

Table of Contents

State/Territory Name: California

State Plan Amendment (SPA) #: 25-0008

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS Form 179
- 3) Approved SPA Pages

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

June 23, 2025

Tyler Sadwith, State Medicaid Director
Department of Health Care Services
Attn: Director's Office
P.O. Box 997413, MS 0000
Sacramento, CA 95899-7413

Re: California State Plan Amendment (SPA) 25-0008

Dear Director Sadwith:

The Centers for Medicare & Medicaid Services (CMS) reviewed your Medicaid State Plan Amendment (SPA) submitted under transmittal number (TN) 25-0008. This amendment will eliminate the “four walls” limitation for Indian Health Services-Memorandum of Agreement providers and makes a technical change to the title of psychological assistant to psychological associate, to align with recent state law changes.

We conducted our review of your submittal according to statutory requirements at 42 CFR 440.90. This letter is to inform you that California Medicaid SPA 25-0008 was approved on June 23, 2025, with an effective date of January 1, 2025.

Enclosed are copies of CMS Form 179 and approved SPA pages to be incorporated into the California State Plan.

If you have any questions, please contact Nikki Lemmon at Nicole.Lemmon@cms.hhs.gov.

Sincerely,



Digitally signed by Shantrina
Roberts
Date: 2025.06.23 08:59:37
-04'00'

Shantrina Roberts, Acting Director
Division of Program Operations

Enclosures

cc: Tyler Sadwith
Lindy Harrington
Angeli Lee, DHCS
Shanna Haysbert, DHCS

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

1. TRANSMITTAL NUMBER <u>2 5</u> — <u>0 0 0 8</u>	2. STATE <u>CA</u>
3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL SECURITY ACT <input checked="" type="radio"/> XIX <input type="radio"/> XXI	

TO: CENTER DIRECTOR
CENTERS FOR MEDICAID & CHIP SERVICES
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE
January 1, 2025

5. FEDERAL STATUTE/REGULATION CITATION
[42 CFR 440.90](#)

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)
a. FFY 2025 \$ 0
b. FFY 2026 \$ 0

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT
[Supplement 6 Attachment 4.19-B, Pages 1-2](#)
[Supplement 8 to Attachments 3.1-A and 3.1-B, Pages ~~1-6~~ \(new\) 1-5](#)

8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)
[Supplement 6 Attachment 4.19-B, Pages 1-2 3.1-A and 3.1-B pages 15 and 15a: Item #9](#)

9. SUBJECT OF AMENDMENT
[Removal of the "four walls" limitation for Indian Health Services-Memorandum of Agreement \(IHS-MOA\) providers and technical correction to change psychological assistant to psychological associate.](#)

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


12. TYPED NAME
Tyler Sadwith

13. TITLE
State Medicaid Director

14. DATE SUBMITTED
March 27, 2025

15. RETURN TO
Department of Health Care Services
Attn: Director's Office
P.O. Box 997413, MS 0000
Sacramento, CA 95899-7413

FOR CMS USE ONLY

16. DATE RECEIVED March 27, 2025	17. DATE APPROVED June 23, 2025
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PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL January 1, 2025	19. SIGNATURE OF APPROVING OFFICIAL Shantrina Digitally signed by Shantrina Roberts Date: 2025.06.23 09:00:16 -0400
20. TYPED NAME OF APPROVING OFFICIAL Shantrina Roberts	Acting Director, Division of Program Operations

22. REMARKS

[6/12/25: State provides a P&I change for box 8 to redact item #9 for 3.1-A and 3.1-B pages 15 and 15a](#)

[6/12/25: State provides a P&I change for box 7 to remove page 6](#)

**State Plan under Title XIX of the Social Security Act
State/Territory: California**

Section 1905(a)(9) Clinic Services

The state provides coverage for this benefit as defined at section §1905(a)(9) of the Social Security Act (the Act) and 42 C.F.R. 440.90 and as described as follows:

General Assurances

[Select all three checkboxes below.]

- The state assures services are furnished by a facility that is not part of a hospital in accordance with 42 C.F.R. 440.90.
- The state assures that services are furnished by facilities that are organized and operated to provide medical care to outpatients in accordance with 42 C.F.R. 440.90.
- The state assures that services are furnished under the direction of a physician or dentist in accordance with 42 C.F.R. 440.90(a).

Types of Clinic Services and Limitations in Amount, Duration, or Scope

[Select if applicable, describe below, and indicate if limits may be exceeded based upon state determined medical necessity criteria.]

- Limitations apply to all services within the benefit category.

Refer to appropriate service section for prior authorization requirements.

Chiropractic services are a covered benefit only for the following beneficiaries:

- Pregnant women, if the chiropractic service is part of their pregnancy-related services or services for a condition that might complicate the pregnancy.
- Individuals who are eligible for the Early and Periodic Screening, Diagnostic, and Treatment benefit.

PRA Disclosure Statement - This use of this form is mandatory and the information is being collected to assist the Centers for Medicare & Medicaid Services in implementing section §1905(a)(9) of the Social Security Act. Under the Privacy Act of 1974, any personally identifying information obtained will be kept private to the extent of the law. An agency may not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a currently valid Office of Management and Budget (OMB) control number. The OMB control number for this project is 0938-1148 (CMS-10398 #91). Public burden for all of the collection of information requirements under this control number is estimated to take about 25 hours per response. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to CMS, 7500 Security Boulevard, Attn: Paperwork Reduction Act Reports Clearance Officer, Mail Stop C4-26-05, Baltimore, Maryland 21244-1850.

TN: 25-0008
Supersedes TN: New

Approval Date: 06/23/2025
Effective Date: 01/01/2025

State Plan under Title XIX of the Social Security Act
State/Territory: California

Section 1905(a)(9) Clinic Services

Types of Clinics and Services:

[Select all that apply and describe below as applicable]

Behavioral Health Clinics [Describe the types of behavioral health clinics below and select below if applicable.]:

Drug Medi-Cal Clinic, Heroin Detox Clinic, Rehabilitation Clinic

Limitations apply only to this clinic type within the benefit category. [Describe below and indicate if limits may be exceeded based upon state determined medical necessity criteria.]

Click or tap here to enter text.

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Section 1905(a)(9) Clinic Services

IHS and Tribal Clinics **[Select below if applicable.]**:

Limitations apply only to this clinic type within the benefit category. **[describe below and indicate if limits may be exceeded based upon state determined medical necessity criteria].**

Renal Dialysis Clinics **[Select below if applicable.]**:

Limitations apply only to this clinic type within the benefit category. **[Describe below and indicate if limits may be exceeded based upon state determined medical necessity criteria.]**

Click or tap here to enter text.

Other Clinics **[Describe the types of clinics, if any limitations apply, and select below if applicable.]**:

Ambulatory Surgical Clinic, Community Clinic, County Clinic not Associated with Hospital, County Clinic not Associated with Hospital Exempt from Licensure, Exempt from Licensure Clinic, Expanded Access to Primary Care Clinic, Free Clinic, Multi-Specialty Clinic, Otherwise Undesignated Clinic, Surgical Clinic.

Limitations apply only to this clinic type within the benefit category. **[Describe below and indicate if limits may be exceeded based upon state determined medical necessity criteria.]**

Click or tap here to enter text.

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State Plan under Title XIX of the Social Security Act
State/Territory: California

Section 1905(a)(9) Clinic Services

Four Walls Exceptions

The state assures that the following services may be furnished outside of the clinic **[Select the first and second checkbox; Do not select the second checkbox if the state does not enroll IHS or Tribal facilities as providers of clinic services.]**:

- Services furnished outside the clinic, by clinic personnel under the direction of a physician, to an eligible individual who does not reside in a permanent dwelling or does not have a fixed home or mailing address in accordance with 42 C.F.R. 440.90(b).
- Services furnished outside a clinic that is a facility of the Indian Health Service, whether operated by the Indian Health Service (IHS) or by a Tribe or Tribal organization (as authorized by the Indian Self-Determination and Education Assistance Act (ISDEAA), Pub. L. 93-638), by clinic personnel under the direction of a physician in accordance with 42 C.F.R. 440.90(c).

The state elects to cover the following services outside of the clinic **[Select all that apply.]**:

- Services furnished outside of a clinic that is primarily organized for the care and treatment of outpatients with behavioral health disorders, including mental health and substance use disorders, by clinic personnel under the direction of a physician in accordance with 42 C.F.R. 440.90(d) **[Describe the types of behavioral health clinics such exception applies to below.]**

Click or tap here to enter text.

- Services furnished outside of a clinic that is located in a rural area and is not a rural health clinic (as referenced in section §1905(a)(2)(B) of the Act and 42 C.F.R. 440.20(b) of this subpart) by clinic personnel under the direction of a physician in accordance with 42 C.F.R. 440.90(e) **[Select one of the checkboxes below and describe the definition of a rural area that applies to this exception.]**

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State Plan under Title XIX of the Social Security Act
State/Territory: California

Section 1905(a)(9) Clinic Services

Four Walls Exceptions (continued)

A definition adopted and used by a federal governmental agency for programmatic purposes **[Describe below.]**:
Click or tap here to enter text.

A definition adopted by a state governmental agency with a role in setting state rural health policy **[Describe below.]**:
Click or tap here to enter text.

The state attests that **[Select the checkbox if the state elects to cover services outside of a clinic that is located in a rural area.]**:

- The selected definition of a rural area best captures the population of rural individuals that meets more of the four criteria that mirror the needs and barriers to access experienced by individuals who are unhoused:
- The population experiences high rates of behavioral health diagnoses or difficulty accessing behavioral health services;
 - The population experiences issues accessing services due to lack of transportation;
 - The population experiences a historical mistrust of the health care system; and
 - The population experiences high rates of poor health outcomes and mortality.

Additional Benefit Description (Optional)

At its option the state may provide additional descriptive information about the benefit, beyond what is included in the federal statutory and regulatory definitions and descriptions. **[Describe below.]**:
Click or tap here to enter text.

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REIMBURSEMENT FOR INDIAN HEALTH SERVICES
AND TRIBAL 638 HEALTH FACILITIES

California will reimburse federally recognized tribal "638" facilities in accordance with the most recent rate published in the Federal Register.

1. IHS/Tribal 638 facilities are reimbursed at the all-inclusive rate for each encounter.
2. An IHS clinic encounter is defined as:
 - A. A face-to-face encounter provided between a tribal patient and the health professional (as specified on page 2) of the clinic or the center;
 - B. An audio-only encounter which takes place between a tribal patient and the health professional (as specified on page 2) of the clinic or center when the service meets all of the associated requirements of a face-to-face visit except the physical presence of the tribal patient.
3. The IHS MOA clinics may bill for up to three visits a day for one patient, if one is a medical visit, one is an ambulatory visit (as defined in Item D, page 2 of this Supplement), and one is a mental health visit.
4. Encounters with the health professionals listed on page 2 may be billed under the IHS all-inclusive rate.
5. Drug and alcohol visits (subject to Medi-Cal provider participation requirements as described on page 2 Paragraph D).

REIMBURSEMENT FOR INDIAN HEALTH SERVICES
AND TRIBAL 638 HEALTH FACILITIES

A. Below is a list of health professionals that may bill under the IHS all-inclusive rate:

- Physician
- Physician Assistant
- Nurse Practitioner
- Nurse Midwife
- Registered Dental Hygienist
- Registered Dental Hygienist in Extended Functions
- Registered Dental Hygienist in Alternative Practice
- Clinical Psychologist
- Clinical Social Worker
- Marriage and Family Therapist
- Licensed Professional Clinical Counselor
- Acupuncturist
- Visiting Nurse
- Under the Early and Periodic Screening, Diagnostic, and Treatment (EPSDT) benefit, the services of Licensed Marriage, Family, and Child Counselors are available as “other health visit” to persons under 21 years of age, as a result of an EPSDT screening which identifies the need for a service which is necessary to correct or ameliorate a mental illness or condition.

B. Comprehensive Perinatal Service Program providers who are licensed and/or certified practitioners who are able to render covered services in accordance with their scope of practice as identified in California statute. A September 17, 1985, HCFA letter allows these services as a physician or clinic service.

C. In addition, below is a list of associates and interns that may provide Medi-Cal psychology services:

- Associate Marriage and Family Therapist
- Associate Professional Clinical Counselor
- Associate Clinical Social Worker
- Psychological Associate

Associates and assistants must be under the supervision of a licensed mental health professional, in accordance with their scope of practice and applicable state laws.

D. Except for the services specified under Item E below, the following other ambulatory services, but not limited to, provided by health professionals can be billed under the IHS all-inclusive rate.

- Acupuncture
- Medical and surgical services provided by a doctor of dental medicine or dental surgery which, if provided by a physician, would be considered physician services
- Physical Therapy
- Occupational Therapy
- Podiatry
- Drug and alcohol visits (subject to Medi-Cal provider participation requirements as described in Paragraph A above)
- Telemedicine and teledentistry (no additional live transmission costs will be reimbursed)
- Optometry