



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



EDMUND G. BROWN JR.
GOVERNOR

July 5, 2018

Ms. Hye Sun Lee
Acting Associate Regional IX 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 (SPA) 18-0024

Dear Ms. Sun Lee:

The Department of Health Care Services (DHCS) is submitting State Plan Amendment (SPA) 18-0024 for your review and approval. This SPA proposes to authorize an extension of the time-limited supplemental payment program for certain dental services for an additional year.

The proposed SPA 18-0024 under enacted Budget Act of 2018, Assembly Bill 120 (Statutes of 2017, Chapter 22, §3, Item 4260-101-3305) appropriated Prop. 56 funds for specified DHCS health care expenditures during FY 2017-18 state fiscal year. In accordance with AB 120, DHCS provided supplemental payments in addition to the current dental Schedule of Maximum Allowances (SMA) for specific procedures in an effort to increase provider participation. Pursuant to Senate Bill 856 (Statutes of 2018, Chapter 30, §3, Item 4260-101-3305), DHCS has been authorized to extend the supplemental payments through June 30, 2019, and expand supplemental payments to additional procedure codes.

The existing supplemental payment categories for dental services includes restorative, endodontic, prosthodontic, oral and maxillofacial, adjunctive, and visits and diagnostic services. For FY 2018-19, the supplemental payment rates for the existing categories stated above will remain at a rate equal to 40 percent of the Dental Schedule of Maximum Allowances (SMA). For the top 26 utilized dental services, along with general anesthesia, periodontal and orthodontia, the supplemental payments will either reflect a specific dollar increase per the identified code or will be a percentage increase above the existing Medi-Cal SMA rate.

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The supplemental payments will be issued for the specified codes for dates of service during the period of July 1, 2018 through June 30, 2019 and will be made based on claim submission for the specific applicable procedures within the aforementioned categories.

DHCS proposes the effective date for SPA 18-0024 is July 1, 2018, with a proposed end date of June 30, 2019.

If you have any questions regarding the SPA, please contact Alani Jackson, Chief, Medi-Cal Dental Services Division, at (916) 552-8559 or via e-mail at Alani.Jackson@dhcs.ca.gov.

ORIGINAL SIGNED

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

1. TRANSMITTAL NUMBER 1 8 — 0024	2. STATE California
3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
4. PROPOSED EFFECTIVE DATE July 1, 2018	

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

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 42 C.F.R. Part 447, Subpart B	7. FEDERAL BUDGET IMPACT a. FFY 2018 \$ 87,073,613 b. FFY 2019 \$ 261,220,839
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT Supplement 25 to Attachment 4.19-B	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (<i>If Applicable</i>) Supplement 25 to Attachment 4.19-B

10. SUBJECT OF AMENDMENT

Extension of the implemented FY 2017-18 one-year supplemental payment for certain dental services using California Healthcare, Research and Prevention Tobacco Tax Act (Proposition 56 Tobacco Tax) using funds allocated for the 2018-19 State Fiscal Year (Stats. 2018, ch. XX, Item 4260-101-3305 to amend Budget Act

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

ORIGINAL SIGNED

14. TITLE State Medicaid Director	16. RETURN TO Department of Health Care Services ATTN: State Plan Coordinator 1501 Capitol Avenue, Suite 71.326 P.O. Box 997417 Sacramento, CA 95899-7417
15. DATE SUBMITTED July 5, 2018	

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

Extension of the one-year Supplemental Payment for Certain Dental Services which was authorized for the State Fiscal Year 2017-2018 to continue through the State Fiscal Year 2018-2019

Effective for dates of services on or after July 1, 2018 through and including June 30, 2019, a supplemental payment will continue to be applied to certain dental services in the following dental categories: restorative, endodontic, prosthodontic, oral and maxillofacial, adjunctive, visits and diagnostic services.

For FY 2018-19, the supplemental payment rates for the existing categories stated above will remain at a rate equal to 40 percent of the Dental Schedule of Maximum Allowances (SMA), including periodontal and orthodontia services and the procedure codes listed as the top 26 most utilized dental services. For the top 26 utilized dental services, the supplemental payments will either reflect a specific dollar increase per the identified code or will be a percentage increase above the existing Medi-Cal SMA rate.

,The supplemental payment for services in these categories will be reimbursed to providers who have the ability to bill for these services through the Dental Fiscal Intermediary, or Medi-Cal Dental providers who bill through the Dental Managed Care delivery system. The supplemental payments will be issued for the specified codes for dates of service during the period of July 1, 2018 through June 30, 2019.

The SMA website link can be found here:

https://www.denti-cal.ca.gov/DC_documents/providers/provider_handbook/handbook.pdf#page=135.

For reference, the SMA is published in the Provider Services Handbook, Section 5, pages 5-106 through 5-126.

Dental procedures eligible for the supplemental payments are those codes published at this website link: https://www.denti-cal.ca.gov/DC_documents/providers/provider_bulletins/Volume_

TN 18-0024
Supersedes
TN 17-031

Approval Date:

Effective Date: July 1, 2018