

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

STATE: California

TARGETED PROVIDER REIMBURSEMENT METHODOLOGY FOR  
PRIMARY/GENERAL CARE, OBSTETRIC CARE, DOULA, AND NON-  
SPECIALTY OUTPATIENT MENTAL HEALTH SERVICES

1. Notwithstanding any other provision in this Attachment, effective for dates of service on or after January 1, 2024, the reimbursement methodology in paragraph 3 applies to specified services (identified by HCPCS and CPT codes) within the below categories, as determined by the Department of Health Care Services (DHCS):
  - i. Primary/general care services
  - ii. Obstetric care services
  - iii. Non-specialty outpatient mental health services

The HCPCS and CPT codes eligible for the Targeted Provider Rates and the category assigned to each code are published on the Targeted Rate Increase Fee Schedule at: <https://www.dhcs.ca.gov/Pages/Medi-Cal-Targeted-Provider-Rate-Increases.aspx>.

DHCS may modify the eligible code list as necessary, such as to account for changes to coding and billing definitions, and to apply technical corrections. Such modifications will not include adjustment of established rates, without a State Plan amendment or other approval of the Centers for Medicare & Medicaid Services, as applicable.

2. Eligible Providers
  - i. Codes identified as primary/general care services pursuant to paragraph 1 and billed using Health Insurance Claim Form (CMS-1500) are eligible for the reimbursement methodology established pursuant to this Supplement only when rendered by the following types of eligible providers:
    - a. Physicians
    - b. Physician Assistants
    - c. Nurse Practitioners
    - d. Podiatrists
    - e. Certified Nurse Midwife
    - f. Licensed Midwives

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- g. Doula Providers
  - h. Psychologists
  - i. Licensed Professional Clinical Counselor
  - j. Licensed Clinical Social Worker
  - k. Marriage and Family Therapist
- ii. Codes identified as obstetric care services and non-specialty outpatient mental health services pursuant to paragraph 1 are eligible for the reimbursement methodology established pursuant to this Supplement when billed or rendered by an eligible provider.
  - iii. Notwithstanding paragraphs 2.i and 2.ii, codes for which an assistant surgeon procedure type is established on the Medi-Cal Fee Schedule as of December 31, 2023 (identified as procedure type "O") are not eligible for the reimbursement methodology established pursuant to this Supplement when billed or rendered by an Assistant Surgeon.
3. For dates of service on or after January 1, 2024, reimbursement rates for codes identified pursuant to paragraph 1, rendered by eligible providers specified in paragraph 2, will be established pursuant to the Targeted Rate Increase Fee Schedule and adjusted as follows:
- i. 39.7% payment augmentation for specified physicians' services provided in the California Children's Services (CCS) program, pursuant to Title 22 of the California Code of Regulations § 51503(I) as that section read on December 31, 2023. Applicable procedure codes are specified on the Targeted Rate Increase Fee Schedule.
  - ii. 20% payment reduction for certain procedures performed in outpatient facilities pursuant to Title 22 of the California Code of Regulations § 51503(g)(1) and (2) as that section read on December 31, 2023. Applicable procedure codes are specified on the Targeted Rate Increase Fee Schedule.
  - iii. Reimbursement rates in accordance with this paragraph are not eligible for any further supplemental payments, rate increases, or fee schedule adjustments including, but not limited to, alternative conversion factors established on the Medi-Cal Fee Schedule, supplemental payments authorized in Attachment 4.19-B, Supplement 27, page 4, paragraph D, and payment reductions authorized in Attachment 4.19-B, pages 3.1 through 3.4.
4. Notwithstanding the reimbursement methodology described in this Supplement, for dates of service on or after January 1, 2024, eligible providers specified in

paragraph 2 will be reimbursed no less than the net reimbursement amount, inclusive of any supplemental payments, authorized pursuant to the California Medicaid State Plan in effect on December 31, 2023.

5. Except as otherwise noted in the State Plan, state-developed fee schedule rates are the same for both governmental and private providers. All Medi-Cal Fee-For-Service rates, including the Targeted Provider Rates, are published at: <https://mcweb.apps.prd.cammiis.medi-cal.ca.gov/rates>. The Targeted Rate Increase Fee Schedule may be temporarily posted on <https://www.dhcs.ca.gov/Pages/Medi-Cal-Targeted-Provider-Rate-Increases.aspx> until necessary system changes are made to display the Targeted Provide Rates on the main Medi-Cal Fee Schedule.

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