



State of California—Health and Human Services Agency
Department of Health Care Services



EDMUND G. BROWN JR.
GOVERNOR

Hye Sun Lee
Acting, Associate Regional Administrator
Centers for Medicare and Medicaid Services
Division of Medicaid and Children's Health
90 Seventh Street, Suite 5-300 (5W)
San Francisco, CA 94103-6707

STATE PLAN AMENDMENT 14-017: ALTERNATIVE BIRTH CENTERS (ABC)

Dear Ms. Lee:

The Department of Health Care Services (DHCS) is submitting State Plan Amendment (SPA) 14-017 to reflect the effective date for the 2014 reimbursement rate for alternative birth centers, the 2014 reimbursement rate will be effective on or after July 1, 2014. Medi-Cal currently covers alternative birth centers and professionals who provide services in them.

On May 13, 2014, the Centers for Medicare and Medicaid Services (CMS) informed DHCS that tribal consultation is not required for this SPA. DHCS has submitted a Public Notice reflecting the proposed changes for the effective date for the 2014 rate and was published in the California Regulatory Notice Register on May 30, 2014.

Enclosed are the following forms for SPA 14-017:

- Attachment 4.19-B, page 65
- HCFA Form -179

If you have any questions regarding this SPA, please contact Ms. Connie Florez, Chief, Fee-For-Service Rates Development Division at (916) 552-9400 or by email at Connie.Florez@dhcs.ca.gov

ORIGINAL SIGNED

Toby Douglas
Director

Enclosure

cc: See Next Page

Hye Sun Lee
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cc: Ms. Connie Florez, Chief
Fee-For-Service Rates Development Division
1501 Capitol Avenue, Suite 71.4001, MS 4600
Sacramento, CA 95814

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL		1. TRANSMITTAL NUMBER: 14-017	2. STATE California
FOR: HEALTH CARE FINANCING ADMINISTRATION		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 July 1, 2014	
5. TYPE OF PLAN MATERIAL <i>(Check One)</i> : <input type="checkbox"/> NEW STATE PLAN <input type="checkbox"/> AMENDMENT TO BE CONSIDERED AS NEW PLAN <input checked="" type="checkbox"/> AMENDMENT COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT <i>(Separate Transmittal for each amendment)</i>			
6. FEDERAL STATUTE/REGULATION CITATION: Affordable Care Act, Section 2301		7. FEDERAL BUDGET IMPACT: a. FFY 2014-15 \$2,392 b. FFY 2015-16 \$9,567	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 4.19-B, page 65		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT <i>(If Applicable)</i> : Attachment 4.19-B, page 65	
10. SUBJECT OF AMENDMENT: Adjust the effective date of the new 2014 rate for Alternative Birth Centers.			
11. GOVERNOR'S REVIEW <i>(Check One)</i> : <input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input checked="" type="checkbox"/> OTHER, AS SPECIFIED: <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED The Governor's Office does not <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL 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 71.326 P.O. Box 997417 Sacramento, CA 95899-7417	
14. TITLE: Director			
15. DATE SUBMITTED:			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED:		18. DATE APPROVED:	
PLAN APPROVED – ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL:		20. SIGNATURE OF REGIONAL OFFICIAL:	
21. TYPED NAME:		22. TITLE:	
23. REMARKS:			

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: California

REIMBURSEMENT FOR ALTERNATIVE BIRTH CENTERS AND LICENSED OR
OTHERWISE STATE-RECOGNIZED COVERED PROFESSIONALS PROVIDING
SERVICES IN THE ALTERNATIVE BIRTH CENTER

Alternative Birth Center services described in paragraph 29.a of Attachment 3.1-A and in paragraph 28.a of Attachment 3.1-B of the California State Plan are reimbursed at the lower of (1) the usual and customary rate, or (2) California Department of Health Care Services' (DHCS') published statewide all-inclusive rate per delivery.

DHCS' fee schedule will be set as of July 1, 2014, and is effective for services provided on or after that date. The DHCS rates are published on the DHCS Website at <http://files.medi-cal.ca.gov/pubsdoco/rates/rateshome.asp>.

The all-inclusive reimbursement rate is updated annually and is based on the annual published legislative report of average contract rate for general acute care hospitals with Medi-Cal contracts.

Reimbursement rates for licensed or otherwise State-recognized covered professionals providing services in an Alternative Birth Center as described in paragraph 29.b of Attachment 3.1-A and in paragraph 28.b of Attachment 3.1-B are published on the DHCS Website referenced above.

Except as otherwise provided in the State Plan, State developed fee schedule rates are the same for both governmental and private providers of Alternative Birth Center services.

TN: 14-017

Supersedes:

TN: 13-020

Approved Date: _____ Effective Date: July 1, 2014

SPA Impact Form

State/Title/Plan Number:

California / Alternative Birth Centers New Rate Effective Date / SPA 14-017

Federal Fiscal Impact:

FFY 2014-15 \$2,392

FFY 2015-16 \$9,567

Number of People Affected by Enhanced Coverage, Benefits or Retained

Eligibility: No change in the number of people affected

Number of Potential Newly Eligible People: None

or

Eligibility Simplification: No

Number of People Losing Medicaid Eligibility: None

Reduces Benefits: No

Provider Payment Increase: No

Delivery System Innovation: No

Comments/Remarks: None

DHS Contact: Connie Florez

Date: July 1, 2014

**AVAILABILITY OF STATEMENT OF REASONS,
TEXT OF PROPOSED REGULATIONS AND
RULEMAKING FILE**

Caltrans will have the entire Rulemaking File available for inspection and copying throughout the rule-making process at its office at the above address during regular business hours. As of the date this notice is published in the Notice Register, the Rulemaking File consists of this notice, the proposed text of the regulations, and the initial statement of reasons. Copies may be obtained by contacting Brent L. Green at the address or phone number listed above.

**AVAILABILITY OF CHANGED OR
MODIFIED TEXT**

After considering all written comments received timely, as well as comments received at the scheduled public hearings, Caltrans may adopt the proposed regulations as described in this notice. If Caltrans makes substantive modifications that are sufficiently related to the originally proposed text, it will make the modified text (with changes clearly indicated) available to the public for at least 15 days before Caltrans adopts the regulations as revised. Copies of any modified regulations may be obtained by contacting Brent L. Green at the address or phone number listed above. Caltrans will accept written comments on any modified regulations for 15 days after the date on which they are made available.

**AVAILABILITY OF THE FINAL STATEMENT
OF REASONS**

Upon its completion, copies of the Final Statement of Reasons may be obtained by contacting Brent L. Green at the above address or by visiting Caltrans' Web site listed below.

**AVAILABILITY OF DOCUMENTS ON
THE INTERNET**

Copies of the Notice of Proposed Action, the Initial Statement of Reasons, and the text of the regulations in underline and strikeout if applicable can be accessed through Caltrans' Web site at: <http://www.dot.ca.gov/regulations.htm>.

GENERAL PUBLIC INTEREST

**DEPARTMENT OF HEALTH CARE
SERVICES**

**THE CALIFORNIA DEPARTMENT OF HEALTH
CARE SERVICES (DHCS) PROPOSES TO
AMEND THE STATE PLAN TO REFLECT THE
EFFECTIVE DATE OF THE 2014
REIMBURSEMENT RATE FOR ALTERNATIVE
BIRTH CENTERS AND STATE-RECOGNIZED
PROVIDERS AT ALTERNATIVE BIRTH
CENTERS.**

This notice provides information of public interest with respect to the requirements in the Affordable Care Act, Section 2301 regarding alternative birth centers. DHCS will submit to the Centers for Medicare and Medicaid Services (CMS) the necessary Medicaid State Plan Amendment (SPA) to include the provisions of Welfare and Institutions (W&I) Code Section 14148.8 as part of the California State Plan.

**ALTERNATIVE BIRTH CENTERS AND
PROFESSIONALS WHO PROVIDE SERVICES IN
ALTERNATIVE BIRTH CENTERS**

DHCS will amend the State Plan (SPA) to include the effective date of July 1, 2014 for the 2014 reimbursement rate for alternative birth centers. Medi-Cal currently covers alternative birth centers and professionals who provide services in them. This SPA will not change the scope of services, as defined in W&I Code Section 14148.8.

PUBLIC REVIEW AND COMMENT

The California statute discussed above is available for public review at local county welfare offices throughout the State and at www.leginfo.com. Interested parties may submit written comments, request for copies of the statute, and/or request copies of the written comments to: Connie Florez, Chief, Fee-For-Service Rates Development, Department of Health Care Services, MS 4600, P.O. Box 997417, Sacramento, CA 95899-7417.