

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop S2-26-12
Baltimore, Maryland 21244-1850



Center for Medicaid and CHIP Services

OCT 27 2011

Toby Douglas
Director of Health Care Programs
California Department of Health Care Services
P.O. Box 997413, MS 0000
Sacramento, CA 95899-7413

RE: California State Plan Amendment TN: 10-015

Dear Mr. Douglas:

We have reviewed the proposed amendment to Attachment 4.19-D of your Medicaid State plan submitted under transmittal number (TN) 10-015. This amendment provides for various changes to the reimbursement rate setting methodology for freestanding skilled nursing facilities level-B and freestanding subacute skilled nursing facilities level-B, effective August 1, 2010, including a lift of a rate freeze for the 2010-2011 rate year, 3.93% increase for the 2010-2011 rate year and a 2.4% increase for the 2011-2012 rate year.

We conducted our review of your submittal with particular attention to the statutory requirements at sections 1902(a)(13), and 1902(a)(30), of the Social Security Act. Because I find that this amendment complies with all applicable requirements, Medicaid State plan amendment 10-015 is approved effective August 1, 2010. We are enclosing the HCFA-179 and the amended plan pages.

If you have any questions, please call Mark Wong at (415) 744-3561.

Sincerely,

A handwritten signature in black ink, appearing to read "Cindy Mann".

Cindy Mann
Director
Center for Medicaid and State Operations

Enclosures