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

TOBY DOUGLAS
DIRECTOR

EDMUND G. BROWN JR.
GOVERNOR

September 10, 2012

Gloria Nagle, Ph.D., M.P.A.
Associate Regional Administrator
Division of Medicaid and Children's Health Operations
Centers for Medicare and Medicaid Services, Region IX
90 Seventh Street, Suite 5-300 (5W)
San Francisco, CA 94103-6707

STATE PLAN AMENDMENT 09-022: DRUG MEDI-CAL REIMBURSEMENT RATE-SETTING METHODOLOGY CHANGE STARTING JULY 1, 2009

Dear Ms. Nagle:

The Department of Health Care Services (DHCS) requests to withdraw its response to the Request for Additional Information (RAI) for California State Plan Amendment (SPA) 09-022 submitted on June 22, 2012. In accordance with California Welfare and Institutions Code Section 14021.9, SPA 09-022 describes the Drug Medi-Cal Program rate-setting methodology changes needed to implement a ten-percent Drug Medi-Cal rate reduction adopted by the California Legislature effective July 1, 2009.

DHCS submitted SPA 09-022 to the Centers for Medicare & Medicaid Services (CMS) on September 30, 2009. CMS replied with informal comments on November 17, 2009. On December 23, 2009, CMS issued a formal RAI, to which DHCS formally responded on June 22, 2012. On August 2, 2012, CMS issued comments and additional questions for DHCS's responses to the RAI.

Due to the complexity of the additional questions and comments, DHCS needs additional time to provide comprehensive responses. We understand this request will stop the 90-day clock.

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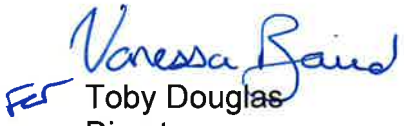
If you have any questions or concerns regarding this request, please contact Ms. Marjorie McKisson, Assistant Chief, Drug Medi-Cal Division, at (916) 552-9992, or by e-mail at Marjorie.McKisson@dhcs.ca.gov.

Sincerely,



For Toby Douglas
Director

cc: Marjorie McKisson, Assistant Chief
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