

DEPARTMENT OF HEALTH & HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
90 Seventh Street, Suite 5-300 (5W)  
San Francisco, CA 94103-6706



## Regional Operations Group

---

June 4, 2019

Mari Cantwell  
Chief Deputy Director, Health Care Programs  
California Department of Health Care Services  
P.O. Box 997413, MS 0000  
Sacramento, CA 95899-7413

Dear Ms. Cantwell:

Enclosed is an approved copy of California State Plan Amendment (SPA) 19-0003, which was submitted to the Centers for Medicare & Medicaid Services (CMS) on March 28, 2019. SPA 19-0003 implements the following change: effective January 1, 2019, the reimbursement rates for radiology services will be set at no more than 80 percent of the corresponding Medicare 2019 Physician Fee Schedule rates.

The effective date of this SPA is January 1, 2019. Enclosed is the following approved SPA page that should be incorporated into your approved state plan:

- Attachment 4.19-B, page 3k

If you have any questions, please contact Cheryl Young at 415-744-3568 or via email at [Cheryl.Young@cms.hhs.gov](mailto:Cheryl.Young@cms.hhs.gov).

Sincerely,

A black rectangular box redacting the signature of Richard C. Allen.

Richard C. Allen  
Director  
Centers for Medicaid and CHIP Services  
Regional Operations Group

Enclosures

cc: Lindy Harrington, DHCS  
Connie Florez, DHCS  
Adam Neighbours, DHCS  
Thuy-Trang Le, DHCS  
Angeli Lee, DHCS  
Amanda Font, DHCS

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

1. TRANSMITTAL NUMBER

1 9 — 0 0 03

2. STATE

California

3. PROGRAM IDENTIFICATION:

TITLE XIX OF THE SSA (MEDICAID)

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

4. PROPOSED EFFECTIVE DATE

January 1, 2019

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 447, Subpart F

7. FEDERAL BUDGET IMPACT

a. FFY 2019 \$ (1,206,621)

b. FFY 2020 \$ (402,207)

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

Attachment 4.19-B page 3k

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 PAGE NUMBER OF THE SUPERSEDED PLAN SECTION  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

Attachment 4.19-B page 3k

10. SUBJECT OF AMENDMENT

Medi-Cal reimbursement rates for Radiology Services

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

[Redacted Signature]

13. TYPED NAME

Mari Cantwell

14. TITLE

State Medicaid Director

15. DATE SUBMITTED

March 28, 2019

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

March 28, 2019

18. DATE APPROVED

June 04, 2019

**PLAN APPROVED - ONE COPY ATTACHED**

19. EFFECTIVE DATE OF APPROVED MATERIAL

January 1, 2019

20. SIGNATURE OF REGIONAL OFFICIAL

[Redacted Signature]

21. TYPED NAME

Richard C. Allen

22. TITLE Director, Western Regional Operations Group,  
Centers for Medicaid & CHIP Services

23. REMARKS

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

Box 7: CMS pen and ink change approved by state via informal responses dated 4/12/19 to add parentheses to indicate savings.

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

REIMBURSEMENT METHODOLOGY FOR RADIOLOGY SERVICES

---

- 1) Except as otherwise noted in the State Plan, state-developed fee schedules are the same for both governmental and private providers of radiological services. The department's fee schedule rates were set effective April 1, 2017-December 31, 2018. All Medi-Cal Fee for Service rates are published at:  
<http://files.medi-cal.ca.gov/pubsdoco/rates/rateshome.asp>.
- 2) Effective April 1, 2017-December 31, 2018, the reimbursement rates for radiology services will be set at no more than 80 percent of the corresponding Medicare rates. Any rate reflected at or below 80 percent will not be decreased until federal approval is obtained.
- 3) The department's fee schedule rates will be adjusted on January 1, 2019, and will be effective for services provided on or after January 1, 2019. All Medi-Cal Fee for Service rates are published at:  
<http://files.medi-cal.ca.gov/pubsdoco/rates/rateshome.asp>.
- 4) Effective January 1, 2019, the reimbursement rates for radiology services will continue to be set at no more than 80 percent of the corresponding Medicare 2019 Physician Fee Schedule rates. Any rate at or below 80 percent of the applicable Medicare rate will not be decreased.