



JENNIFER KENT  
DIRECTOR

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



EDMUND G. BROWN JR.  
GOVERNOR

SEP 30 2015

September 30, 2015

Ms. Henrietta Sam-Louie  
Acting Associate Regional Administrator  
Division of Medicaid and Children's Health Operations  
Centers for Medicare & Medicaid Services  
San Francisco Regional Office  
90 Seventh Street, Suite 5-300 (5W)  
San Francisco, CA 94103-6707

STATE PLAN AMENDMENT 15-023: EMERGENCY MEDICAL AIR  
TRANSPORTATION ACT AUGMENTATION PAYMENTS

Dear Ms. Sam-Louie:

The California Department of Health Care Services (DHCS) is submitting the enclosed State Plan Amendment (SPA) 15-023 documents for your review and approval. SPA 15-023 will provide, for an additional year, augmentation payments to emergency medical air transportation providers for services rendered during the State Fiscal Year 2015-16.

Assembly Bill 2173 (Chapter 547, Statutes of 2010) established the Emergency Medical Air Transportation Act (EMATA) to fund supplemental payments for emergency medical air transportation services, through the use of \$4.00 penalty assessments for certain vehicle code violations. This SPA updates Supplement 16 to Attachment 4.19-B with the augmentation payment amounts for State Fiscal Year 2015-16.

The following SPA documents are enclosed for your review and approval:

- HCFA 179 – Transmittal and Notice of Approval of State Plan Material
- Pages 6 and 7 of Supplement 16 to Attachment 4.19B (clean version)
- Pages 6 and 7 of Supplement 16 to Attachment 4.19B (redline version)

A Notice of Public Interest for the augmented payments related to emergency medical air transportation services, was published on January 6, 2011, in the California State Notice Register. On July 30, 2015, the Centers for Medicare and Medicaid Services informed DHCS that a tribal notice was not required for this SPA.

Ms. Henrietta Sam-Louie  
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If you have any questions or need additional information, please contact Ms. Connie Florez, Chief, Fee-For-Service Rates Development Division, at (916) 552-9600.

ORIGINAL SIGNED

Mari Cantwell  
State Medicaid Director

Enclosures

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

Ms. Cheryl Young  
Division of Medicaid & Children's Health Operations  
Centers for Medicare & Medicaid Services  
San Francisco Regional Office  
90 Seventh Street, Suite 5-300 (5W)  
San Francisco, CA 94103-6707

**TRANSMITTAL AND NOTICE OF APPROVAL OF  
STATE PLAN MATERIAL**

1. TRANSMITTAL NUMBER:  
**15-023**

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, 2015

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:

**42 CFR 447, Subpart F**

7. FEDERAL BUDGET IMPACT:

a. FFY 2015      \$1,625,000  
b. FFY 2016      \$4,875,000

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

Supplement 16 to Attachment 4.19-B pages 6 and 7

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION  
OR ATTACHMENT (*If Applicable*):

Supplement 16 to Attachment 4.19-B pages 6

10. SUBJECT OF AMENDMENT:

Supplemental payments for Air Medical Transportation Services

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

13. TYPED NAME:

**Mari Cantwell**

14. TITLE:

**State Medicaid Director**

15. DATE SUBMITTED:

SEP 30 2015

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

**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

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4. Effective July 1, 2014, the payment augmentation amount for each emergency air medical transportation service will be calculated as described in section (b).
- (a) Base rates for emergency air medical transportation services are the State Agency's rates per procedure code as posted on the Medi-Cal Rates website: <http://files.medical.ca.gov/pubsdoco/rates/rateshome.asp>
  - (b) Payment augmentation amounts for emergency air medical transportation services will be calculated by multiplying the augmentation rate by the date of service projected utilization.
    - i. The augmentation rate is the difference between the base rate and the maximum allowable amount per transport based on the provider's usual and customary rates charged to the general public for an emergency air medical transport.
    - ii. For the 2014/15 rate year, the annual amount available for the payment augmentation will be based on a total pool amount of \$36,000,000. This pool amount will be distributed to eligible air medical transportation providers, using the methodology as described in b(i) and subject to the limitations of b(iv), for the dates of service period July 1, 2014 through June 30, 2015.
    - iii. For the 2015/16 rate year, the maximum annual amount available for the payment augmentation will be based on a total pool amount of \$13,000,000. Payments from this pool amount will be distributed to eligible air medical transportation providers, using the methodology described in b(i) and subject to the limitations of b(iv), for the dates of service period July 1, 2015 through June 30, 2016, until the annual pool amount is exhausted.
    - iv. The total computable augmentation amount shall not exceed the total allowable under b(ii) and b(iii).

D. Payment Augmentation and Effective Date

1. The payment augmentation amount will be an add-on to the existing rate for FFS emergency air medical transportation and will be posted on the State Agency's rates web site for each applicable date of service period.

TN 15-023  
Supersedes  
TN: 14-031

Approval Date: \_\_\_\_\_

Effective Date: July 1, 2015

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT  
STATE: CALIFORNIA

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2. The State Agency's initial rates for FFS emergency air transportation services were last updated on September 15, 2015 and are effective for dates of service on or after that date. The rates for FFS emergency air transportation services are posted on the Medi-Cal Rates web site at: <http://files.medi-cal.ca.gov/pubsdoco/rates/rateshome.asp>

TN 15-023  
Supersedes  
TN: 14-031

Approval Date: \_\_\_\_\_

Effective Date: July 1, 2015

## SPA Impact Form

**State/Title/Plan Number:** California/Reimbursement for Air Medical Transportation/  
SPA 15-023

**Federal Fiscal Impact:** FY15: \$1,625,000  
FY16: \$4,875,000

**Number of People Affected by Enhanced Coverage, Benefits or Retained Eligibility:** Unknown

**Number of Potential Newly Eligible People:** N/A  
**or**  
**Eligibility Simplification:** No

**Number of People Losing Medicaid Eligibility:** N/A

**Reduces Benefits:** No

**Provider Payment Increase:** Yes

**Delivery System Innovation:** No  
(Examples: adding new provider types to provide a covered service, managed care delivery systems or other similar type plans.)

**Comments/Remarks:** Assembly Bill 2173 (Chapter 547, Statutes of 2010) established the Emergency Medical Air Transportation Act (EMATA) to authorize, beginning on January 1, 2011, an additional \$4 penalty to be levied and collected on certain statewide vehicle violations, with the exception of parking offenses, for the purposes of providing payment and/or rate augmentations for Medi-Cal air medical transportation.

**DHCS Contact:**  
Connie Florez, Chief  
Fee for Service Rates Development Division  
(916) 552-9589

**Date:** September 21, 2015