

**DEPARTMENT OF HEALTH CARE SERVICES
NOTICE OF GENERAL PUBLIC INTEREST**

PROPOSED RATE CHANGES TO MEDI-CAL REIMBURSEMENT FOR RADIOLOGY SERVICES.

This notice serves to provide information of public interest that the Department of Health Care Services (DHCS) is seeking the continuation of federal authority to adjust Medi-Cal Fee-For-Service (FFS) provider reimbursement rates for Radiology services.

DHCS plans on submitting to the federal Centers for Medicare & Medicaid (CMS) State Plan Amendment (SPA) 16-046, which proposes to adjust reimbursement rates for Radiology services, as required by Senate Bill (SB) 853 (Chapter 717, Statutes of 2010). SB 853 added Welfare and Institutions (W&I) Code Section 14105.08, which requires DHCS to reduce Medi-Cal reimbursement rates for Radiology services so that they do not exceed 80 percent of the corresponding Medicare rate. Radiology services may be described as the diagnosis, treatment, and intervention using medical imaging techniques.

Effective October 1, 2016, DHCS proposes to adjust Medi-Cal rates for Radiology services not to exceed 80 percent of the lowest maximum allowance established by the federal Medicare program for the same or similar services. Medi-Cal rates that currently exceed 80 percent of the current Medicare rate will be reduced to a level in accordance with W&I Code Section 14105.08. As a result of the adjustment, DHCS estimates that the aggregate Medi-Cal reimbursements for affected Radiology services will decrease by \$12.6 million. The impact of the annual adjustments is expected to significantly decrease each year as reimbursement rates are set at levels in accordance with W&I Code Section 14105.08. Proposed SPA 16-046 will amend the provisions on page 3k of Section 4.19-B within the California State Plan.

The proposed rate changes to Medi-Cal FFS reimbursement rates for Radiology services are subject to approval by CMS.

Public Review and Comments

A copy of SPA 16-046 will be published at http://www.dhcs.ca.gov/formsandpubs/laws/Pages/Pro_SPA.aspx once the SPA is available. If you would like to view the SPA in person once it becomes available, please visit your local county welfare department. You may also request a copy of the SPA from the mailing address or email, below.

Any written comments, including with respect to the SPA's impact to access to care, may be sent to Department of Health Care Services, Fee-For-Service Rate Development Division, 1501 Capitol Avenue, MS 4600, Sacramento, California 95899-7417, or may be emailed to Publicinput@dhcs.ca.gov by November 1, 2016. A copy of

public comments may be requested in writing to the same address and e-mail inbox identified above. Please indicate SPA 16-046 in the subject line or message.

Release date: September 30, 2016