

September 24, 2024

*THIS LETTER SENT VIA EMAIL*

Mr. James G. Scott, Director  
Division of Program Operations  
Medicaid and CHIP Operations Group  
Centers for Medicare & Medicaid Services  
601 East 12th Street, Suite 0300  
Kansas City, MO 64106-2898

**STATE PLAN AMENDMENT 24-0039: ELIMINATE THE ALTERNATIVE PAYMENT METHODOLOGY TO FEDERALLY QUALIFIED HEALTH CENTERS, RURAL HEALTH CLINICS, AND TRIBAL HEALTH PROGRAMS FOR COVID-19 VACCINE-ONLY ADMINISTRATION VISITS**

Dear Mr. Scott:

The Department of Health Care Services (DHCS) is submitting State Plan Amendment (SPA) 24-0039 for your review and approval. This SPA proposes to eliminate the alternative payment methodology to Federally Qualified Health Centers (FQHC), Rural Health Clinics (RHC), and Tribal Health Programs (THP) when COVID-19 vaccines are administered on their own and outside of a billable visit. However, COVID-19 vaccines will still be available when administered during a billable medical visit. Please refer to the proposed California State Medicaid Plan, Attachment 4.19-B, Page 6AA5 and Supplement 6 to Attachment 4.19-B, Page 2b. DHCS seeks an effective date of October 1, 2024 for this SPA.

On February 24, 2023, SPA 22-0067-A was approved to continue supplemental payments for COVID-19 vaccine-only visits for FQHCs, RHCs, and THPs following the end of the COVID-19 Public Health Emergency. With SPA 24-0039, DHCS is proposing to eliminate the provisions of SPA 22-0067-A.

Indian Health Programs and Urban Indian Organizations were notified by means of a Tribal and Designees of Indian Health Program Notice, detailing the proposed SPA on August 14, 2024, and were given the opportunity to comment. A copy of the notice is also enclosed, as well as the Public Notice released on August 22, 2024.

The following documents have been included: SPA cover letter, CMS 179 form, draft amended State plan pages, fiscal impact explanation, Medicaid funding questions, and the Tribal and Public Notices.



Mr. James G. Scott  
Page 2  
September 24, 2024

If you have any questions or need additional information, please contact Erica Holmes, Chief of Benefits Division at (916) 345-7799, or by email at [Erica.Holmes@dhcs.ca.gov](mailto:Erica.Holmes@dhcs.ca.gov).

Sincerely,



Tyler Sadwith  
State Medicaid Director

Enclosures

cc: Lindy Harrington  
Assistant State Medicaid Director  
Health Care Programs  
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**TRANSMITTAL AND NOTICE OF APPROVAL OF  
STATE PLAN MATERIAL  
FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES**

1. TRANSMITTAL NUMBER

2. STATE

3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL SECURITY ACT

XIX

XXI

TO: CENTER DIRECTOR  
CENTERS FOR MEDICAID & CHIP SERVICES  
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE

5. FEDERAL STATUTE/REGULATION CITATION

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)

a. FFY \_\_\_\_\_ \$ \_\_\_\_\_  
b. FFY \_\_\_\_\_ \$ \_\_\_\_\_

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)

9. SUBJECT OF AMENDMENT

10. 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:  
Please note: The Governor's Office does not wish to review the State Plan Amendment.

11. SIGNATURE OF STATE AGENCY OFFICIAL

[Redacted Signature]

15. RETURN TO

12. TYPED NAME

13. TITLE

14. DATE SUBMITTED

**FOR CMS USE ONLY**

16. DATE RECEIVED

17. DATE APPROVED

**PLAN APPROVED - ONE COPY ATTACHED**

18. EFFECTIVE DATE OF APPROVED MATERIAL

19. SIGNATURE OF APPROVING OFFICIAL

20. TYPED NAME OF APPROVING OFFICIAL

21. TITLE OF APPROVING OFFICIAL

22. REMARKS

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TN: 24-0039  
Supersedes  
TN: 22-0067

Approval Date: \_\_\_\_\_

Effective Date: October 1, 2024