

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



EDMUND G. BROWN JR. GOVERNOR

September 28, 2017

Ms. Henrietta Sam-Louie Associate Regional Administrator Division of Medicaid and Children's Health Operations Centers for Medicare & Medicaid Services San Francisco Regional Office 90 Seventh Street, Suite 5-300 (5W) San Francisco, CA 94103-6707

STATE PLAN AMENDMENT 17-030: ONE-YEAR SUPPLEMENTAL PAYMENT FOR CERTAIN PHYSICIAN SERVICES USING PROPOSITION 56 TOBACCO TAX FUNDS ALLOCATED FOR THE 2017-18 STATE FISCAL YEAR

Dear Ms. Sam-Louie:

The California Department of Health Care Services (DHCS) is submitting the enclosed State Plan Amendment (SPA) 17-030 documents for your review and approval. SPA 17-030 will provide for a supplemental payment program for certain physician services rendered during the July 1, 2017 to June 30, 2018 period.

Assembly Bill 120 (Chapter 22, Statutes of 2017) appropriates the California Healthcare, Research and Prevention Tobacco Tax Act of 2016 (Proposition 56) funds to be used as the nonfederal share for specified DHCS health care expenditures during the 2017-18 state fiscal year. The supplemental payment amounts are fixed amounts and will be paid per claim. The supplemental payments are for new and established patient office/outpatient visits, psychiatric diagnostic evaluations, psychiatric diagnostic evaluation with medical services, and psychiatric pharmacological management services as identified by Current Procedure Terminology (CPT) Code below:

CPT Code	Supplement Amount
90863	\$5.00
99201, 99211	\$10.00
99202, 99212, 99213	\$15.00
99203, 99204, 99214, 99215	\$25.00
90791, 90792	\$35.00
99205	\$50.00

Ms. Henrietta Sam-Louie Page 2

The following SPA documents are enclosed for your review and approval:

- HCFA 179 Transmittal and Notice of Approval of State Plan Material
- Page 1 of Supplement 27 to Attachment 4.19-B (clean version)

A Notice of Public Interest regarding the one-year supplemental payment program for certain physician services was published on June 30, 2017 on the DHCS webpage. On July 11, 2017, CMS informed DHCS that a tribal notice was not required for this SPA.

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

ORIGINAL SIGNED

Enclosures

cc: Ms. Connie Florez, Chief Fee-For-Service Rates Development Division 1501 Capitol Avenue, Suite 71.5195, MS 4600 Sacramento, CA 95814

> Ms. Cheryl Young Division of Medicaid & Children's Health Operations Centers for Medicare & Medicaid Services San Francisco Regional Office 90 Seventh Street, Suite 5-300 (5W) San Francisco, CA 94103-6707

TRANSMITTAL AND NOTICE OF APPROVAL OF	1. TRANSMITTAL NUMBER:	2. STATE
STATE PLAN MATERIAL	17-030	California
FOR: HEALTH CARE FINANCING ADMINISTRATION	3. PROGRAM IDENTIFICATION: TI	
	SOCIAL SECURITY ACT (MEDIC	AID)
TO: REGIONAL ADMINISTRATOR	4. PROPOSED EFFECTIVE DATE	· · · · · · · · · · · · · · · · · · ·
HEALTH CARE FINANCING ADMINISTRATION	July 1, 2017	
DEPARTMENT OF HEALTH AND HUMAN SERVICES		
5. TYPE OF PLAN MATERIAL (Check One):		
NEW STATE PLAN	CONSIDERED AS NEW PLAN	AMENDMENT
COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AME	NDMENT (Separate Transmittal for each	a amendment)
6. FEDERAL STATUTE/REGULATION CITATION:	7. FEDERAL BUDGET IMPACT:	
Assembly Bill no. 120 (Stats. 2017, ch. 22, § 3, Item	a. FFY 2017 \$122,026,5	61
4260-101-3305), Budget Act of 2017	b. FFY 2018 \$366,079,6	82
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:	9. PAGE NUMBER OF THE SUPERS	FDFD PLAN SECTION
0. THE REMEMBER OF THE FEAR SECTION OR AT TACHMENT.	OR ATTACHMENT (If Applicable)	
Supplement 27, Attachment 4.19-B, page 1		•
	None	
10. SUBJECT OF AMENDMENT:		
One-year supplemental payment for certain physician services using Prop	oosition 56 tobacco tax funds.	
11. GOVERNOR'S REVIEW (Check One):		
GOVERNOR'S OFFICE REPORTED NO COMMENT	🖂 OTHER, AS SPEC	VIEIED.
COMMENTS OF GOVERNOR'S OFFICE ENCLOSED	The Governor's Of	
□ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL		State Plan Amendment.
	wish to review the	State I fail / Interfailent.
ORIGINAL SIGNED		
OKIGINAL SIGNED		
State Medicaid Director		
State Medicaid Director		
15 DATE CUDMUTTED.		
15. DATE SUBMITTED: 9/28/2017		
15. DATE SUBMITTED: 9/28/2017		

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

STATE: CALIFORNIA

ONE-YEAR SUPPLEMENTAL PAYMENT PROGRAM FOR CERTAIN PHYSICIAN SERVICES

This program provides supplemental reimbursement for eligible physician services provided to Medi-Cal beneficiaries. The supplemental reimbursements will be provided for services rendered between July 1, 2017 through June 30, 2018. Payments will not be paid as individual increases to current reimbursement rates as described in other parts of this State Plan for physician services.

- A. Supplemental Reimbursement Methodology General Provisions
 - 1. The supplemental payment amounts are fixed by type of eligible physician service and are paid per claim based on the Current Procedural Terminology (CPT) Code, as outlined in the chart below. Eligible physician services include new and established patient office/outpatient visits, psychiatric diagnostic evaluations, psychiatric diagnostic evaluation with medical services, and psychiatric pharmacological management services.

CPT Code	Supplement Amount
90863	\$5.00
99201, 99211	\$10.00
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99203, 99204, 99214, 99215	\$25.00
90791, 90792	\$35.00
99205	\$50.00

- 2. Base rates for physician services are the rates established by the Department of Health Care Services (Department) for each CPT Code, as published on the Medi-Cal Rates website: <u>http://files.medical.ca.gov/pubsdoco/rates/rateshome.asp</u>
- 3. The supplemental payment amounts, as set forth in this Supplement, are inclusive of Federal Financial Participation.
- 4. Federal Financial Participation will be applied to supplemental payments at a rate consistent with the applicable Federal Medical Assistance Percentage, as authorized by federal law and the California State Plan.
- 5. Providers eligible for the supplemental payments under this section do not include Federally Qualified Health Centers (FQHCs), Rural Health Centers (RHCs), and other providers that are reimbursed on a cost-based system.

Approval Date: _____