CALIFORNIA DEPARTMENT OF HEALTH CARE SERVICES
Michelle Baass | Director

November 10, 2026

THIS LETTER SENT VIA EMAIL

Ms. Courtney Miller, Director
Division of Program Operations
Medicaid and CHIP Operations Group
Centers for Medicare & Medicaid Services
601 East 12th Street, Room 355
Kansas City, MO 64106

WITHDRAWAL OF STATE PLAN AMENDMENT 26-0034: BEHAVIORAL HEALTH TREATMENT SERVICES TECHNICAL AMENDMENTS FOR UTILIZATION MANAGEMENT CONTROLS IN THE ALTERNATIVE BENEFIT PLAN

Dear Ms. Miller:

In response to the Centers for Medicare and Medicaid Services' (CMS) request, the California Department of Health Care Services (DHCS) is withdrawing Alternative Benefit Plan (ABP) State Plan Amendment (SPA) 26-0034, which was submitted on September 11, 2026.

This SPA proposes to align the ABP with changes to the State Plan made by SPA 26-0033, which will make technical amendments to the behavioral health treatment (BHT) benefit to clarify policy, including utilization management controls, and support enhanced program integrity efforts aimed at reducing potential fraud, waste, and abuse.

The public notice was published on June 30, 2026. However, CMS clarified that the public notice is not compliant with Section 440.386 of Title 42 of the Code of Federal Regulations (CFR). DHCS will issue a revised public notice which includes a description of the method for assuring compliance with 42 CFR 440.345 related to full access to EPSDT services, and the method for complying with the provisions of section 5006(e) of the American Recovery and Reinvestment Act of 2009. DHCS will provide at least 15 days for public comment before resubmitting ABP SPA 26-0034-A.

DHCS would like to thank CMS for the technical assistance provided. If you have any questions or need additional information, please contact Amber De La Rosa, Chief of Benefits Division, at (916) 345-7924 or by email at Amber.Delarosa@dhcs.ca.gov.

Sincerely,

[redacted]

Tyler Sadwith
State Medicaid Director
Chief Deputy Director, Health Care Programs
California Department of Health Care Services

cc:

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