

**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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September 15, 2021

Jacey Cooper  
Chief Deputy Director, Health Care Programs  
California Department of Health Care Services  
P.O. Box 997413, MS 0000  
Sacramento, CA 95899-7413

Dear Ms. Cooper:

Enclosed is an approved copy of California State Plan Amendment (SPA) 21-0028, which was submitted to the Centers for Medicare & Medicaid Services (CMS) on June 30, 2021. This SPA will add Medication Therapy Management (MTM) to Licensed Pharmacist Services under the Other Licensed Practitioner (OLP) benefit; remove the Treatment Authorization Request (TAR) requirement from Licensed Pharmacist Services; and update the rate methodology for Licensed Pharmacist Services by adding rates for MTM.

The effective date of this SPA is July 1, 2021. Enclosed is the following approved SPA page that should be incorporated into your approved State Plan:

- Limitations on Attachment 3.1-A, pages 12a.7 to 12a.7a
- Limitations on Attachment 3.1-B, pages 12a.7 to 12a.7a
- Attachment 4.19-B, pages 2 to 3
- Supplement 17 to Attachment 4.19-B, pages 1 to 1a

If you have any questions, please contact Cheryl Young at 415-744-3598 or via email at [Cheryl.Young@cms.hhs.gov](mailto:Cheryl.Young@cms.hhs.gov).

Sincerely,

A black rectangular box redacting the signature of James G. Scott.

Digitally signed by James G. Scott  
-S  
Date: 2021.09.15 13:47:45 -05'00'

James G. Scott, Director  
Division of Program Operations

Enclosure

cc: Rene Mollow, Department of Health Care Services (DHCS)  
Harry Hendrix, DHCS  
Mike Wofford, DHCS  
Dorothy Uzoh, DHCS  
Paul Pontrelli, DHCS  
Angeli Lee, DHCS

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

1. TRANSMITTAL NUMBER

2 1 — 0 0 28

2. STATE

California

3. PROGRAM IDENTIFICATION:

Title IX of the Social Security Act (Medicaid)

TO: REGIONAL ADMINISTRATOR  
CENTERS FOR MEDICARE & MEDICAID SERVICES  
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE

July 1, 2021

5. TYPE OF PLAN MATERIAL (*Check One*)

NEW STATE PLAN

AMENDMENT TO BE CONSIDERED AS NEW PLAN

AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (*Separate transmittal for each amendment*)

6. FEDERAL STATUTE/REGULATION CITATION

42 CFR section 440.60 & 42 CFR 447, Subpart F

7. FEDERAL BUDGET IMPACT

a. FFY 2020/21 \$ 0

b. FFY 2021/22 \$6,750 \$ ~~8,767~~ (in thousands)

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

Limitations on Attachment 3.1-A, pages 12a.7-12a.7a  
Limitations on Attachment 3.1-B, pages 12a.7-12a.7a  
Supplement 17 to Attachment 4.19-B, pages 2-3  
Attachment 4.19-B, pages 1-1a

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

Limitations on Attachment 3.1-A, page 12a.7  
Limitations on Attachment 3.1-B, page 12a.7  
Supplement 17 to Attachment 4.19-B, pages 2-3  
Attachment 4.19-B, page 1

10. SUBJECT OF AMENDMENT

Adds Medication Therapy Management (MTM) as a Pharmacist Services benefit under the Medi-Cal Program, removes Treatment Authorization Request (TAR) requirement from Pharmacist Services and a selected technical cleanup

11. GOVERNOR'S REVIEW (*Check One*)

GOVERNOR'S OFFICE REPORTED NO COMMENT

OTHER, AS SPECIFIED

COMMENTS OF GOVERNOR'S OFFICE ENCLOSED

NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

12. SIGNATURE OF STATE AGENCY OFFICIAL

Jacey Cooper

Digitally signed by Jacey Cooper  
Date: 2021.06.30 14:34:07 -07'00'

13. TYPED NAME

Jacey Cooper

14. TITLE

State Medicaid Director

15. DATE SUBMITTED

June 30, 2021

16. RETURN TO

Department of Health Care Services

Attn: Director's Office

P.O. Box 997413, MS 0000

Sacramento, CA 95899-7413

**FOR REGIONAL OFFICE USE ONLY**

17. DATE RECEIVED

June 30, 2021

18. DATE APPROVED

September 15, 2021

**PLAN APPROVED - ONE COPY ATTACHED**

19. EFFECTIVE DATE OF APPROVED MATERIAL

July 1, 2021

20. SIGNATURE OF REGIONAL OFFICIAL

Digitally signed by James G. Scott -S  
Date: 2021.09.15 13:48:19 -05'00'

21. TYPED NAME

James G. Scott

22. TITLE

Director, Division of Program Operations

23. REMARKS

For Box 11 "Other, As Specified," Please note: The Governor's Office does not wish to review the State Plan Amendment.  
Box 6 & 7: CMS made pen and ink corrections per 8/6/21 written state response to CMS informal questions.

STATE PLAN CHART

TYPE OF SERVICE	PROGRAM COVERAGE**	PRIOR AUTHORIZATION OR OTHER REQUIREMENTS*
6d.9. Licensed Pharmacist Services	Licensed Pharmacist may perform all services under California’s Scope of Practice Act law.	<p>Limited to services provided under scope of practice and to the extent permitted by applicable statutes and regulations. Limited to medically necessary services only. Does not include dispensing services outlined in Supplement 2 to Attachment 4.19-B</p> <p>Licensed Pharmacist Services are limited to 6 visits in 90 days. Additional encounters may be authorized when determined medically necessary by the state</p> <p>Medication Therapy Management (MTM) Services are provided by a licensed pharmacist to a recipient to optimize the therapeutic outcomes of the recipient's medications and prevent medication-related problems.</p> <p>A pharmacist intern may provide MTM services under the direct supervision of a licensed pharmacist who assumes the professional responsibility for the services of the pharmacist intern.</p> <p>MTM services are limited to any willing pharmacist that agrees to meet the requirements</p>

\* Prior authorization is not required for emergency services.

\*\* Coverage is limited to medically necessary services.

STATE PLAN CHART

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TYPE OF SERVICE	PROGRAM COVERAGE**	PRIOR AUTHORIZATION OR OTHER REQUIREMENTS*
6d.9. Licensed Pharmacist Services (cont.)		<p>of participation for a defined list of covered drug categories.</p> <p>A qualified pharmacist may provide MTM services in person or via telehealth. Telehealth services are subject to the same provision of services that are provided to a recipient in person. Providers must ensure the privacy of the recipient and secure any information shared via telehealth.</p> <p>Services are limited to a total of six encounters per recipient per 365-day period. When the treatment duration of a medication is less than six months, coverage is limited to one encounter per month of treatment. Additional encounters may be authorized when determined medically necessary by the state.</p>

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\*\* Coverage is limited to medically necessary services.

STATE PLAN CHART

TYPE OF SERVICE	PROGRAM COVERAGE**	PRIOR AUTHORIZATION OR OTHER REQUIREMENTS*
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STATE PLAN CHART

TYPE OF SERVICE	PROGRAM COVERAGE**	PRIOR AUTHORIZATION OR OTHER REQUIREMENTS*
6d.9. Licensed Pharmacist Services (cont.)		<p>of participation for a defined list of covered drug categories.</p> <p>A qualified pharmacist may provide MTM services in person or via telehealth. Services are subject to the same provision of services that are provided to a recipient in person. Providers must ensure the privacy of the recipient and secure any information shared via telehealth.</p> <p>Services are limited to a total of six encounters per recipient per 365-day period. When the treatment duration of a medication is less than six months, coverage is limited to one encounter per month of treatment. Additional encounters may be authorized when determined medically necessary by the state.</p>

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\*\* Coverage is limited to medically necessary services.

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

- A. Non- institutional services for governmental and private providers listed in Supplement 17 of Attachment 4. 19- Bare reimbursed the same using the methodology set forth in paragraph (C).
- B. The State Agency's rates for the services listed in Supplement 17 were posted as of January 1, 2019, and are effective for dates of services on or after that date. The rates for these services are posted on the Medi-Cal Rates website at: <https://files.medi-cal.ca.gov/Rates/RatesHome.aspx>
1. Licensed Pharmacists Services, other than Medication Therapy Management (MTM) Services, are reimbursed at 85 percent of the current Medicare fee schedule. Payment for Licensed Pharmacist Services, including Pharmacist delivered MTM, does not include dispensing services outlined in Supplement 2 to Attachment 4.19-B
- a) Reimbursement rates for MTM Services are set as of July 1, 2021 and are effective for services provided on or after that date. All rates for MTM Services with the associated Current Procedural Terminology (CPT) billing codes are shown in the table below:

CPT Code	CPT Code Description	Reimbursement Rate
99605	Medication therapy management service(s) provided by pharmacist, individual, <b>face-to-face</b> with patient, with assessment and intervention if provided; <b>new</b> patient visit, initial 15 minutes	\$ 43.00
99606	Medication therapy management service(s) provided by pharmacist, individual, <b>face-to-face</b> with patient, with assessment and intervention if provided; <b>established</b> patient visit, initial 15 minutes	\$43.00
99607	Add-on code for each additional 15-minute increment	\$32.00

- C. The policy of the State Agency is that reimbursement for each of the other types of care or service listed in Section 1905( a) of the Act that are included in the program under the plan will be at the lesser of usual charges or the limits specified in the California Code of Regulations (CCR), Title 22, Division 3,

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

Chapter 3, Article 7 (commencing with Section 51501) and CCR, Title 17, Chapter 4, Subchapter 13, Sections 6800-6874, for EPSDT health assessment services, or as specified by any other means authorized by state law.

1. The methodology utilized by the State Agency in establishing payment rates will be as follows:
  - a) The development of an evidentiary base or rate study resulting in the determination of a proposed rate.
  - b) To the extent required by State or Federal law or regulations, the presentation of the proposed rate at public hearing to gather public input to the rate determination process.
  - c) The determination of a payment rate based on an evidentiary base, including pertinent input from the public.
  - d) The establishment of the payment rate through the State Agency's adoption of regulations specifying such rate in the CCR, Title 22, Division 3, Chapter 3, Article 7 (commencing with Section 51501), and CCR, Title 17, Chapter 4, Subchapter 13, commencing with Section 6868, Schedule of Maximum Allowances for EPSDT health assessment, or through any other means authorized by State law.



State Plan Under Title XIX of the Social Security Act State:  
California

**NON-INSTITUTIONAL SERVICES**

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- d. Other practitioners' services.
  - d.9. Licensed Pharmacist Services including Pharmacist delivered Medication Therapy Management (MTM) Services.
- 7. Home health services.
  - c.2. Durable medical equipment reimbursed as described in Attachment 4.19-B, pages 3a-3f.
- 9. Clinic services, other than those specific clinic services that are identified and described in Supplements 5, 9 and 10 to Attachment 4.19-B.
- 11. Physical therapy and related services.
  - a. Physical therapy.
  - b. Occupational therapy.
  - c. Services for individuals with speech, hearing, and language disorders (provided by or under the supervision of a speech pathologist or audiologist).
- 12. Prosthetic devices; hearing aids; and eyeglasses prescribed by a physician skilled in diseases of the eye or by an optometrist.
  - c. Prosthetic devices and hearing aids.
  - d. Eye glasses.
- 13. Other preventive services, i.e., other than those provided elsewhere in the plan, as referenced in Attachment 3.1-A and 3.1-B. Excludes substance abuse services provided under Drug Medi-Cal.
  - c. Preventive services.
- 17. Nurse-midwife services.

State Plan Under Title XIX of the Social Security Act State:  
California

**NON-INSTITUTIONAL SERVICES**

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18. Hospice care.
20. Extended services for pregnant women.
  - a. Pregnancy-related and postpartum services for a 60-day period after the pregnancy ends and any remaining days in the month in which the 60<sup>th</sup> day fall.
  - b. Services for any other medical conditions that may complicate pregnancy.
21. Ambulatory prenatal care for pregnant woman furnished during a presumptive eligibility period by an eligible provider.
23. Certified pediatric or family nurse practitioners' services.
24. Any other medical care and any other type of remedial care recognized under State law, specified by the Secretary.
  - a. Transportation.
  - e. Emergency outpatient hospital services.