

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
San Francisco Regional Office
90 Seventh Street, Suite 5-300 (5W)
San Francisco, CA 94103-6706



DIVISION OF MEDICAID & CHILDREN'S HEALTH OPERATIONS

June 3, 2016

Mari Cantwell
Chief Deputy Director, Health Care Programs
California Department of Health Care Services
P.O. Box 997413, MS 0000
Sacramento, CA 95899-7413

Dear Ms. Cantwell:

We have reviewed the Department of Health Care Services' (DHCS) proposed State Plan Amendment (SPA) CA-16-001, which was submitted to the Centers for Medicare & Medicaid Services (CMS) on March 31, 2016. This amendment was submitted to add the Medicaid population eligible for Targeted Case Management (TCM) Services in the Local Educational Agency (LEA) Medi-Cal Billing Option Program. TCM Services will be available to all Medi-Cal eligibles regardless of whether they have an Individualized Education Plan (IEP) or an Individualized Family Services Plan (IFSP) under the Individuals with Disabilities Education Act (IDEA).

Before we can continue processing this amendment, we need additional or clarifying information. We are requesting this additional information under provisions of Section 1915(f) of the Social Security Act (added by P.L. 97-35).

General:

1. Per our discussion on April 8, 2016, we indicated that SPA 16-001 cannot be approved until SPA 15-021, a TCM coverage and reimbursement SPA that updates the Local Education Agency (LEA) Medi-Cal Billing Option Program, is approved. The reimbursement methodology for the TCM services in SPA 16-001 is under review by CMS under SPA 15-021 and CMS will not be able to approve SPA 16-001 until we have approved SPA 15-021 due to the overlapping nature of these two SPAs.

SPA 15-021 currently is off-the-clock while the state and CMS work through draft responses to the RAI. Once CA SPA 15-021 is approved, CMS will ask the state to submit the approved SPA 15-021 pages related to TCM reimbursement under SPA 16-001 in order to reflect the expanded TCM-eligible population to include all Medi-Cal eligible children, regardless of whether they have an IEP/IFSP. LEAs may begin billing for the expanded population effective January 1, 2016 once SPA 16-001 is approved.

Between the SPA 15-021 effective date of July 1, 2015 and the SPA 16-001 proposed effective date of January 1, 2016, LEAs may bill for covered TCM services for the IEP and IFSP population, while non-IEP/IFSP TCM services will not be eligible for reimbursement between July 1, 2015 and December 31, 2015.

Please plan to submit updated Attachment 4.19-B pages related to LEA TCM reimbursement after CMS approves SPA 15-021.

We are requesting this additional information under provisions of Section 1915(f) of the Social Security Act (added by P.L. 97-35). This has the effect of stopping the 90-day clock with respect to CMS taking further action on this State plan submittal. A new 90-day clock will not begin until we receive your response to this request for additional information.

If you have any questions, please contact Cheryl Young at 415-744-3598 or via email at Cheryl.Young@cms.hhs.gov.

Sincerely,

/s/

Henrietta Sam-Louie
Associate Regional Administrator
Division of Medicaid & Children's Health Operations

cc: Rick Record, California Department of Health Care Services (DHCS)
Cheryl Ward, DHCS
Nathaniel Emery, DHCS