

March 19, 2026

THIS LETTER SENT VIA EMAIL

Ms. Courtney Miller, Director
Division of Program Operations
Medicaid and CHIP Operations Group
Centers for Medicare & Medicaid Services
601 East 12th Street, Room 355
Kansas City, MO 64106

STATE PLAN AMENDMENT 26-0013: DURABLE MEDICAL EQUIPMENT TECHNICAL EDITS

Dear Ms. Miller:

The Department of Health Care Services (DHCS) is submitting State Plan Amendment (SPA) 26-0013 for your review and approval. This SPA proposes to make technical edits to the durable medical equipment (DME) section of the State Plan to remove low, outdated monetary thresholds that currently require DHCS to impose prior authorization (PA) requirements in instances where it is not necessary or appropriate given significant increases in DME costs over the years and based upon current PA approval data, thus creating an additional administrative burden on DHCS and DME providers. These technical edits will provide DHCS with much-needed flexibility to set more appropriate PA requirements via policy that strike the appropriate balance between reducing unnecessary administrative burdens on DHCS and DME providers and aligning with today's DME marketplace while still ensuring medical necessity, being responsible fiscal stewards, and protecting Medi-Cal program integrity. DHCS seeks an effective date of January 1, 2026, for this SPA.

Since this SPA makes only technical updates and does not change any Medi-Cal DME coverage policy, reimbursement rates, or who is eligible to receive services, there is no federal fiscal impact. Thus, DHCS did not publish a public notice. In this instance, DHCS has determined that a Tribal notice is not necessary for this SPA.

Ms. Miller

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The following documents are included for submission of SPA 26-0013:

- CMS Form 179
- Limitations on Attachment 3.1-A and 3.1-B, Page 14

If you have any questions or need additional information, please contact Amber De La Rosa, Chief of Benefits Division, at (916) 345-7924 or by email at Amber.Delarosa@dhcs.ca.gov.

Sincerely,



Tyler Sadwith
State Medicaid Director
Chief Deputy Director, Health Care Programs
California Department of Health Care Services

Enclosures

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

1. TRANSMITTAL NUMBER

2. STATE

3. 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

5. FEDERAL STATUTE/REGULATION CITATION

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)

a. FFY _____ \$ _____
b. FFY _____ \$ _____

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

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

9. SUBJECT OF AMENDMENT

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

[Redacted Signature]

15. RETURN TO

12. TY.

13. TITLE

14. DATE SUBMITTED

FOR CMS USE ONLY

16. DATE RECEIVED

17. DATE APPROVED

PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL

19. SIGNATURE OF APPROVING OFFICIAL

20. TYPED NAME OF APPROVING OFFICIAL

21. TITLE OF APPROVING OFFICIAL

22. REMARKS

(Note: This chart is an overview only)

TYPE OF SERVICE	PROGRAM COVERAGE**	PRIOR AUTHORIZATION OR OTHER REQUIREMENTS*
7c.1 Medical supplies (cont.)	Blood and blood derivatives are covered when ordered by a physician or dentist.	Prior authorization is not required. Certification that voluntary blood donations cannot be obtained is required from blood banks supplying the blood or facility where transfusion is given.
7c.2 Durable medical equipment (DME)	Covered after a face-to-face encounter with a physician, nurse practitioner (NP), clinical nurse specialist (CNS), or a physician assistant (PA) when prescribed by a physician, NP, CNS, or PA and reviewed annually by the prescribing practitioner, in accordance with 42 CFR 440.70. DME commonly used in providing SNF and ICF level of care is not separately billable. Common household items are not covered.	Prior authorization may be required. Authorization shall be granted only for the lowest cost item that meets the medical needs of the patient.
7c.3 Hearing aids	Refer to Type of Service "12c Prosthetic and orthotic appliances, and hearing aids."	Refer to Type of Service "12c Prosthetic and orthotic appliances, and hearing aids."

*Prior authorization is not required for emergency services.

**Coverage is limited to medically necessary services.

(Note: This chart is an overview only)

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