



JENNIFER KENT  
DIRECTOR

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



EDMUND G. BROWN JR.  
GOVERNOR

September 28, 2017

Ms. Henrietta Sam-Louie  
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 17-030: ONE-YEAR SUPPLEMENTAL PAYMENT FOR CERTAIN PHYSICIAN SERVICES USING PROPOSITION 56 TOBACCO TAX FUNDS ALLOCATED FOR THE 2017-18 STATE FISCAL YEAR

Dear Ms. Sam-Louie:

The California Department of Health Care Services (DHCS) is submitting the enclosed State Plan Amendment (SPA) 17-030 documents for your review and approval. SPA 17-030 will provide for a supplemental payment program for certain physician services rendered during the July 1, 2017 to June 30, 2018 period.

Assembly Bill 120 (Chapter 22, Statutes of 2017) appropriates the California Healthcare, Research and Prevention Tobacco Tax Act of 2016 (Proposition 56) funds to be used as the nonfederal share for specified DHCS health care expenditures during the 2017-18 state fiscal year. The supplemental payment amounts are fixed amounts and will be paid per claim. The supplemental payments are for new and established patient office/outpatient visits, psychiatric diagnostic evaluations, psychiatric diagnostic evaluation with medical services, and psychiatric pharmacological management services as identified by Current Procedure Terminology (CPT) Code below:

CPT Code	Supplement Amount
90863	\$5.00
99201, 99211	\$10.00
99202, 99212, 99213	\$15.00
99203, 99204, 99214, 99215	\$25.00
90791, 90792	\$35.00
99205	\$50.00

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

- HCFA 179 – Transmittal and Notice of Approval of State Plan Material
- Page 1 of Supplement 27 to Attachment 4.19-B (clean version)

A Notice of Public Interest regarding the one-year supplemental payment program for certain physician services was published on June 30, 2017 on the DHCS webpage. On July 11, 2017, CMS informed DHCS that a tribal notice was not required for this SPA.

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

#### Enclosures

cc: Ms. Connie Florez, Chief  
Fee-For-Service Rates Development Division  
1501 Capitol Avenue, Suite 71.5195, 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



## STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

STATE: CALIFORNIA**ONE-YEAR SUPPLEMENTAL PAYMENT PROGRAM FOR CERTAIN PHYSICIAN SERVICES**

This program provides supplemental reimbursement for eligible physician services provided to Medi-Cal beneficiaries. The supplemental reimbursements will be provided for services rendered between July 1, 2017 through June 30, 2018. Payments will not be paid as individual increases to current reimbursement rates as described in other parts of this State Plan for physician services.

## A. Supplemental Reimbursement Methodology – General Provisions

1. The supplemental payment amounts are fixed by type of eligible physician service and are paid per claim based on the Current Procedural Terminology (CPT) Code, as outlined in the chart below. Eligible physician services include new and established patient office/outpatient visits, psychiatric diagnostic evaluations, psychiatric diagnostic evaluation with medical services, and psychiatric pharmacological management services.

CPT Code	Supplement Amount
90863	\$5.00
99201, 99211	\$10.00
99202, 99212, 99213	\$15.00
99203, 99204, 99214, 99215	\$25.00
90791, 90792	\$35.00
99205	\$50.00

2. Base rates for physician services are the rates established by the Department of Health Care Services (Department) for each CPT Code, as published on the Medi-Cal Rates website: <http://files.medical.ca.gov/pubsdoco/rates/rateshome.asp>
3. The supplemental payment amounts, as set forth in this Supplement, are inclusive of Federal Financial Participation.
4. Federal Financial Participation will be applied to supplemental payments at a rate consistent with the applicable Federal Medical Assistance Percentage, as authorized by federal law and the California State Plan.
5. Providers eligible for the supplemental payments under this section do not include Federally Qualified Health Centers (FQHCs), Rural Health Centers (RHCs), and other providers that are reimbursed on a cost-based system.

TN 17-030  
Supersedes  
TN: None

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

Effective Date: July 1, 2017