Groups File Complaint Against State Over Low Medi-Cal Reimbursement Rates

December 18, 2015: The battle over low Medi-Cal reimbursement rates took a new turn this week. Four groups filed a complaint with the Health and Human Services Office for Civil Rights alleging the State has violated the rights of Medi-Cal enrollees due to low Medi-Cal reimbursement rates for providers that have led to limited access to care.

The complaint was filed by:

- The Civil Rights Education and Enforcement Center;
- Feinberg, Jackson, Worthman and Wasow, a law firm;
- The Mexican American Legal Defense and Educational Fund; and
- The National Health Law Program

The complaint details allegations of the State deliberately discriminating against Latinos who represent 63% of Medi-Cal enrollees. (LINK to attachment)

The complaint asks the court to require the respondents to:

- Increase the Medi-Cal fee-for-service reimbursement schedule so it is equal with Medicare rates for primary care and certain specialty services;
- Ensure managed care organizations reimburse providers at rates equal to 100% of the Medicare fee schedule; and
• Improve oversight and monitoring to ensure access-to-care standards are enforced among Medi-Cal providers.

The State has 30 days to respond to the complaint while the Office for Civil Rights could take at least six months to investigate the complaint.

The Governor has consistently stated increasing Medi-Cal reimbursement rates is not a priority claiming there is sufficient access to care for Medi-Cal enrollees. At the same time, the Governor has expanded Medi-Cal at every opportunity presented to him. Medi-Cal enrollees number more than 12 million.

The Legislature is expected to try again to increase Medi-Cal reimbursement rates as the State’s budget status continues to improve with healthy surpluses building.

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