



RICHARD FIGUEROA  
DIRECTOR

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



GAVIN NEWSOM  
GOVERNOR

December 31, 2019

Mr. Richard C. Allen, Director  
Western Regional Operations Group  
Centers for Medicare & Medicaid Services  
San Francisco Regional Office  
90 Seventh Street, Suite 5-300 (5W)  
San Francisco, CA 94103-6707

STATE PLAN AMENDMENT 19-0041: PROPOSITION 56 PAYMENTS FOR  
DEVELOPMENTAL SCREENINGS

Dear Mr. Allen:

The Department of Health Care Services (DHCS) is submitting State Plan Amendment (SPA) 19-0041 for your review and approval. This SPA proposes to authorize a time-limited payment to support ongoing developmental screenings for children up to 30 months of age, effective January 1, 2020, through December 31, 2021 when rendered in Federally Qualified Health Centers (FQHCs), Rural Health Clinics (RHCs), and Indian Services Memorandum of Agreement 638 (HIS-MOA) clinics.

In 2016 California voters approved the California Healthcare, Research and Prevention Tobacco Tax Act (commonly known as Proposition 56 (Prop. 56)) to increase the excise tax rate on cigarettes and tobacco products. Under Prop. 56, a specified portion of the tobacco tax revenue is allocated to DHCS for use as the nonfederal share of health care expenditures in accordance with the annual state budget process. The Budget Act of 2019 appropriated Prop. 56 funds for specified DHCS health care expenditures during state fiscal year (FY) 2019-20. DHCS will allocate approximately \$54 million for reimbursement payments for developmental screenings as a required service for children up to 30 months of age under the Early and Periodic Screening, Diagnostic, and Treatment benefit. At least two developmental screenings can occur per year, as well as when medically necessary.

Developmental screenings are billed and reimbursed to providers in both the managed care and fee-for-service (FFS) delivery systems. The payment rate for developmental screenings is fixed at the amount listed in the chart on page 2, corresponding to one Current Procedural Terminology (CPT) code. FQHCs, RHCs, and IHS-MOA clinics will be able to receive an incentive payment, with Prop. 56 funds, in addition to their all-

Mr. Richard C. Allen  
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inclusive, per-visit reimbursement. These payments will be paid using the following code in addition to the amount paid for the office visit that accompanies the screening in FFS scenarios or capitation paid by Medi-Cal managed care health plans:

CPT Code	Amount
96110	\$59.90

DHCS informally submitted SPA 19-0041 to CMS for review on October 14, 2019, and continues to work with CMS to respond to informal questions received November 7, and December 11, 2019.

DHCS published the public notice for SPA 19-0041 on August 16, 2019, and the tribal notice on August 26, 2019. DHCS held the tribal webinar on August 29, 2019. As of December 17, 2019, DHCS received two comments, and will post its responses on the webpage for Notices of Proposed Changes to Medi-Cal Program at [https://www.dhcs.ca.gov/services/rural/Pages/Tribal\\_Notifications.aspx](https://www.dhcs.ca.gov/services/rural/Pages/Tribal_Notifications.aspx).

If you have any questions regarding the SPA, please contact Cynthia Smiley, Chief, Benefits Division, by telephone at (916) 345-8240, or by email at [Cynthia.Smiley@dhcs.ca.gov](mailto:Cynthia.Smiley@dhcs.ca.gov).

Sincerely,



Mari Cantwell  
Chief Deputy Director  
Health Care Programs  
State Medicaid Director

Enclosures

cc: Cynthia Nanes  
Western Regional Operations Group  
Centers for Medicare and Medicaid  
Services  
[Cynthia.Nanes@cms.hhs.gov](mailto:Cynthia.Nanes@cms.hhs.gov)

Jacey Cooper  
Senior Advisor  
Health Care Programs  
Department of Health Care Services  
[Jacey.Cooper@dhcs.ca.gov](mailto:Jacey.Cooper@dhcs.ca.gov)

René Mollow, MSN, RN  
Deputy Director  
Health Care Benefits and Eligibility  
Department of Health Care Services  
[Rene.Mollow@dhcs.ca.gov](mailto:Rene.Mollow@dhcs.ca.gov)

Cynthia Smiley  
Division Chief  
Benefits Division  
Department of Health Care Services  
[Cynthia.Smiley@dhcs.ca.gov](mailto:Cynthia.Smiley@dhcs.ca.gov)

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

1. TRANSMITTAL NUMBER

1 9 — 0 0 41

2. STATE

California

3. PROGRAM IDENTIFICATION:

Title XIX of the Social Security Act (Medicaid)

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

4. PROPOSED EFFECTIVE DATE

January 1, 2020

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 B

7. FEDERAL BUDGET IMPACT

a. FFY 2020 \$ 4,086,000

b. FFY 2021 \$ 5,448,000

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

Supplement 31 to Attachment 4.19-B, page 1

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

None

10. SUBJECT OF AMENDMENT

Time-limited payment for developmental screenings for children up to 30 months of age using Proposition 56 funds, effective January 1, 2020, through December 31, 2021.

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

13. TYPED NAME

Mari Cantwell

14. TITLE

State Medicaid Director

15. DATE SUBMITTED

December 31, 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

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

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**PAYMENTS TO FEDERAL CLINICS FOR DEVELOPMENTAL SCREENINGS**

Developmental screenings are an existing Medi-Cal benefit under Early and Periodic Screening, Diagnostic and Treatment, consistent with the American Academy of Pediatrics, Bright Futures periodicity schedule recommendations for, beneficiaries up to 30 months of age, and are reimbursed in both the managed care and fee-for-service (FFS) delivery systems.

This SPA seeks a separate fixed rate payment for developmental screenings rendered in Federally Qualified Health Centers (FQHCs), Rural Health Clinics (RHCs), and Indian Health Services Memorandum of Agreement (IHS-MOA) 638 clinics for services provided between the periods listed below, see Reimbursement Methodology. These payments will be in addition to the amounts paid for the office visit that accompanies the screening. For FQHCs, RHCs, and IHS-MOA clinics, these payments will be available at the FFS rate and will not impact the reconciliation of their prospective payment system or their all-inclusive rates.

CPT Code	Amount
96110	\$59.90

The rate, listed above, is the current rate, and will remain unchanged through this amendment.

Payments beginning in State Fiscal Year 2019-20 will be made available for adjudicated claims once any necessary system edits to accommodate such payments have been implemented.

**Reimbursement Methodology** – General Provisions for services provided between January 1, 2020 - December 31, 2021

TN: 19-0041  
Supersedes  
TN: None

Approval Date: \_\_\_\_\_

Effective Date: January 1, 2020