



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



GAVIN NEWSOM
GOVERNOR

October 13, 2021

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 21-0033: CONTINUANCE OF PROPOSITION 56
SUPPLEMENTAL PAYMENTS FOR THE FAMILY PLANNING, ACCESS, CARE AND
TREATMENT PROGRAM

Dear Mr. Scott:

The Department of Health Care Services (DHCS) is submitting State Plan Amendment (SPA) 21-0033 for your review and approval. This SPA proposes to continue to provide supplemental payments under the Family Planning, Access, Care and Treatment (Family PACT) program for Evaluation and Management (E&M) office visits rendered for the purpose of comprehensive family planning services. DHCS seeks an effective date of January 1, 2022 for this SPA.

On November 8, 2016, California voters approved the California Healthcare, Research and Prevention Tobacco Tax Act (commonly known as Proposition 56 or “Prop. 56”) to increase the excise tax rate on cigarettes and tobacco products. The Budget Act of 2017, Assembly Bill 120 (Statutes of 2017, Chapter 22, Section 3, Item 4260-101-3305), appropriated Prop. 56 funds for specified DHCS health care expenditures during State Fiscal Year (SFY) 2017-18. The Centers for Medicare & Medicaid Services (CMS) approved SPA 17-029, which authorized supplemental payments from July 1, 2017 through June 30, 2018. Pursuant to the Budget Act of 2018, Senate Bill 856 (Committee on Budget and Fiscal Review, Chapter 30, Statutes of 2018, Section 3, Item 4260-101-3305), DHCS was authorized to extend the supplemental payments from July 1, 2018 through June 30, 2019, under approved SPA 18-0031. Pursuant to the Budget Act of 2019, Assembly Bill 74 (Statutes of 2019, Section 3, Item 4260-101-3305), DHCS extended the supplemental payments from July 1, 2019 through December 31, 2021, under approved SPA 19-0040.

The Budget Act of 2021, AB 128 (Statutes of 2021, Chapter 21, Item 4260-101-3305) extends the appropriation of Prop. 56 funds beginning January 1, 2022.

Mr. James G. Scott
Page 2
October 13, 2021

DHCS has been providing supplemental payments to Family PACT providers since July 1, 2017 with the approval of SPA 17-029. DHCS was authorized to extend the supplemental payments under approved SPA 18-0031 and SPA 19-0040. SPA 21-0033 would continue the supplemental payments, at a rate equal to 150 percent of the current Family PACT rates, to providers under Family PACT beginning January 1, 2022. The supplemental payments will be given to Family PACT providers for E&M office visits rendered for the purpose of comprehensive family planning services.

For SFY 2021-22, Prop. 56 supplemental payments for codes specified and amounts will continue without interruption, and changes are noted where applicable. The supplemental payments will be issued for the specified codes for dates of service beginning January 1, 2022, and will be made based on claim submission for the specific applicable procedures within the aforementioned categories.

DHCS posted a public notice on August 11, 2021, and 2 comments were received. In addition, DHCS received CMS approval to forego tribal notice on August 18, 2021.

Enclosed is the SPA 21-0033 Supplement 28 to Attachment 4.19-B page, public notice, CMS approval to forego tribal notice, CMS 179 form, and the standard funding questions.

If you have any questions or need additional information, please contact Christina Moreno, Chief of the Office of Family Planning, at (916) 701-8190 or by email at Christina.Moreno@dhcs.ca.gov.

Sincerely,

A black rectangular redaction box covering the signature of Jacey Cooper.

Jacey Cooper
State Medicaid Director
Chief Deputy Director
Health Care Programs

Enclosures

cc: See Next Page

Mr. James G. Scott
Page 3
October 13, 2021

cc: Ms. Rene Mollow, MSN, RN
Deputy Director
Health Care Benefits & Eligibility
Department of Health Care Services
Rene.Mollow@dhcs.ca.gov

Ms. Christina Moreno, Chief
Office of Family Planning
Department of Health Care Services
Christina.Moreno@dhcs.ca.gov

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

Mr. Aaron Toyama
Senior Advisor
Health Care Programs
Department of Health Care Services
Aaron.Toyama@dhcs.ca.gov

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL
FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES**

1. TRANSMITTAL NUMBER

2 1 — 0 0 33

2. STATE

California

3. PROGRAM IDENTIFICATION:

Title XIX of the Social Security Act (Medicaid)

TO: REGIONAL ADMINISTRATOR
CENTERS FOR MEDICARE & MEDICAID SERVICES
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE

January 1, 2022

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

1902(a)(10)(A)(ii)(XXI), 42 CFR 447, Subpart F

7. FEDERAL BUDGET IMPACT

a. FFY 21/22 (1/1/22-9/30/22) \$ 56,249 (in thousands)

b. FFY 22/23 (10/1/22-9/30/23) \$ 74,999 (in thousands)

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

Supplement 28 to Attachment 4.19-B, page 1

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

Supplement 28 to Attachment 4.19-B, page 1

10. SUBJECT OF AMENDMENT

Continue supplemental payments for Evaluation and Management office visits rendered by Family PACT program providers using California Healthcare Research and Prevention Tobacco Tax Act (commonly known as Proposition 56) funds. The Budget Act of 2021 continued this appropriation.

11. GOVERNOR'S REVIEW (*Check One*)

GOVERNOR'S OFFICE REPORTED NO COMMENT

OTHER, AS SPECIFIED

COMMENTS OF GOVERNOR'S OFFICE ENCLOSED

NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

12. SIGNATURE OF STATE AGENCY OFFICIAL

Jacey Cooper

Digitally signed by Jacey Cooper
Date: 2021.10.13 16:07:22 -07'00'

13. TYPED NAME

Jacey Cooper

14. TITLE

State Medicaid Director

15. DATE SUBMITTED

October 13, 2021

16. RETURN TO

Department of Health Care Services

Attn: Director's Office

P.O. Box 997413, MS 0000

Sacramento, CA 95899-7413

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

For Box 11 "Other, As Specified," Please note: The Governor's Office does not wish to review the State Plan Amendment.

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

Continue the Proposition 56 Supplemental Payments for Family Planning, Access, Care and Treatment Program Services

The Family Planning, Access, Care and Treatment (Family PACT) Program will continue to provide supplemental payments to Family PACT providers for Evaluation and Management (E&M) office visits rendered for comprehensive family planning services beginning January 1, 2022. These supplemental payments are equal to 150 percent of the payment amount determined based on the methodology described in Attachment 4.19-B, page 3g, last paragraph of the state plan for CPT procedure codes 99202, 99203, 99204, 99211, 99212, 99213, and 99214.

Prop. 56 supplemental payments beginning in January 1, 2022 will be made available for adjudicated claims once any necessary system edits to accommodate such payments have been implemented. Where applicable, subject claims received and paid prior to implementation of January 1, 2022 system edits will be paid in accordance with State Fiscal Year 2019-20 policy, and, upon implementation, will be retroactively reprocessed to accommodate any January 1, 2022 changes.

These supplemental payments do not change the underlying payment amount for the E&M procedure codes noted in Attachment 4.19-B, Page 3g of the state plan.

TN No. 21-0033
Supersedes
TN No. 19-0040

Approval Date: _____

Effective Date: January 1, 2022