



JENNIFER KENT
DIRECTOR

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



EDMUND G. BROWN JR.
GOVERNOR

9/7/2017

Ms. Henrietta Sam-Louie
Associate Regional IX 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 17-029

Dear Ms. Henrietta Sam-Louie:

The Department of Health Care Services (DHCS) is submitting State Plan Amendment (SPA) 17-029, to allow for time-limited supplemental reimbursements under the Family Planning, Access, Care and Treatment (Family PACT) program for the Evaluation and Management (E&M) portion of office visits rendered for the purpose of comprehensive family planning services.

On November 8, 2016, California voters approved the California Healthcare, Research and Prevention Tobacco Tax Act (commonly known as Prop. 56) to increase the excise tax rate on cigarettes and tobacco products. Under Prop. 56, a specified portion of the tobacco tax revenue is allocated to DHCS for use as the nonfederal share of health care expenditures in accordance with the annual state budget process. Assembly Bill 120 (Statutes of 2017, Chapter 22, §3, Item 4260-101-3305) amends the Budget Act of 2017 to appropriate Prop. 56 funds for specified DHCS health care expenditures during the 2017-18 state fiscal year.

Specifically, this SPA would allow time-limited supplemental reimbursements, at a rate equal to 150 percent of the current Family PACT rates, to providers under Family PACT. The supplemental reimbursements will be given to Family PACT providers for E&M office visits rendered for comprehensive family planning services for the period of July 1, 2017, through June 30, 2018.

DHCS projects the overall budgetary impact of the proposed supplemental payments to result in an aggregate expenditure increase of \$173.4 million in total funds, including \$41.6 million in Prop. 56 funds.

The enclosed SPA revises the following pages:

- Limitations on Attachment 4.19-B Supplement 26 - added reference to supplemental reimbursements to providers under the Family PACT program for E&M office visits rendered for comprehensive family planning services for the period of July 1, 2017, through June 30, 2018, in 1920C.

DHCS' proposed implementation date for the supplemental reimbursements is July 1, 2017, pending approval from the Centers for Medicare and Medicaid Services (CMS).

A Notice of General Public Interest was published on June 30, 2017. In compliance with the policy set forth by the American Recovery and Reinvestment Act of 2009 (ARRA), DHCS notified Indian Health Programs and Urban Indian Organizations of SPA 17-029 on June 30, 2017.

If you have any questions regarding the information provided, please contact Ms. Christina Moreno, Chief, Office of Family Planning, at (916) 650-0171.

ORIGINAL SIGNED

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES	1. TRANSMITTAL NUMBER <u>1</u> <u>7</u> — <u>0</u> <u>2</u> <u>9</u>	2. STATE CA
	3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	

TO: REGIONAL ADMINISTRATOR CENTERS FOR MEDICARE & MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES	4. PROPOSED EFFECTIVE DATE July 1, 2017
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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)(iii)(XXI)	7. FEDERAL BUDGET IMPACT a. FFY <u>16/17</u> \$ _____ b. FFY <u>17/18</u> \$ _____
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8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT 4.19B Supplement 26	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable) 4.19B Page 1 Supplement 26
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10. SUBJECT OF AMENDMENT

Evaluation and Management Office Visit Supplemental Reimbursement for Family PACT Program Providers: Budget Act of 2017 made appropriations that revenues from Prop 56- California Healthcare Research and Prevention Tobacco Tax Act of 2016, are to be used for reimbursement for comprehensive family planning services.

11. GOVERNOR'S REVIEW (Check One)

GOVERNOR'S OFFICE REPORTED NO COMMENT OTHER, AS SPECIFIED
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

12. SIGNATURE OF STATE AGENCY OFFICIAL 	16. RETURN TO
13. TYPED NAME Mari Cantwell	
14. TITLE State Medicaid Director	
15. DATE SUBMITTED 9/7/2017	

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED	18. DATE APPROVED
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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

Family Planning, Access, Care and Treatment program

The Family Planning, Access, Care and Treatment (Family PACT) program will provide time- limited supplemental reimbursements, at a rate equal to 150 percent of the rates in effect on January 1, 2008, to Family PACT providers for Evaluation and Management (E&M) office visits rendered for comprehensive family planning services for the period of July 1, 2017 through June 30, 2018. The procedure codes subject to the supplemental reimbursements are 99201, 99202, 99203, 99204, 99211, 99212, 99213, and 99214.

The supplemental reimbursements will be for the period of July 1, 2017 through June 30, 2018. These supplemental reimbursements do not change the underlying rates for the E&M procedure codes noted above.