



NOTICE OF GENERAL PUBLIC INTEREST

RELEASE DATE: JULY 13, 2026

PROPOSED STATE PLAN AMENDMENT TO EXTEND THE REIMBURSEMENT METHODOLOGY FOR FREESTANDING SKILLED NURSING/SUBACUTE FACILITIES LEVEL-B AND THE WORKFORCE STANDARDS PROGRAM

This notice is to provide information of public interest about a proposed State Plan Amendment (SPA) by the Department of Health Care Services (DHCS). Pursuant to SB 165 (Chapter 61, Statutes of 2026), this proposed SPA extends the reimbursement methodology for the Freestanding Skilled Nursing Facilities Level B and Freestanding Adult Subacute Facilities and the Workforce Standards Program through Calendar Year 2027 and provides additional technical edits. DHCS requests input from beneficiaries, providers, and other interested stakeholders concerning proposed SPA #26-0010, which is attached.

DHCS estimates that the annual aggregate Medi-Cal expenditures will increase by **\$36.9 million** in total funds.

The effective date of the proposed SPA is January 1, 2027. All proposed SPAs are subject to approval by the Centers for Medicare and Medicaid Services (CMS).

Public Review and Comments

The proposed changes included in draft SPA #26-0010 are enclosed in this notice for public comment. DHCS is requesting stakeholder input on the impact, if any, on access to services as a result of the proposed action.

Upon submission to CMS, a copy of proposed SPA #26-0010 will be published at the following internet address:

<https://www.dhcs.ca.gov/formsandpubs/laws/Pages/PendingStatePlanAmendments.aspx>.

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 proposed SPA #26-0010 or a copy of submitted public comments related to SPA #26-0010 by requesting it in writing to the mailing or email address listed below. Please indicate SPA #26-0010 in the subject line or message.

Written comments may be sent to the following address:

Department of Health Care Services
Provider Rates Division
Attn: Long-Term Services and Support Section
P.O. Box 997413, MS 4600
Sacramento, California 95899-7417

Comments may also be emailed to PublicInput@dhcs.ca.gov. Please indicate SPA #26-0010 in the subject line or message.