



JENNIFER KENT
DIRECTOR

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



EDMUND G. BROWN JR.
GOVERNOR

July 2, 2018

Ms. Hye Sun Lee
Acting 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 18-0031

Dear Ms. Hye Sun Lee,

The Department of Health Care Services (DHCS) is submitting State Plan Amendment (SPA) 18-0031, to continue the allowance of 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) amended the Budget Act of 2017 to appropriate Prop. 56 funds for specified DHCS health care expenditures during the 2017-18 state fiscal year. Senate Bill 856, Budget Act of 2018, extends the appropriation of Prop. 56 funds for specified DHCS health care expenditures during the 2018-19 state fiscal year.

Specifically, this SPA would continue the 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, 2018 through June 30, 2019.

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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 \$39 million in Prop. 56 funds.

The enclosed SPA adds the following page:

- Supplement 28 to Attachment 4.19-B - 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, 2018 through June 30, 2019.

DHCS' proposed implementation date for the supplemental reimbursements is July 1, 2018, pending approval from the Centers for Medicare and Medicaid Services (CMS).

A Notice of General Public Interest was published on June 29, 2018. DHCS received CMS approval for no notice to Indian Health Programs and Urban Indian Organizations of SPA 18-0031 on June 27, 2018.

If you have any questions regarding the information provided, please contact Ms. Christina Moreno, Chief, Office of Family Planning, at (916) 701-8190.

ORIGINAL SIGNED

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL
FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES**

1. TRANSMITTAL NUMBER

1 8 - 00 3 1

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, 2018

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), 42 CFR 447, Subpart F

7. FEDERAL BUDGET IMPACT

a. FFY 17/18 \$ 115,627,000

b. FFY 18/19 \$ 134,258,000

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

Supplement 28 to Attachment 4.19-B, page 1

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 PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (*If Applicable*)

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. The Budget Act of 2018 continued these appropriations.

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

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

15. DATE SUBMITTED
July 2, 2018

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

For Box 11 "OTHER, As Specified" : Please note: The Governor's Office does not wish to review the State Plan Amendment.

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

One-Year Supplemental Payments for Certain Family Planning, Access, Care and Treatment Program Services

The Family Planning, Access, Care and Treatment (Family PACT) program will provide time-limited supplemental payments to Family PACT providers for Evaluation and Management (E&M) office visits rendered for comprehensive family planning services for the period of July 1, 2018 through June 30, 2019. These supplemental payments are equal to 150 percent of the reimbursement amount determined based on the methodology described in Attachment 4.19-B, page 3g, last paragraph of the state plan for procedure codes 99201, 99202, 99203, 99204, 99211, 99212, 99213, and 99214.

These supplemental reimbursements do not change the underlying reimbursement amount for the E&M procedure codes noted in Attachment 4.19-B, Page 3g of the state plan.

TN No. 18-0031

Supercedes

TN No. NONE

Approval Date: _____

Effective Date: July 1, 2018
