DEPARTMENT OF HEALTH CARE SERVICES

NOTICE OF GENERAL PUBLIC INTEREST AND REQUEST FOR STAKEHOLDER INPUT ON STATE PLAN AMENDMENT 20-0004 WHICH PROPOSES TO ADJUST THE MEDI-CAL FEE-FOR-SERVICE REIMBURSEMENT RATES FOR RADIOLOGY SERVICES.

RELEASE DATE: DECEMBER 31, 2019

This notice serves to provide information of public interest that the Department of Health Care Services (DHCS) is seeking the continuation of federal authority to adjust certain Medi-Cal Fee-For-Service (FFS) reimbursement rates for radiology services. DHCS requests input from beneficiaries, providers, and other interested stakeholders concerning the proposed State Plan Amendment (SPA) 20-0004, which is attached below.

DHCS plans to submit to the federal Centers for Medicare & Medicaid Services (CMS) SPA 20-0004, which proposes to adjust certain Medi-Cal FFS rates for radiology services, effective January 1, 2020, in accordance with Welfare and Institutions Code section 14105.08. Specifically, rates exceeding 80 percent of the current Medicare rate will be reduced to 80 percent of the corresponding Medicare rate. Radiology services may be described as the diagnosis, treatment, and intervention using medical imaging techniques. All proposed SPAs are subject to approval by the Federal Centers for Medicare and Medicaid Services (CMS).

DHCS estimates that expenditures for FFS radiology services will decrease by approximately \$2.8 million in total funds annually.

PUBLIC REVIEW AND COMMENTS

The proposed changes included in draft SPA 20-0004 are enclosed in this notice for public comment. DHCS is requesting stakeholder input on the impact, if any, on continued service access as a result of the proposed action.

Upon submission to CMS, a copy of proposed SPA 20-0004 will be published at:

https://www.dhcs.ca.gov/pending_2020

If you would like to view the SPA in person once it becomes available, please visit your local county welfare department. You may also request a copy of the proposed SPA from the mailing address or e-mail address below. Please indicate SPA 20-0004 in the subject line or message.

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Any written comments may be sent to: Department of Health Care Services, Fee-For-Service Rate Development Division, 1501 Capitol Avenue, MS 4600, Sacramento, California 95899-7417, or may be emailed to publicinput@dhcs.ca.gov. Please indicate SPA 20-0004 in the subject line or message. To be assured consideration prior to submission of the SPA to CMS, comments must be received no later than 5 p.m. on January 30, 2020.

Please note that comments will be accepted after January 30, 2020, but DHCS is not able to consider those comments prior to submission of SPA 20-0004 to CMS.

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

REIMBURSEMENT METHODOLOGY FOR RADIOLOGY SERVICES

- 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 January 1, 2019-December 31, 2019. All Medi-Cal Fee for Service rates are published at: http://files.medi-cal.ca.gov/pubsdoco/rates/rateshome.asp
- 2) Effective January 1, 2019-December 31, 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. 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, 2020 and will be effective for services provided on or after January 1, 2020. All Medi-Cal Fee for Service rates are published at: http://files.medi-cal.ca.gov/pubsdoco/rates/rateshome.asp.
- 4) Effective January 1, 2020, the reimbursement rates for radiology services will continue to be set at no more than 80 percent of the corresponding Medicare 2020 Physician Fee Schedule rates. Any rate at or below 80 percent of the applicable Medicare rate will not be decreased.