

**DEPARTMENT OF HEALTH & HUMAN SERVICES**

Centers for Medicare & Medicaid Services  
601 E. 12th St., Room 355  
Kansas City, Missouri 64106



Medicaid and CHIP Operations Group

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December 10, 2024

Tyler Sadwith, State Medicaid Director  
Department of Health Care Services  
Attn: Director's Office  
P.O. Box 997413, MS 0000  
Sacramento, CA 95899-7413

Re: California State Plan Amendment (SPA) 24-0011

Dear Director Sadwith:

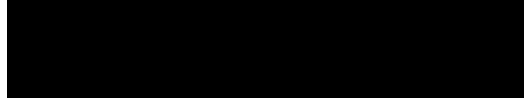
The Centers for Medicare & Medicaid Services (CMS) reviewed your Medicaid State Plan Amendment (SPA) submitted under transmittal number (TN) 24-0011. This amendment will implement a Medicare Part A buy-in agreement between the California Department of Health Care Services (DHCS) with CMS. Under this agreement, DHCS will automatically pay Medicare Part A premiums, deductibles, and coinsurance for Medi-Cal members who are enrolled in both the Medicare program and Medi-Cal program and who qualify for the Qualified Medicare Beneficiary (QMB) Medicare Savings Program.

We conducted our review of your submittal according to statutory requirements in Title XVIII, Sections 1843 and 1818(g) of the Social Security Act (the Act) and in Title XIX of the Act and implementing regulations at 42 Code of Federal Regulations (CFR) 406.26 and 407.40. This letter is to inform you that California Medicaid SPA 24-0011 was approved on December 10, 2024 with an effective date of October 1, 2024. Please note that, per 42 CFR 406.26(b), Part A buy-in coverage for QMBs under the buy-in agreement begins no earlier than January 1, 2025, the third month following the month in which the agreement modification covering QMBs is effectuated.

Enclosed are copies of Form CMS-179 and approved SPA pages to be incorporated into the California State Plan.

If you have any questions, please contact Cheryl Young at 415-744-3598 or via email at Cheryl.Young@cms.hhs.gov.

Sincerely,

A large black rectangular redaction box covering the signature of Ruth A. Hughes.

Ruth A. Hughes, Acting Director  
Division of Program Operations

Enclosures

cc: Lindy Harrington, DHCS  
Oksana Hill, DHCS  
Rene Mollow, DHCS  
Theresa Hasbrouck, DHCS  
Brooke Hennessey, DHCS  
Anastasia Dodson, DHCS  
Aaron Goff, DHCS  
Saralyn Ang-Olson, DHCS  
Angeli Lee, DHCS  
Farrah Samimi, DHCS  
Shanna Haysbert, DHCS

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

1. TRANSMITTAL NUMBER

2 4 — 0 0 1 1

2. STATE

CA3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL  
SECURITY ACT

XIX



XXI

TO: CENTER DIRECTOR

CENTERS FOR MEDICAID & CHIP SERVICES  
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE

October 1, 2024

5. FEDERAL STATUTE/REGULATION CITATION

Sections 1843 and 1818(g) of the Act; 42 Code of Federal Regulations section  
407.40(b) \*See Box 22 for additional information

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)

a. FFY 24-25 \$ 0b. FFY 25-26 \$ 0

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

Section 3.2, pages ~~29a-29b~~ 29-29c8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION  
OR ATTACHMENT (If Applicable)Section 3.2, pages ~~29a-29b~~ 29-29c

9. SUBJECT OF AMENDMENT

Medicare Part A Buy-In Agreement

10. GOVERNOR'S REVIEW (Check One)



GOVERNOR'S OFFICE REPORTED NO COMMENT



COMMENTS OF GOVERNOR'S OFFICE ENCLOSED



NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL



OTHER, AS SPECIFIED:

Please note: The Governor's Office does not wish to review  
the State Plan Amendment.

11. SIGNATURE OF STATE AGENCY OFFICIAL

12. TYPED NAME

Tyler Sadwith

13. TITLE

State Medicaid Director

14. DATE SUBMITTED

September 26, 2024

15. RETURN TO

Department of Health Care Services

Attn: Director's Office

P.O. Box 997413, MS 0000

Sacramento, CA 95899-7413

**FOR CMS USE ONLY**

16. DATE RECEIVED

September 26, 2024

17. DATE APPROVED

December 10, 2024

**PLAN APPROVED - ONE COPY ATTACHED**

18. EFFECTIVE DATE OF APPROVED MATERIAL

October 1, 2024

19. SIGNATURE OF APPROVING OFFICIAL

20. TYPED NAME OF APPROVING OFFICIAL

Ruth A. Hughes

21. TITLE OF APPROVING OFFICIAL

Acting Director, Division of Program Operations

22. REMARKS

Box 5: Per email with CA DHCS dated 11/20/24, CMS made a pen and ink change to add and change statutory and regulatory citations.  
CMS added "Title XIX of the Social Security Act (the Act), and 42 CFR 406.26 and 407.40" and deleted "42 CFR 407.40(b)."Boxes 7-8: Per email with CA DHCS dated 11/13/24, CMS made pen and ink revisions to list all pages that were submitted and that will be  
superseded.

**Citation**

Sections 1843 and 1818(g) of the Act; 42 CFR 407.40(b)

1902(a)(10)(E)(i) and 1905(p)(1) of the Act; 42 CFR 435.123 and 400.200

Section 1818(g) of the Act; 42 CFR 406.26

42 CFR 406.32(g)

Section 1902(a)(10)(E)(ii); 42 CFR 435.126

Section 1843 of the Act; 42 CFR 407.42

42 CFR 435.120, 435.121; 435.130, 435.232; and 435.234

Sections 1619(b) and 1634(c) of the Act; 42 CFR 435.134, 435.135, 435.137, and 435.138

**3.2 Coordination of Medicaid with Medicare and Other Insurance**

  X   The Medicaid agency has a buy-in agreement with CMS under which it agrees to cover Medicare premiums for Medicare-eligible individuals enrolled in certain Medicaid eligibility groups selected by the Medicaid agency below. The SPA pages that follow represent the entirety of the buy-in agreement and bind the state to follow federal regulations and guidance promulgated under these provisions.

(a) Medicare premiums

(1) Medicare Part A premiums

(i) Qualified Medicare Beneficiary (QMB) Group:

The Medicaid agency pays the Medicare Part A premiums (if applicable) for individuals in the QMB eligibility group as defined in the QMB pages of this plan using the following:

  X   Buy-in agreement that pays the Part A premiums for individuals entitled to Medicare Part A and/or enrolled in Part B.

       Group payer arrangement

(ii) Qualified Disabled and Working Individuals (QDWI) Group

  X   The Medicaid agency pays Part A premiums under a group payer arrangement, subject to any contribution required as described in the QDWI pages of this plan.

(2) Medicare Part B Premiums

The Medicaid agency includes the following Medicaid eligibility groups in its buy-in group:

  X   Mandatory cash assistance and deemed recipients of cash assistance groups:

(i) Individuals who receive SSI or SSP or both and are covered under this plan as categorically needy

(ii) Individuals who under the Act or any other provision of federal Law are treated, for Medicaid eligibility purposes, as though they were receiving SSI or SSP and are covered under this plan as categorically needy

TN No. 24-0011

Supersedes

TN No. 93-018

Approval Date: December 10, 2024

Effective Date: October 1, 2024

\*Per 42 CFR 406.26(b), Part A buy-in coverage for QMBs under the buy-in agreement begins no earlier than January 1, 2025, the third month following the month in which the agreement modification covering QMB is effectuated.

State/Territory: California

**Citation**

42 CFR 435.145; section  
1931(b) of the Act

  X   Optional deemed recipients of cash assistance groups:

Individuals whom the State must consider to be recipients of AFDC, including those who receive adoption assistance, foster care or guardianship care under part E of title IV of the Act

42 CFR 435.4

  X   Medicare Savings Programs groups:

Sections 1902(a)(10)(E)(i)  
and 1905(p)(1) of the Act; 42  
CFR 435.123 and 400.200

(i) Individuals in the QMB eligibility group as defined in the QMB pages in this plan

Sections 1902(a)(10)(E)(iii)  
and 1905(p)(3)(A)(ii) of the  
Act; 42 CFR 435.124

(ii) Individuals in the Specified Low-Income Medicare Beneficiary (SLMB) eligibility group as defined in the SLMB pages in this plan

Sections 1902(a)(10)(E)(iv)  
and 1905(p)(3)(A)(i) of the  
Act, 42 CFR § 435.125

(iii) Individuals in the Qualifying Individual (QI) eligibility group as defined in the QI pages in this plan

  X   All other Medicaid eligibility groups. All other individuals eligible for Medicaid under Title 19 of the Act.

**Other Health Insurance**

Section 1905(a) of the Act

  X   The Medicaid agency pays insurance premiums for medical or any other type of remedial care to maintain a third party resource for Medicaid covered services provided to eligible individuals (except individuals 65 years of age or older and disabled individuals, entitled to Medicare Part A but not enrolled in Medicare Part B). (See attachment 4.22-C for methods of determining cost-effectiveness.)

TN No. 24-0011

Supersedes

TN No. 98-006

Approval Date: December 10, 2024 Effective Date: October 1, 2024

\*Per 42 CFR 406.26(b), Part A buy-in coverage for QMBs under the buy-in agreement begins no earlier than January 1, 2025, the third month following the month in which the agreement modification covering QMB is effectuated.

State/Territory: California

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TN No. 24-0011  
Supersedes  
TN No. 98-006

Approval Date: December 10, 2024 Effective Date: October 1, 2024

## State/Territory: California

**Citation****(b) Deductibles/Coinsurance**

1902(a)(30), 1902(n),  
1905(a), and 1916 of the Act

**(1) Medicare Part A and B**

Supplement 1 to ATTACHMENT 4.19-B describes the methods and standards for establishing payment rates for services covered under Medicare, and/or the methodology for payment of Medicare deductible and coinsurance amounts, to the extent available for each of the following groups:

Sections 1902(a)(10)(E)(i)  
and 1905(p)(3) of the Act

**(i) Qualified Medicare Beneficiaries (QMBs)**

The Medicaid agency pays the Medicare Part A and Part B deductible and coinsurance amounts for QMBs (subject to any nominal Medicaid copayment) for all services available under Medicare.

1902(a)(10), 1902(a)(30), and  
1905(a) of the Act

**(ii) Other Medicaid Recipients**

The Medicaid agency pay for Medicaid services also covered under Medicare and furnished to recipients entitled to Medicare (subject to any nominal Medicaid copayment) for services furnished to individuals who are eligible for full coverage Medicaid. Payment is made as follows:

42 CFR 431.625

  X   For the entire range of services available under Medicare Part B.

       Only for the amount, duration, and scope of services otherwise available under this plan.

Sections 1902(a)(10),  
1902(a)(30), 1905(a), and  
1905(p) of the Act

**(iii) Dual Eligible—QMB “Plus”**

The Medicaid agency pays the Medicare Part A and Part B deductible and coinsurance amounts for all services available under Medicare and pays for all Medicaid services furnished to individuals eligible both as QMBs and categorically or medically needy (subject to any nominal Medicaid copayment).