

DEPARTMENT OF HEALTH & HUMAN SERVICES

Centers for Medicare & Medicaid Services
Center for Medicaid & CHIP Services
233 North Michigan Ave., Suite 600
Chicago, Illinois 60601



Financial Management Group

February 19, 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

RE: TN 20-0044

Dear Ms. Cooper:

We have reviewed the proposed California State Plan Amendment (SPA) to Attachment 4.19-B, CA-20-0044, which was submitted to the Centers for Medicare & Medicaid Services (CMS) on November 23, 2020. This SPA, effective January 1, 2021, establishes the Tribal Federally Qualified Health Centers (FQHC) provider type in Medi-Cal and establishes an Alternative Payment Methodology (APM) at the Indian Health Services All-Inclusive Rate for Tribal FQHCs.

Based upon the information provided by the State, we have approved the amendment with an effective date of January 1, 2021. We are enclosing the approved CMS-179 and a copy of the new state plan pages.

If you have any additional questions or need further assistance, please contact Blake Holt at 415-744-3754 or blake.holt@cms.hhs.gov.

Sincerely,

A solid black rectangular box redacting the signature of Todd McMillion.

Todd McMillion
Director
Division of Reimbursement Review

Enclosures

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

1. TRANSMITTAL NUMBER

2 0 — 0 0 44

2. STATE

California

3. PROGRAM IDENTIFICATION:

Title XIX of the Social Security Act

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

4. PROPOSED EFFECTIVE DATE

January 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

Social Security Act 1905(l)(2)(B)

7. FEDERAL BUDGET IMPACT

a. FFY 2021 \$ 2,824 (in thousands)

b. FFY 2022 \$ 12,279 (in thousands)

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

Supplement 6 to Attachment 4.19B page 4

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 PAGE NUMBER OF THE SUPERSEDED PLAN SECTION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

n/a

10. SUBJECT OF AMENDMENT

1) Establishes the Tribal Federally Qualified Health Centers (FQHC) provider type in Medi-Cal and 2) Establishes an Alternative Payment Methodology at the Indian Health Services All-Inclusive Rate for Tribal FQHCs.

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

13. TYPED NAME

Jacey Cooper

14. TITLE

State Medicaid Director

15. DATE SUBMITTED

November 23, 2020

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

11/24/2020

18. DATE APPROVED

2/19/2021

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL

1/1/2021

20. SIGNATURE OF REGIONAL OFFICIAL

21. TYPED NAME

Todd McMillion

22. TITLE

Director, Division of Reimbursement Review

23. REMARKS

For Box 11 "Other, As Specified," Please note: The Governor's Office does not wish to review the State Plan Amendment.

1/19/21: State concurs with pen and ink change to Box 6, adding "and 1902(bb)(6)"

Alternative Payment Methodology (APM) for Tribal Federally Qualified Health Centers (Tribal-FQHC)

1. Tribal facilities operating in accordance with section 1905(l)(2)(B) of the Social Security Act and the Indian Self-Determination Act (Public Law 93-638) that enroll in Medi-Cal as a Tribal-FQHC will be paid using an Alternative Payment Methodology (APM) that is the All-Inclusive Rate (AIR) for services published annually in the Federal Register. Individual Tribal FQHCs must agree to receive the APM.
2. Medi-Cal will establish an APM utilizing the Prospective Payment System (PPS) methodology for Tribal FQHCs so that DHCS can determine on an annual basis that the published AIR is higher than the PPS rate. The PPS rate will be established by reference to payments to one or more other clinics with similar caseloads. The Tribal FQHCs would not be required to report FQHC reportable costs for the purposes of establishing a PPS rate.
3. Tribal FQHCs will be reimbursed for up to three visits per day, per beneficiary, in any combination of medical, mental health, dental, and ambulatory visits.