



# Voluntary Rate Range Intergovernmental Transfer Program (VRR/IGT)

## Overview

- The Voluntary Rate Range Intergovernmental Transfer (VRRP/IGT) Program is a Medi-Cal program funded by state funds and matching federal funds. This program allows the Department of Health Care Services (DHCS) to secure additional dollars for eligible governmental entities that serve Medi-Cal members.
- VRRP/IGT fund transfers from government entities are used to secure matching federal funds for Medi-Cal.
- Payments to government entities are intended to fund uncompensated costs of providing Medi-Cal-covered services from the previous calendar year.
- DHCS notifies managed care plans annually of upcoming funding rounds.
- Participation is voluntary, and DHCS approves or disapproves participation.

## Eligibility to Participate

- **Only government entities that incur uncompensated costs for covered Medi-Cal services** may be eligible for funding. These government entities, also known as funding entities, include:
  - Counties
  - Cities
  - Special purpose districts and state university teaching hospitals
  - Other political subdivisions of the state
- Funding entities may not use recycled Medicaid funds or federal funds that are not eligible to fund the state share of the IGT.
- Funding entities must be:
  - A contracted CalOptima Health provider with uncompensated Medi-Cal expenses or costs that exceed payment from the plan for services rendered to Medi-Cal members.
  - Interested in providing local funds to act as a local IGT match.
- Funding entities must:
  - Certify that the funds provided are eligible for federal matching dollars.
  - Document uncompensated services (costs above reimbursement) provided to CalOptima Health members. The services must be provided directly by the entity as a CalOptima Health contractor or via a contractor that is a contracted CalOptima Health provider.

For any other questions, please reach out to [strategicdevelopment@caloptima.org](mailto:strategicdevelopment@caloptima.org).