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

February 19, 2015

Toby Douglas, Director
California Department of Health Care Services
P.O. Box 997413, MS 0000
Sacramento, CA 95899-7413

Dear Mr. Douglas:

Enclosed for your records is an approved copy of the California Department of Health Care Services' Third Party Liability State Plan Amendment (SPA) CA-14-0028. This SPA was submitted to my office on December 9, 2014, and is approved effective October 1, 2014.

This SPA increases the cost-effectiveness threshold for pursuing recovery from claims related to a trauma code diagnosis. Attached is a copy of the following page to be incorporated into your State Plan:

- Attachment 4.22-A, Page 4

If you have any questions, please contact Tyler Sadwith at (415) 744-3563 or tyler.sadwith@cms.hhs.gov.

Sincerely,

/s/

Hye Sun Lee
Acting Associate Regional Administrator
Division of Medicaid & Children's Health Operations

cc: Jeff Blackmon, California Department of Health Care Services
Margaret Hoffeditz, California Department of Health Care Services

DEPARTMENT OF HEALTH AND HUMAN SERVICES
HEALTH CARE FINANCING ADMINISTRATION

FORM APPROVED
OMB NO. 0938-0193

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL

FOR: HEALTH CARE FINANCING ADMINISTRATION

1. TRANSMITTAL NUMBER: **14-028**

2. STATE: CA

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)

TO: REGIONAL ADMINISTRATOR
HEALTH CARE FINANCING ADMINISTRATION
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE
October 1, 2014

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:
42 CFR 433.138 (e) (1)
42 CFR 433.139 (f) (2) & (f) (3)

7. FEDERAL BUDGET IMPACT:
a. FFY 2015 $0
b. FFY 2016 $0

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:
Attachment 4.22-A
Page 4, paragraph 4

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT *(If Applicable)*:
Attachment 4.22-A
Page 4, paragraph 4

10. SUBJECT OF AMENDMENT:
Remove specific trauma codes(800-999) and revise the minimum threshold for recoveries by the Department.

11. GOVERNOR'S REVIEW *(Check One)*:
☐ GOVERNOR'S OFFICE REPORTED NO COMMENT
☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL
☐ OTHER, AS SPECIFIED:
The Governor's Office does not wish to review the State Plan Amendment.

Original Signed

14. TITLE:
Director

15. DATE SUBMITTED:
DEC 09 2014

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

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED: 12/9/14

18. DATE APPROVED: FEB 19 2015

PLAN APPROVED – ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL: 10/1/14

20. SIGNATURE OF REGIONAL OFFICIAL: [illegible]

21. TYPED NAME: Hye Sun Lee, MPH

22. TITLE: Associate Regional Administrator

23. REMARKS: Pen-and-ink change to Box 7 authorized by the State 2/13/15.

Health Insurance Premium Payment TPL Review:

When an individual inquires about participation in the Health Insurance Premium Payment (HIPP) Program, Department staff request the individual's Social Security Number in order to review MEDS for share of cost, Other Health Coverage (OHC) Information, Medicare entitlement and Medi-Cal eligibility. If MEDS indicates no OHC code, the individual is asked if he/she has health insurance coverage. If the individual responds in the affirmative, he/she is asked to provide specific health insurance information (i.e., carrier name, carrier address, policy number, and scope of coverage). Once complete information is obtained, the Department updates MEDS with the appropriate OHC indicator and the Health Insurance System (HIS) file.

Workers' Compensation

California's Medicaid agency receives copies of all Workers' Compensation Appeals claims. Within sixty days, these claims are matched against eligibility files to identify Medi-Cal eligibles. If Medi-Cal eligibility is identified, a potential third party liability case is established and an investigation is made to determine if a recovery can be made. In addition, copies of applications for adjudication are sent to the Department of Social Services (DSS). In turn, DSS sends these copies to the appropriate local IV-D agency District Attorney (DA) office. If the absent parent has employer related health insurance coverage available, the county DA office provides follow-up service to identify whether the appeal can be linked to an active Medi-Cal dependent IV-D case. If the DA discovers employer coverage, the DA requires the absent parent, through a court or administrative order, to provide health insurance and to complete medical insurance form DHS 6110. The completed DHS 6110 forms are sent by the DA's office to the Department.

(3) As stated in the Section "Third Party Liability (1)", California's Medicaid agency does not obtain information from DMV.

(4) The Medicaid agency conducts edits of paid claims to identify treatment provided as a result of injury using diagnosis codes 800 through 999, with the exception of 994.6. The Department generates letters, seeking potential third party liability information, to recipients who receive $2,000 or more in paid services when the services listed on the claim relate to an injury diagnosis

(5) In addition to the federally required data exchanges, the California Medicaid agency also conducts the following optional data exchanges: