DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
San Francisco Regional Office
90 Seventh Street, Suite 5-300 (5W)
San Francisco, CA 94103-6706

DIVISION OF MEDICAID & CHILDREN'S HEALTH OPERATIONS

January 14, 2015

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

Dear Mr. Douglas:

Enclosed is an approved copy of California's State Plan Amendment (SPA) 13-029, which was submitted to CMS on December 31, 2013. SPA 13-029 adds unmarried pregnant women under the age of 21 as a reasonable classification of children under 42 CFR 435.222, and also disregards all household income for this group. The effective date of the SPA is December 31, 2013.

Enclosed is a copy of the new pages to be incorporated into California's State Plan

- **Supplement 8a to Attachment 2.6-A, page 16**
- **Supplement 1 to Attachment 2.2-A, page 1**

If you have any questions, please contact Tom Schenck by phone at (415)744-3589, or tom.schenck@cms.hhs.gov.

Sincerely,

/s/

Hye Sun Lee
Acting Associate Regional Administrator
Division of Medicaid & Children's Health Operations

cc: Clarissa Wade, California Department of Health Care Services
Nathaniel Emery, California Department of Health Care Services

DEPARTMENT OF HEALTH AND HUMAN SERVICES
HEALTH CARE FINANCING ADMINISTRATION

FORM APPROVED
OMB NO. 0938-0193

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL

FOR: HEALTH CARE FINANCING ADMINISTRATION

1. TRANSMITTAL NUMBER: **13-029**

2. STATE: California

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)

TO: REGIONAL ADMINISTRATOR
HEALTH CARE FINANCING ADMINISTRATION
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE
December 31, 2013

5. TYPE OF PLAN MATERIAL *(Check One)*:

☐ NEW STATE PLAN ☐ AMENDMENT TO BE CONSIDERED AS NEW PLAN ☒ AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT *(Separate Transmittal for each amendment)*

6. FEDERAL STATUTE/REGULATION CITATION:

~~1902(a)(10)(A)(ii), 1905 (a)(i) and 1902(r)(2) of the Social Security Act~~
~~42 CFR Section 435.222~~ 1902(a)(10)(A)(ii)(I)

7. FEDERAL BUDGET IMPACT: ~~TBD~~
a. FFY 2014: $374,000
b. FFY 2015: $2,927,000

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:
Supplement 1 to Attachment 2.2-A, page 1
~~Attachment 2.2-A, Page 13a~~
Supplement 8a to Attachment 2.6A, Page 16
~~Supplement 8b to Attachment 2.6A, Pages 16 and 17~~

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT *(If Applicable)*:
~~Attachment 2.2-A, Page 13a~~
Supplement 1 to Attachment 2.2-A, page 1

10. SUBJECT OF AMENDMENT: Adds pregnant teens as an optional reasonable classification of children and disregards all income for them.
~~Updates the Coverage Groups to Include Pregnant Women Under Age 21 as a Reasonable Classification and Exempting Income and Resources; Exempting Resources for Non-Title IV-E Foster Care and Adoption Assistance Children.~~

11. GOVERNOR'S REVIEW *(Check One)*:
☐ GOVERNOR'S OFFICE REPORTED NO COMMENT
☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL
☒ OTHER, AS SPECIFIED:
The Governor's Office does not wish to review the State Plan Amendment.

ORIGINAL SIGNED

16. RETURN TO:

Department of Health Care Services
Attn: State Plan Coordinator
1501 Capitol Avenue, Suite 71.3.26
P.O. Box 997417
Sacramento, CA 95899-7417

14. TITLE:
Director

15. DATE SUBMITTED: DEC 31 2013

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED: 12/31/2013

18. DATE APPROVED: January 14, 2014

PLAN APPROVED – ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL: 12/31/2013

20. SIGNATURE OF REGIONAL OFFICIAL: /s/

21. TYPED NAME: Hye Sun Lee

22. TITLE: Acting Associate Regional Administrator

23. REMARKS: Pen and ink changes to boxes 6, 7, 8, 9 & 10 TWS

FORM HCFA-179 (07-92)

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
State: California

Reasonable Classifications of Individuals
Under the Age of 21, 20, 19, and 18

1902(a)(10)(A)(ii)(I)
42 CFR 435.222

1. 2101(f)-Like Children: Children under age 19 who were enrolled in Medicaid on 12/31/2013 and would otherwise become ineligible for Medicaid at their first redetermination using MAGI methodologies solely due to the loss of income disregards will remain Medicaid eligible until their next redetermination using MAGI methodologies.

2. Unmarried pregnant women who are not eligible under any other mandatory or optional categorically needy coverage group and who are either:
(a) under age 21 and living with her parent(s), and is not going to file a tax return for the taxable year, or
(b) under age 21 and is going to be claimed as a tax dependent by her parent(s) in the taxable year.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State/Territory: California

METHODOLOGIES FOR TREATMENT OF INCOME THAT DIFFERS FROM THOSE OF THE SSI AND AFDC PROGRAM
(Less Restrictive Than SSI and AFDC)

1902(a)(10)(A)(ii)(I) 42 CFR 435.222	Exempt all household income when determining the eligibility for unmarried pregnant women as an optional reasonable classification of children described at Supplement 1 to Attachment 2.2-A page 1, item 2.