CALIFORNIA DEPARTMENT OF HEALTH CARE SERVICES
Michelle Baass | Director

September 30, 2025

THIS LETTER SENT VIA EMAIL

Ms. Courtney Miller, 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 25-0028: ESTABLISH REIMBURSEMENT RATES FOR BEHAVIORAL HEALTH TREATMENT SERVICES

Dear Ms. Miller:

The Department of Health Care Services (DHCS) is submitting State Plan Amendment (SPA) 25-0028 for your review and approval. This SPA seeks federal authority to establish Medi-Cal Fee-For Service (FFS) Fee Schedule rates for Behavioral Health Treatment (BHT) services effective for dates of service on or after July 1, 2025.

Effective July 1, 2025, Medi-Cal members under age 21 enrolled in the FFS delivery system will have expanded access to BHT services. Historically, these members primarily received BHT services through local Regional Centers, funded by the DHCS via an interagency agreement with the Department of Developmental Services (DDS). Under this policy change, Medi-Cal members in the FFS system may also receive BHT services from enrolled Medi-Cal Qualified Autism Service (QAS) providers. These providers will submit claims directly to DHCS, broadening the network of available providers and enhancing service access for this population.

In accordance with California Welfare and Institutions Code (WIC) section 14105.05 and the California Medicaid State Plan (Page 1a of Attachment 4.19-B), DHCS will establish Medi-Cal FFS reimbursement rates for BHT services based upon DDS' rates for the same or similar services provided at local Regional Centers.

SPA 25-0028 is anticipated to be budget neutral, as this does not represent an expansion of services or eligible populations, but rather creates another way in which Medi-Cal members may access and receive medically necessary BHT services. As a result, there may be a shift in costs between DDS and DHCS for services already covered by Medi-Cal, but DHCS does not anticipate any material increases in utilization or large changes in Medi-Cal members accessing BHT services.

A Notice of Public Interest and Request for Public Input for SPA 25-0028 was published on June 24, 2025, on the DHCS website. Public comments were due by July 24, 2025. Indian Health Programs and Urban Indian Organizations were notified by means of a Tribal and Designees of Indian Health Program Notice detailing the changes of the proposed SPA on August 26, 2025, and the Tribal Webinar was held on August 27, 2025. On August 28, 2025, an addendum to the Notice of Public Interest was published on the DHCS website to specify the rates established for BHT services pursuant to this SPA. At the time of SPA submission, no comments were received.

At the end of the 30-day public comment period, DHCS received a total of ten (10) comments from various stakeholders and organizations concerning various overlapping topics. Of these comments, two (2) expressed support for the amendment, and one (1), whose comment is outside of the SPA's scope. Two (2) comments supported strengthening BHT services statewide and urged approval of the proposed FFS rates. Conversely, seven (7) comments expressed concerns about the BHT provider types eligible to bill for the services laid out within the SPA. Two (2) comments requested guidance from DHCS to direct Managed Care Plans to pay equivalent to FFS Rates for the BHT services outlined within the SPA, one (1) comment requested clarification on rate adequacy considering California's high cost of living, and one (1) comment requested equity-focused billing and clarity on how DHCS plans to incorporate the CYBHI BHT rates into the Medi-Cal fee schedule. Technical changes will be made to address concerns regarding which provider types can bill the services laid out within this SPA.

DHCS is submitting the following SPA documents for your review and approval:

- CMS 179 - Transmittal and Notice of Approval of State Plan Material
- Attachment 4.19-B, pages 91, 92, and 93 (new)
- Budget Impact Explanation
- CMS Standard Funding Questions

If you have any questions or need additional information, please contact Aditya Voleti, Chief of Fee-for-Service Rates Development Division, at (916) 650-0171 or by email at Aditya.Voleti@dhcs.ca.gov.

Sincerely,

[redacted]

Tyler Sadwith
State Medicaid Director
Chief Deputy Director, Health Care Programs
California Department of Health Care Services

Enclosures and cc: See Next Page

cc: Lindy Harrington
Assistant State Medicaid Director
Director's Office
Department of Health Care Services
Lindy.Harrington@dhcs.ca.gov

Rafael Davtian
Deputy Director
Health Care Financing
Department of Health Care Services
Rafael.Davtian@dhcs.ca.gov

Alek Klimek
Assistant Deputy Director
Health Care Financing
Department of Health Care Services
Alek.Klimek@dhcs.ca.gov

Aditya Voleti, Chief
Fee-For-Service Rates Development Division
Department of Health Care Services
Aditya.Voleti@dhcs.ca.gov

Michelle Tamai
Assistant Division Chief
Fee-For-Service Rates Development Division
Department of Health Care Services
Michelle.Tamai@dhcs.ca.gov

Saralyn M. Ang-Olson, JD, MPP
Chief Compliance Officer
Office of Compliance
Department of Health Care Services
Saralyn.Ang-Olson@dhcs.ca.gov

Erica Holmes, Chief
Benefits Division
Department of Health Care Services
Erica.Holmes@dhcs.ca.gov

DEPARTMENT OF HEALTH AND HUMAN SERVICES
CENTERS FOR MEDICARE & MEDICAID SERVICES

FORM APPROVED
OMB No. 0938-0193

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL

FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES

1. TRANSMITTAL NUMBER: 25-0028

2. STATE: CA

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
July 1, 2025

5. FEDERAL STATUTE/REGULATION CITATION
Title 42 CFR 447 Subpart F

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)
a. FFY 2025 $ 0
b. FFY 2026 $ 0

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT
Attachment 4.19-B Pages 91, 92 and 93 (new)

8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT *(If Applicable)*
None

9. SUBJECT OF AMENDMENT
Establish Reimbursement Rates for Behavioral Health Treatment Services

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]

12. TYPED NAME
Tyler Sadwith

13. TITLE
State Medicaid Director and Chief Deputy Director

14. DATE SUBMITTED
September 30, 2025

15. RETURN TO
Department of Health Care Services
Attn: Director's Office
P.O. Box 997413, MS 0000
Sacramento, CA 95899-7413

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

Instructions on Back

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

REIMBURSEMENT METHODOLOGY FOR BEHAVIORAL HEALTH TREATMENT

1. Notwithstanding any other provision of this Attachment, the reimbursement rates for Behavioral Health Treatment (BHT) services, as described in the Limitations on Attachment 3.1-A/B, page 18b and 18c, section 13c – Preventive Services, will be established at the reimbursement levels described in the table below

Code	Description	Group	Time (Minutes)	QAS Provider	QAS Professional	QAS Paraprofessional
97151	Behavior identification assessment, administered by a physician or other qualified health care professional, 15 minutes	N	15	$40.81	$20.45	N/A
97152	Observational behavioral follow-up assessment.	N	15	$40.81	$20.45	$19.39
97153	Adaptive behavior treatment by protocol, administered by technician, face-to-face with one patient.	N	15	$40.81	$20.45	$19.39
97154	Group adaptive behavior treatment by protocol, administered by technician, face-to-face with two or more patients.	Y	15	$20.59	$10.31	$9.78
97155	Adaptive behavior treatment with protocol. modification, administered by physician or other qualified healthcare provider with one patient.	N	15	$40.81	$20.45	N/A
97156	Family adaptive behavior treatment guidance, with or without the patient present.	N	15	$40.81	$20.45	N/A
97157	Multiple-family group adaptive behavior treatment guidance, without the patient present.	Y	15	$20.59	$10.31	N/A

97158	Adaptive behavior treatment social skills group, administered by physician or other qualified healthcare provider, face-to-face with multiple patients.	Y	15	$20.59	$10.31	N/A
99366	Under Medical Team Conference, Direct (Face-to-Face) Contact with Patient and/or Family.	N	30	$81.62	$40.90	N/A
99368	Under medical team conference, without direct (face-to-face) contact with patient and/or family.	N	30	$81.62	$40.90	N/A
H0031	Mental health assessment, by non-physician.	N	15	$40.81	$20.45	N/A
H0032	Mental health service plan development by non-physician.	N	15	$40.81	$20.45	N/A
H0046	Mental health services, not otherwise specified (supervision).	N	15	$40.81	$20.45	$19.39
H2012	Behavioral health day treatment, per hour.	N	60	$163.24	$81.80	$77.56
H2014	Skills training and development, per 15 minutes.	N	15	$40.81	$20.45	N/A
H2019	Therapeutic behavioral services, per 15 minutes.	N	15	$40.81	$20.45	$19.39
S5110	Home care training, family; per 15 minutes.	N	15	$40.81	$20.45	$19.39
S5111	Home care training, family; per session.	N	Session*	$204.05	$102.25	$96.95

*assume average session duration of 75 minutes.

i. DHCS may modify the eligible code list as necessary, such as to account for changes to coding and billing definitions, or to apply technical corrections. Such modifications will not include adjustment of established rates, without a State Plan Amendment or other approval of the Centers for Medicare & Medicaid Services, as applicable.

2. Eligible Providers

    i. Codes identified as behavioral health treatment services pursuant to paragraph 1 are eligible for the reimbursement rates established pursuant to Pages 91-93 only when rendered by the following types of eligible Qualified Autism Services (QAS) providers as defined in Supplement 6 to Attachment 3.1-A:
        a. QAS Provider
        b. QAS Professional
        c. QAS Paraprofessional

3. All Medi-Cal Fee-For-Service rates for BHT services established using this methodology can be found at: https://mcweb.apps.prd.cammis.medi-cal.ca.gov/rates