



TOBY DOUGLAS
DIRECTOR

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



EDMUND G. BROWN JR.
GOVERNOR

December 13, 2013

Gloria Nagle, PhD, MPA
Associate Regional Administrator
Centers for Medicare and Medicaid Services
Division of Medicaid and Children's Health
90 Seventh Street, Suite 5-300 (5W)
San Francisco, CA 94103-6707

Dear Ms. Nagle,

The Department of Health Care Services (DHCS) is submitting State Plan Amendment (SPA) 13-015 for your review and approval. SPA 13-015 will exempt dental pediatric surgery centers from the Medi-Cal 10 percent provider payment reduction as enacted by Assembly Bill (AB) 97 (Statutes of 2011) provided that at least 95 percent of the Medi-Cal beneficiaries they serve are under the age of 21. This exemption will be effective for dates of service on or after December 1, 2013.

AB 97 added section 14105.192 to the Welfare and Institutions Code which requires DHCS to reduce provider payments up to 10 percent for various outpatient services, effective for dates of service on or after June 1, 2011. Paragraph (4) of subdivision (d) of section 14105.192 authorizes the Director of DHCS to adjust the payment reductions specified in section 14105.192 with respect to particular provider types, products, or services. DHCS will periodically re-evaluate the dental pediatric surgery centers to confirm which dental pediatric surgery centers meet the 95 percent threshold required for the exemption. The exemption is being made to ensure that Medi-Cal beneficiaries under the age of 21 have access to the specialized care provided in these contexts.

Enclosed you will find the following for SPA 13-015:

- Attachment 4.19-B, page 3.5
- HCFA 179 form

Gloria Nagle, PhD, MPA
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On November 20, 2013, the Centers for Medicare & Medicaid Services informed DHCS that tribal consultation is not necessary for SPA 13-015. In addition, a public notice of the exemption was published in the California Regulatory Notice Register on November 29, 2013. Up to now, no comments have been received.

If you have any questions or need additional information, please contact Andrew McCray, Chief, Medi-Cal Dental Services Division, at (916) 464-3888 or by e-mail at Andrew.McCray@dhcs.ca.gov.

Sincerely,

Original Copy Signed BY:

Toby Douglas
Director

Enclosures

cc: Andrew McCray, Chief
Department of Health Care Services
Medi-Cal Dental Services Division
MS 4708, P.O. Box 997413
Sacramento, CA 95899-7413

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL	1. TRANSMITTAL NUMBER: 13-015	2. STATE CALIFORNIA
	3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
FOR: HEALTH CARE FINANCING ADMINISTRATION		
TO: REGIONAL ADMINISTRATOR HEALTH CARE FINANCING ADMINISTRATION DEPARTMENT OF HEALTH AND HUMAN SERVICES	4. PROPOSED EFFECTIVE DATE DECEMBER 1, 2013	

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 CFR PART 447.	7. FEDERAL BUDGET IMPACT: a. FFY 2013 \$1,006,245.91 b. FFY 2014 \$1,207,495.09
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 4.19B; amend page 3.5	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (<i>If Applicable</i>): Attachment 4.19B, page 3.5

10. SUBJECT OF AMENDMENT:

To exempt dental pediatric surgery centers from the Medi-Cal ten percent provider payment reduction provided that they serve at least 95 percent of their Medi-Cal Beneficiaries under the age of 21 in reference to the ten percent provider payment reduction as enacted by Assembly Bill (AB) 97 (Statutes of 2011).

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

- GOVERNOR'S OFFICE REPORTED NO COMMENT OTHER, AS SPECIFIED:
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED The Governor's Office does not
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL wish to review the State Plan Amendment.

12. SIGNATURE OF STATE AGENCY OFFICIAL: ORIGINAL COPY SIGNED BY:	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
13. TYPED NAME: Toby Douglas	
14. TITLE: Director	
15. DATE SUBMITTED: Dec 13, 2013	

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:

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

- (17) The effect of the payment reductions in paragraphs (6) through (13) will be monitored in accordance with the monitoring plan at Attachment 4.19-F, entitled “Monitoring Access to Medi-Cal Covered Healthcare Services”.
- (18) For dates of service on or after April 1, 2012, the payment reduction specified in paragraph (13), set forth on page 3.3 do not apply to Early and Periodic Screening, Diagnosis and Treatment (EPSDT) services, as described in Attachment 3.1-A, section 4b, when those services are provided and billed by Pediatric Day Health Care (PDHC) facilities.
- (19) For dates of service on or after October 20, 2012, the payment reduction specified in paragraph (13), set forth on page 3.3, does not apply to audiology services, as described in Attachment 3.1-A, section 11c (entitled, “Amount, Duration and Scope of Medical and Remedial Care and Services Provided to the Categorically Needy”), when those services are provided by a Type C Communication Disorder Center located in California counties of Alameda, San Benito, Santa Clara, Santa Cruz, San Francisco, and Sonoma. A Type C Communication Disorder Center is an identified team in a health care provider office or facility capable of providing audiological evaluation, hearing aid evaluation and recommendations, hearing aid orientation, speech-language evaluation and speech-language remediation, comprehensive assessment and aural rehabilitative management to children of all ages.
- (20) For dates of service on or after August 31, 2013, the payment reduction specified in paragraph (13), set forth on page 3.3, will not apply to nonprofit dental pediatric surgery centers which provide at least 99 percent of their dental procedures under general anesthesia to children with severe dental disease under the age of 21.
- (21) For dates of service on or after December 1, 2013, the payment reduction specified in paragraph (13), set forth on page 3.3, will not apply to dental pediatric surgery centers provided that they serve at least 95 percent of their Medi-Cal Beneficiaries under the age of 21.

| TN No 12-02213-015

| Supersedes _____ Approval Date _____ Effective Date December 1, 2013

| TN # 12-01613-039