** (name, location, National Provider Identifier, contact).
 - **Medi-Cal enrollment status.**
 - **List of services the IHCP will provide** (Traditional Healers/Natural Helpers/DMC-ODS).
 - **An acknowledgment** that IHCPs must obtain DMC certification if they seek to offer DMC-ODS services other than Traditional Healers/ Natural Helpers.
 - **Draft or final policies and procedures.**
 - **An attestation** that the IHCP will provide DHCS, upon request, supporting documentation and records.

IHCP Opt-in Process (continued)

IHCPs must submit draft or final policies and procedures as part of their opt-in submission.

- » **The Opt-In Package submission must include the following policies and procedures:**
 - Practitioner Qualifications;
 - County coordination, connecting members to American Society of Addiction Medicine (ASAM) assessments;
 - Providing members access to medication for addiction treatment (MAT);
 - Access to other DMC-ODS services, as needed; and
 - Implementation of at least two evidence-based treatment practices (EBPs) *or* complementary practices (e.g., Community Defined Evidence Practices).
- » DHCS will provide approval of opt-in packages **no earlier than 10 business days** after submission.

Opt-in and Coordination with DMC-ODS Counties

IHCPs may claim for services back to the date of opt-in submission (as long as DHCS approves the opt-in package).

- » Upon receiving approval from DHCS, IHCPs must share a copy of their opt-in package and DHCS approval letter with the DMC-ODS counties in which they plan to provide services.
 - DHCS will post a list of approved IHCPs on the traditional health care practices webpage.
- » As of April 21, 2025, DHCS has received two opt-in package submissions.

DMC-ODS County Requirements

DMC-ODS County Requirements

DMC-ODS counties must observe differing payment obligations for care provided to American Indian and Alaska Native (AI/AN) and non-AI/AN individuals, per federal requirements outlined in 42 CFR 438.14.

- » **AI/AN Individuals:** DMC-ODS counties must pay IHCPs for claims submitted for the provision of traditional health care practices to eligible AI/AN members whether or not they hold a contract with the IHCP, in accordance with [BHIN 22-053](#).
- » **Non-AI/AN Individuals:** DMC-ODS counties are generally not obligated to pay for services provided to non-AI/AN members by IHCPs that are not contracted with the DMC-ODS county, as outlined in [BHIN 22-053](#).

DMC-ODS County Requirements (continued)

- » DMC-ODS counties must provide **DHCS with the contact information of the DMC-ODS lead for traditional health care practices** so the Department can share this information with IHCPs.
- » Once DHCS has approved an IHCP's opt-in package, **DMC-ODS counties must accept claims retroactive to the day the complete opt-in package was submitted to DHCS.**
- » DMC-ODS counties shall ensure that eligible Medi-Cal members have access to covered DMC-ODS services. This obligation requires **DMC-ODS counties to coordinate access to the following covered services as needed for their Medi-Cal members referred from IHCPs** that provide traditional health care practices:
 - **Comprehensive ASAM assessment** to identify SUD treatment needs;
 - **MAT**; and
 - All other medically necessary **DMC-ODS services** as needed by the member.

Claiming and Payment

Claiming and Payment

- » IHCPs are not required to contract with DMC-ODS counties to receive payment for the provision of traditional health care practices to eligible American Indian/Alaska Native (AI/AN) members.
- » IHCPs are required to hold a contract with DMC-ODS counties to receive payment for the provision of traditional health care practices to non-AI/AN members.

Claiming and Payment (continued)

- » **Submitting claims:** IHCPs shall submit claims for traditional health care practices to the appropriate county for each member who receives services.
 - Traditional health care practices are only covered as a DMC-ODS benefit for members enrolled in counties that participate in the DMC-ODS program.
- » **All-Inclusive Rate (AIR):** When Traditional Healer and Natural Helper services are provided by an IHCP that is eligible to receive the AIR and by a practitioner listed in California's Medicaid State Plan, the DMC-ODS county shall claim payment at the AIR.
 - This policy is in alignment with DHCS guidance on DMC-ODS county obligations to provide payment to IHCPs for the provision of DMC-ODS services outlined in BHIN 22-053 and CMS' requirements as outlined in Special Terms and Conditions 13.6.

Rates for Non-AIR Eligible Services

This chart outlines rates based on IHCP Contract Status with DMC-ODS county.

IHCP Contract status	Member's AI/AN Status	How non-AIR Rates Are Determined
IHCPs with a DMC-ODS County contract	AI/AN	Rates are determined based on negotiation between IHCP and DMC-ODS county.
	Non-AI/AN	
IHCPs without a DMC-ODS County contract	AI/AN	The rates the IHCP receives are not subject to negotiation. DMC-ODS counties must pay at the rate established by DHCS via the DMC-ODS fee schedule.
	Non-AI/AN	DMC-ODS selective contracting policy applies. Counties are generally not obligated to pay IHCPs for services provided to non-AI/AN members if they do not have a contract with the IHCP.

Rates for Non-AIR Eligible Services (continued)

- » **Traditional Healer** services ineligible for the AIR will be paid at an AIR equivalent rate.
 - AIR for SFY 2025-26: \$801.00
- » **Natural Helper** services ineligible for the AIR will be paid using an encounter rate (billed once per member per day), based on statewide average rate for DMC-ODS Peer Support Specialist Services.
 - Natural Helper encounter rate: \$335.37
- » **Group billing:** A Traditional Healer or Natural Helper service may include both individual and group services. When providing Traditional Healer or Natural Helper services in a group setting, the provider shall claim for one member in the group visit using the HQ modifier.

Service Limitations

- » **Same Day Claiming:** Traditional Healer and Natural Helper services can be billed on the same day as other covered Medi-Cal services.
 - A member can receive DMC-ODS outpatient treatment on the same day as a Traditional Healer or Natural Helper service, and each of these encounters would be billable if they do not exceed any other applicable limits.
 - A member may receive Traditional Healer and Natural Helper services on the same day if no other applicable limits are exceeded.
- » **Residential and Inpatient Setting:** DHCS will clarify coverage and payment policies for traditional health care practices for Medi-Cal members receiving residential or inpatient SUD treatment in forthcoming guidance.

Oversight, Monitoring, & Evaluation

IHCP Oversight and Monitoring

IHCPs will be monitored to ensure compliance with the requirements specified in this guidance and the DHCS-approved "opt-in package."

IHCP Contract Status	
IHCPs with a DMC-ODS County contract	IHCPs without a DMC-ODS County contract
The county is responsible for oversight and monitoring.*	DHCS is responsible for oversight and monitoring.*

**Requirements outlined in [BHIN 25-007](#).*

Neither DHCS nor DMC-ODS counties may determine whether a traditional health care practice is culturally or clinically appropriate for an individual Medi-Cal member. This is an individualized determination made by the Traditional Healer or Natural Helper with oversight from the IHCP.

Waiver Evaluation and Monitoring

- » **CMS will conduct ongoing monitoring of the state's implementation, and California must work with an independent evaluator to evaluate demonstration outcomes.**
 - DHCS will monitor data related to the delivery of traditional health care practices provided by IHCPs (e.g., number of participating IHCPs; number of members served), as required by CMS.
 - ***Metrics are not intended to determine effectiveness of services or specific traditional practices.***
 - Evaluation goals include examining whether the initiative increases access to culturally appropriate care for individuals served by IHCPs.
 - DHCS will coordinate closely with CMS, Tribes, Tribal partners and DMC-ODS counties to develop an approach to these requirements.

Next Steps

Technical Assistance

- » DHCS will provide technical assistance (TA) to support IHCPs and DMC-ODS counties. TA will be provided through written materials and webinars.
- » DHCS will be working with the following partners to develop, facilitate, and disseminate TA:
 - California Consortium for Urban Indian Health (CCUIH)
 - Kauffman and Associates Inc. (KAI)
 - California Rural Indian Health Board (CRIHB)
- » **TA will be available at no additional costs to IHCPs seeking to provide services by Traditional Healers and Natural Helpers.**

Questions?

TraditionalHealing@dhcs.ca.gov

[DHCS Traditional Health Care Practices Webpage](#)



CEU Questions

Knowledge Check

1. True or False: CMS approved section 1115 demonstration amendments that provide coverage of traditional health care practices in California. The approval is effective through December 31, 2026, unless extended or amended.
2. True or False: IHCPs must submit an Opt-In Package for approval to the county in which they plan to provide Traditional Health Care Practices.
3. True or False: In California, traditional health care practices include both Traditional Healer (TH) and Natural Helper (NH) services.
4. True or False: Traditional Healer and Natural Helper services are covered for Medi-Cal members who are enrolled in Medi-Cal or CHIP in a DMC-ODS county; are able to receive services delivered by or through an IHCP, as determined by the facility; and who meet DMC-ODS access criteria.