

DMC-ODS Regional Counties: Process for Paying OMB All Inclusive Rate (AIR) for IHCP Claims

Reference: [BHIN 20-065](#)

DMC-ODS counties are obligated to reimburse DMC-certified Indian Health Care Providers (IHCPs) for DMC-ODS services provided to both AI/AN and non-AI/AN Medi-Cal members. DMC-ODS counties must pay the Office of Management and Budget (OMB) All Inclusive Rate (AIR) to IHCPs entitled to the AIR. The AIR is updated each calendar year and is published in the Federal Register. The notice announcing the 2023 rates can be found [here](#).

DMC-ODS regional counties are reimbursed a Per Utilizer Per Month (PUPM) rate through the Short Doyle Medi-Cal (SD/MC) claims system. The PUPM is paid if at least one DMC-ODS service is approved for the month. All subsequent claims for the month are paid at \$0.

For IHCP claims, however, DMC-ODS counties are obligated to pay the AIR for each day the beneficiary receives at least one DMC-ODS service. This can significantly impact a county's cash flow if the county continues to receive only the PUPM payment for a month. Therefore, DHCS will not include services provided by IHCPs entitled to the AIR in the PUPM rate. Instead, DHCS will reimburse DMC-ODS Counties the AIR for services provided by IHCPs entitled to the AIR.

SD/MC system changes have not yet been deployed to pay IHCP claims separately. In the interim, Local Governmental Financing Division (LGFD) has implemented a manual process to pay the IHCP AIR-eligible claims outside of the PUPM claims adjudication and payment process. LGFD processed IHCP claims with dates of service from October 2021 to April 2023 for Humboldt, Mendocino, Shasta, Siskiyou, and Solano counties. Payments for these claims were paid on 9/8/23. By the end of September, LGFD plans to process the next batch of IHCP claims submitted through the end of August. DHCS plans to process all subsequent batches of claims on a quarterly basis, beginning in January 2024, until the SD/MC claims processing system is updated.