



# NOTICE OF GENERAL PUBLIC INTEREST

RELEASE DATE: JUNE 30, 2026

## PROPOSED STATE PLAN AMENDMENT TO PROVIDE SUPPLEMENTAL PAYMENTS FOR PRIMARY AND SPECIALTY CARE SERVICES

This notice is to provide information of public interest about a proposed State Plan Amendment (SPA) by the Department of Health Care Services (DHCS). The proposed SPA 26-0029 is seeking federal authority to implement time-limited supplemental payments for Primary and Specialty Care services, effective July 1, 2026, through December 31, 2026. DHCS requests input from beneficiaries, providers, and other interested stakeholders concerning proposed SPA 26-0029, which is attached below.

DHCS proposes that the supplemental payment will apply to designated Current Procedural Terminology (CPT) and Health Care Common Procedure Coding System (HCPCS) Codes, effective for dates of service on or after July 1, 2026, through December 31, 2026. The supplemental payments will be provided, in addition to Medi-Cal base rates, for the specified procedure codes on a per claim basis. The base rates for specified services will remain unchanged through this SPA.

Services subject to this rate methodology:

- Primary care services, inclusive of obstetrics and non-specialty mental health services
- Specialty care services

DHCS estimates that the annual aggregate Medi-Cal Fee-For-Service expenditures for Primary and Specialty Care services will increase by \$120.3 million in total funds.

Federally Qualified Health Centers (FQHCs), Rural Health Centers (RHCs), other providers that are reimbursed through an all-inclusive rate or a cost-based system, and providers subject to the Clinic Upper Payment Limit pursuant to State Medicaid Director Letter 13-003 will not be eligible for these supplemental payments.

The effective date of the proposed SPA is July 1, 2026. All proposed SPAs are subject to approval by the Centers for Medicare and Medicaid Services (CMS).



## Public Review and Comments

The proposed changes included in draft SPA 26-0029 are enclosed in this notice for public comment. DHCS is requesting stakeholder input on the impact, if any, on access to services as a result of the proposed action. DHCS notes that it published a preliminary version of the code list on its website on March 20, 2026 and requested public comment by April 10, 2026. Furthermore, DHCS consulted with the Protect Access to Health Care Act Stakeholder Advisory Committee on this proposed SPA 26-0029 during the May 28, 2026, meeting and requested public comment by June 12, 2026.

Upon submission to CMS, a copy of proposed SPA 26-0029 will be published at the following internet address:

<https://www.dhcs.ca.gov/formsandpubs/laws/Pages/PendingStatePlanAmendments.aspx>

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 proposed SPA 26-0029 or a copy of submitted public comments related to SPA 26-0029 by requesting it in writing to the mailing or email address listed below. Please indicate SPA 26-0029 in the subject line or message.

Written comments may be sent to the following address:

Department of Health Care Services  
Provider Rates Division  
Attn: Aditya Voleti  
P.O. Box 997413, MS 4600  
Sacramento, California 95899-7417

Comments may also be emailed to [PublicInput@dhcs.ca.gov](mailto:PublicInput@dhcs.ca.gov). Please indicate SPA 26-0029 in the subject line or message.

To be assured consideration prior to submission of the SPA to CMS, comments must be received no later than July 30, 2026. Please note that comments will continue to be accepted after July 30, 2026, but DHCS may not be able to consider those comments prior to the initial submission of SPA 26-0029 to CMS.

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

**SIX MONTH SUPPLEMENTAL PAYMENT ADD-ON FOR PRIMARY AND  
SPECIALTY CARE SERVICES**

1. This program provides supplemental reimbursement for eligible primary care services (inclusive of obstetric and non-specialty mental health) and specialty care services delivered to Medi-Cal beneficiaries. These supplemental payments will be made in addition to the base rates for qualifying services.

Notwithstanding any other provision in this Attachment, effective for dates of service on or after July 1, 2026 through December 31, 2026, the reimbursement methodology under this paragraph applies to specified services (identified by HCPCS and CPT codes) within the categories below, as indicated on the code list:

- a. Evaluation & management for office visits
- b. Obstetric care services
- c. Non-specialty mental health services
- d. Vaccine administration
- e. Other procedure codes commonly utilized by primary care and specialists

The HCPCS and CPT codes eligible for the Primary and Specialty Care Supplemental Payment and the category assigned to each code are published on the Proposition 35 Primary and Specialty Care Supplemental Payment Fee Schedule at: [Medi-Cal Proposition 35 Primary and Specialty Code Supplemental Payment](#).

The Department of Health Care Services (DHCS) may modify the eligible code list as necessary, such as to account for changes to coding and billing definitions, and 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. The base rates for primary and specialty care services remain unchanged by this supplement.

2. Eligible Providers

- a. Primary or Specialty Care Service Codes identified as evaluation & management for office visits; vaccine administration; and other procedure codes commonly utilized by primary care, specialists, and emergency department physicians pursuant to paragraph 1 and billed using Health Insurance Claim Form (CMS-1500) are eligible for the reimbursement methodology established pursuant to this Supplement only when rendered by the following types of eligible providers:

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

- i. Physicians
  - ii. Physician Assistants
  - iii. Nurse Practitioners
  - iv. Podiatrists
  - v. Certified Nurse Midwife
  - vi. Licensed Midwives
  - vii. Doula Providers
  - viii. Psychologists
  - ix. Licensed Professional Clinical Counselor
  - x. Licensed Clinical Social Worker
  - xi. Marriage and Family Therapist
  - xii. Pupil Personnel Services (PPS) credentialed practitioners:
    - A. Credentialed School Counselors
    - B. Credentialed School Psychologists
    - C. Credentialed School Social Workers
- b. Codes identified as obstetric care services and non-specialty mental health services pursuant to paragraph 1 are eligible for the reimbursement methodology established pursuant to this Supplement when billed or rendered by an eligible provider.
- c. Notwithstanding paragraphs 2.a and 2.b, codes for which an assistant surgeon procedure type is established on the Medi-Cal Fee Schedule as of December 31, 2023 (identified as procedure type "O") are not eligible for the reimbursement methodology established pursuant to this Supplement when billed or rendered by an Assistant Surgeon.
- d. Providers eligible for the supplemental payment amounts under this Supplement do not include the following:
- i. Federally Qualified Health Centers (FQHCs), Rural Health Centers (RHCs), or other providers that are reimbursed through an all-inclusive rate or a cost-based system.
  - ii. Providers subject to the Clinic Upper Payment Limit pursuant to State Medicaid Director Letter 13-003.
- e. For split billable codes with a technical/ professional component, only the professional component modifier (26) will receive supplemental payment.
3. Base rates for primary and specialty care services are the rates established by DHCS for each CPT/HCPCS Code, as published on the Medi-Cal Rates website: <https://mcweb.apps.prd.cammiis.medi-cal.ca.gov/rates>.