

2017-18 Interim Issue Brief

Federal Funding for Coordinated Health Care Provided to Medicaid-eligible American Indians

Medicaid is jointly funded by the federal and state governments. The Federal Medical Assistance Percentage (FMAP) is the percentage of each state's Medicaid expenditures that the federal government will reimburse and varies from state to state. The law requires that each state be reimbursed for at least 50% of Medicaid expenditures but no greater than 83%. North Dakota's current FMAP is 50%.

Federal reimbursement for medical services provided at either an IHS or Tribal facility to Medicaid-enrolled American Indians and Alaska Natives, however, is authorized at one hundred percent FMAP. CMS used to interpret this provision very narrowly, limiting the one hundred percent FMAP to care provided inside the four walls of IHS or Tribal facilities.

Project to Implement Care Coordination

CMS recently issued new guidance that recognizes a significant percentage of AI/AN members live in urban areas and cannot access all necessary medical care solely at IHS or Tribal facilities and broadened what it means to have received medical services "through" an IHS/Tribal facility thus qualifying for one hundred percent federal reimbursement. The North Dakota legislature indicated its intent that requisite care coordination agreements be established with tribal health care organizations in North Dakota that will result in one hundred percent federal funding for eligible medical assistance provided to American Indians.



Federal policy allows for one hundred percent federal payment when an American Indian Medicaid beneficiary receives care outside an IHS/Tribal facility, so long as the referring and receiving facilities have in place a qualifying care coordination agreement.

NDHA is working with the North Dakota Department of Human Services and other stakeholders to establish appropriate care coordination agreements between IHS/Tribal facilities and non-IHS/Tribal providers in order to claim the enhanced one hundred percent federal matching rate. The goal is to improve access to care, strengthen continuity of care, and address profound disparities in health care outcomes among American Indians.

NDHA Position

NDHA supports efforts to establish care coordination agreements with tribal health care organizations that will result in one hundred percent federal funding for eligible medical care provided to American Indians outside an IHS/Tribal facility.