



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



EDMUND G. BROWN JR.
GOVERNOR

DEC 24 2012

Gloria Nagle, PhD, MPA
Associate Regional Administrator
Centers for Medicare and Medicaid Services
Division of Medicaid and Children's Health
90 Seventh Street, Suite 5-300 (5W)
San Francisco, CA 94103-6707

Dear Ms. Nagle:

The Department of Health Care Services (DHCS) is submitting State Plan Amendment (SPA) 12-022 for your review and approval. SPA 12-022 is exempting audiology services provided by Type C Communication Disorder Centers located in California counties of Alameda, San Benito, Santa Clara, Santa Cruz, San Francisco and Sonoma from the 10 percent payment reduction mandated by Assembly Bill 97. A Type C Communication Disorder Center is an identified team in a health care provider office or facility that is capable of providing specified audiology services. The effective date of this exemption is October 19, 2012.

Assembly Bill 97 (Statutes of 2011) added section 14105.192 to the Welfare and Institutions Code requiring DHCS to reduce provider payments up to 10 percent for various outpatient services effective for dates of service on or after June 1, 2011. Subdivision (m) of section 14105.192 grants the Director of DHCS the discretion not to implement any of the payment reductions specified in that section. The Director is also authorized to adjust payments as necessary to comply with federal Medicaid requirements.

Enclosed you will find the following for SPA 12-022:


- Attachment 4.19-B, page 3.5 (includes a redlined version).
- HCFA 179 form.

On November 20, 2012, the Centers for Medicare & Medicaid Services informed DHCS that tribal consultation is not necessary for SPA 12-022. In addition, a public notice of the exemption was published in the California Regulatory Notice Register on October 19, 2012. Up to now, no comments have been received.

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If you have any questions or need additional information, please contact John Mendoza, Acting Chief, Fee-For-Service Rates Development Division, at (916) 552-9600.

Sincerely,



Toby Douglas
Director

Enclosures

cc: John Mendoza, Acting Chief
Department of Health Care Services
Fee-For-Service Rates Development
1501 Capitol Avenue, MS 4600
P.O. Box 997417
Sacramento, CA 95899-7413

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL**

1. TRANSMITTAL NUMBER:
12-022

2. STATE
California

FOR: HEALTH CARE FINANCING ADMINISTRATION

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 19, 2012

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:

N/A

7. FEDERAL BUDGET IMPACT:

- a. FFY-13 \$74,042
- b. FFY-14 \$77,784

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

Attachment 4.19B; amend page 3.5

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

Attachment 4.19B, page 3.5

10. SUBJECT OF AMENDMENT:

Audiology services provided by Type C Communication Disorder Centers located in California counties of Alameda, San Benito, Santa Clara, Santa Cruz, San Francisco and Sonoma are exempt from 10 percent payment reduction mandated by AB97.

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:
Governor's Office does not wish to Review
State Plan Amendments

12. SIGNATURE OF STATE AGENCY OFFICIAL:

13. TYPED NAME:

Toby Douglas

14. TITLE:

Director

15. DATE SUBMITTED: **DEC 24 2012**

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:

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:

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

- (17) The effect of the payment reductions in paragraphs (6) through (13) will be monitored in accordance with the monitoring plan at Attachment 4.19-F, entitled "Monitoring Access to Medi-Cal Covered Healthcare Services".
- (18) For dates of service on or after April 1, 2012, the payment reduction specified in paragraph (13), set forth on page 3.3 do not apply to Early and Periodic Screening, Diagnosis and Treatment (EPSDT) services, as described in Attachment 3.1-A, section 4b, when those services are provided and billed by Pediatric Day Health Care (PDHC) facilities.
- (19) For dates of service on or after October 19, 2012, the payment reduction specified in paragraph (13), set forth on page 3.3, will not apply to audiology services, as described in Attachment 3.1-A, section 11c, when those services are provided by a Type C Communication Disorder Center located in California counties of Alameda, San Benito, Santa Clara, Santa Cruz, San Francisco, and Sonoma. A Type C Communication Disorder Center is an identified team in a health care provider office or facility capable of providing audiological evaluation, hearing aid evaluation and recommendations, hearing aid orientation, speech-language evaluation and speech-language remediation, comprehensive assessment and aural rehabilitative management of children of all ages together with their parents.

TN No 12-022
Supersedes
TN # 12-016

Approval Date _____ Effective Date October 19, 2012

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

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