

**DEPARTMENT OF HEALTH CARE SERVICES
NOTICE OF GENERAL PUBLIC INTEREST AND
REQUEST FOR STAKEHOLDER INPUT
RELEASE DATE: JUNE 10, 2020**

**PROPOSED STATE PLAN AMENDMENT TO UPDATE THE MEDI-CAL
REIMBURSEMENT METHODOLOGY FOR STATE FISCAL YEAR (SFY) 2020-21
DIAGNOSIS RELATED GROUP (DRG) PAYMENTS**

This is an Addendum to the Public Notice listed above, published May 29, 2020.

May it be known that the following change has been made to the original public notice:

- Increase the statewide APR-DRG Base Price by one percent.

The effective date of the proposed SPA remains July 1, 2020.

No other terms or conditions listed in the original public notice has changed.
The deadline for public comment, 5 p.m. on June 28, 2020 remains the same.

Effective Date: July 1, 2020

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

STATE: CALIFORNIA

Appendix 6

1. APR-DRG Payment Parameters

Parameter	Value	Description
Remote Rural APR-DRG Base Price	\$15,036	Statewide Remote Rural APR-DRG Base Price.
Statewide APR-DRG Base Price	\$6,596	Statewide APR-DRG Base Price (non-Remote Rural).
Policy Adjustor – Each category of service	1.00	Policy adjustor for each category of service.
Policy Adjustor – Pediatric Severity of Illness (SOI) 1-3	1.25	Policy Adjustor for claims whose patients are less than 21 years old with a DRG in the Miscellaneous Pediatric or Respiratory Pediatric care categories.
Policy Adjustor – Neonate SOI 1-3	1.25	Policy Adjustor for all Neonate DRGs, except for those receiving the NICU Surgery policy adjuster below
Policy Adjustor – Neonate (designated NICU) SOI 1-3	1.75	Enhanced Policy Adjustor for all designated NICU facilities and surgery sites recognized by California Children’s Services (CCS) Program to perform neonatal surgery
Policy Adjustor- Obstetrics SOI 1–3	1.06	Policy adjustor value for obstetric care category
Policy Adjustor – Pediatric SOI 4	1.75	Policy Adjustor for a DRG with SOI 4 in the Miscellaneous Pediatric or Respiratory Pediatric care categories
Policy Adjustor – Neonate SOI 4	1.75	Policy Adjustor for all Neonate DRGs, except for those receiving the NICU Surgery policy adjuster below
Policy Adjustor – Neonate (designated NICU) SOI 4	2.45	Enhanced Policy Adjustor for all designated NICU facilities and surgery sites recognized by California Children’s Services (CCS) Program to perform neonatal surgery
Policy Adjustor – Adult SOI 4	1.10	Policy Adjustor Miscellaneous Adult, Respiratory Adult, Gastroenterology Adult or Circulatory Adult care categories
Policy Adjustor –Obstetrics SOI 4	1.17	Policy Adjustor for Obstetrics care category

Parameter	Value	Description
California Wage Area Neutrality Adjustment	0.9584	Adjustment factor used by California or Border hospital
Wage Index Labor Percentage	68.3%	Percentage of DRG Base Price or Rehabilitation per diem rate adjusted by the wage index value.
High Cost Outlier Threshold	\$61,000	Used to determine Cost Outlier payments.
Low Cost Outlier Threshold	\$61,000	Used to determine Cost Outlier payments.
Marginal Cost Factor	55.0%	Used to determine Cost Outlier payments.
Discharge Status Value 02	02	Transfer to a short-term general hospital for inpatient care
Discharge Status Value 05	05	Transfer to a designated cancer center
Discharge Status Value 63	63	Transfer to a long-term care hospital
Discharge Status Value 65	65	Transfer to a psychiatric hospital
Discharge Status Value 66	66	Transfer to a critical access hospital (CAH)
Discharge Status Value 82	82	Transfer to a short-term general hospital for inpatient care with a planned acute care hospital inpatient readmission
Discharge Status Value 85	85	Transfer to a designated cancer center or children's hospital with a planned acute care hospital inpatient readmission
Discharge Status Value 91	91	Transfer to a Medicare certified Long Term Care Hospital with a planned acute care hospital inpatient readmission
Discharge Status Value 93	93	Transfer to a psychiatric distinct part unit of a hospital with a planned acute care hospital inpatient readmission
Discharge Status Value 94	94	Transfer to a Critical Access Hospital with a planned acute care hospital inpatient readmission
Interim Payment	\$600	Per diem amount for Interim Claims
APR-DRG Grouper Version	V.35	3M Software version used to group claims to a DRG
HAC Utility Version	V.37.1	3M Software version of the Healthcare Acquired Conditions Utility
Pediatric Rehabilitation Rate	\$1,841	Daily rate for rehabilitation services provided to a beneficiary under 21 years of age on admission.
Adult Rehabilitation Rate	\$1,032	Daily rate for rehabilitation services provided to a beneficiary 21 years of age or older on admission.

2. Separately Payable Services, Devices, and Supplies

Code	Description
	Bone Marrow
38204	Management of recipient hematopoietic progenitor cell donor search and acquisition
38204	Unrelated bone marrow donor
	Blood Factors
J7180	Blood factor XIII
J7183	Blood factor Von Willebrand –injection
J7185/J7190/J7192	Blood factor VIII
J7186	Blood factor VIII/ Von Willebrand
J7187	Blood factor Von Willebrand
J7189	Blood factor VIIa
J7193/J7194/J7195	Blood factor IX
J7197	Blood factor Anti-thrombin III
J7198	Blood factor Anti-inhibitor
C9134	Blood Factor XIII Antihemophilic factor
J7199	Alprolix and Factor VIII
	Long Acting Reversible Contraception Methods
J7300	Intrauterine Copper (Paraguard)
J7301	Skyla
J7302	Levonorgestral-releasing intrauterine contraceptive system (Mirena)
J7307	Etonogestrel (Implanon, Nexplanon)
	CAR T-Cell Therapies
Q2040	Tisagenlecleucel (Kymriah™)
Q2041	Axicabtagene ciloleucel (Yescarta™)
Q2042	Tisagenlecleucel (Kymriah™)

3. List of Hospitals Eligible to receive the “DRG- NICU- Surgery Policy Adjustor”

A. Hospitals approved to receive Policy Adjustor – NICU Surgery, status as of February 27, 2019:

- 1) California Pacific Medical Center - Pacific
- 2) Cedars Sinai Medical Center
- 3) Children’s Hospital & Research Center of Oakland (UCSF Benioff Oakland)
- 4) Children’s Hospital of Los Angeles
- 5) Children’s Hospital of Orange County
- 6) Citrus Valley Medical Central – Queen of the Valley
- 7) Community Regional Medical Center Fresno
- 8) Good Samaritan - San Jose
- 9) Huntington Memorial Hospital
- 10) Kaiser Anaheim
- 11) Kaiser Downey
- 12) Kaiser Fontana
- 13) Kaiser Foundation Hospital - Los Angeles
- 14) Kaiser Permanente Medical Center - Oakland
- 15) Kaiser Foundation Hospital – Roseville
- 16) Kaiser Permanente – Santa Clara
- 17) Kaiser Foundation Hospital San Diego
- 18) Loma Linda University Medical Center
- 19) Lucille Salter Packard Children’s Hospital – Stanford
- 20) Miller Children’s at Long Beach Memorial Medical Center
- 21) Pomona Valley Hospital Medical Center
- 22) Providence Tarzana Regional Medical Center
- 23) Rady Children’s Hospital - San Diego
- 24) Santa Barbara Cottage Hospital
- 25) Sutter Memorial Hospital
- 26) Valley Children’s Hospital