

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
San Francisco Regional Office
90 Seventh Street, Suite 5-300 (5W)
San Francisco, CA 94103-6706



DIVISION OF MEDICAID & CHILDREN'S HEALTH OPERATIONS

December 5, 2017

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

Dear Ms. Cantwell:

Enclosed is an approved copy of California State Plan Amendment (SPA) 17-030, which was submitted to the Centers for Medicare & Medicaid Services (CMS) on September 28, 2017. This SPA implements a one-year supplemental payment for certain physician services using California Healthcare, Research and Prevention Tobacco Tax Act (Proposition 56 Tobacco Tax) funds allocated for the 2017-18 State Fiscal Year. The supplemental payment will be for services rendered on or after July 1, 2017 through and including June 30, 2018.

The effective date of this SPA is July 1, 2017. Enclosed is the following approved SPA page that should be incorporated into your approved state plan:

- Supplement 27 to Attachment 4.19-B, page 1

If you have any questions, please contact Cheryl Young at 415-744-3598 or via email at Cheryl.Young@cms.hhs.gov.

Sincerely,

/s/

Henrietta Sam-Louie
Associate Regional Administrator
Division of Medicaid & Children's Health Operations

cc: Connie Florez, California Department of Health Care Services (DHCS)
Angel Rodriguez, DHCS
Adam Neighbours, DHCS
Nathaniel Emery, DHCS
Wendy Ly, DHCS

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL	1. TRANSMITTAL NUMBER: 17-030	2. STATE California
	3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
FOR: HEALTH CARE FINANCING ADMINISTRATION	4. PROPOSED EFFECTIVE DATE July 1, 2017	
TO: REGIONAL ADMINISTRATOR HEALTH CARE FINANCING ADMINISTRATION DEPARTMENT OF HEALTH AND HUMAN SERVICES		
5. TYPE OF PLAN MATERIAL (<i>Check One</i>):		
<input checked="" type="checkbox"/> NEW STATE PLAN <input type="checkbox"/> AMENDMENT TO BE CONSIDERED AS NEW PLAN <input type="checkbox"/> AMENDMENT		
COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (<i>Separate Transmittal for each amendment</i>)		
6. FEDERAL STATUTE/REGULATION CITATION: Assembly Bill no. 120 (Stats. 2017, ch. 22, § 3, Item 4260-101-3305); Budget Act of 2017 ^{42 CFR 447, Subpart F}	7. FEDERAL BUDGET IMPACT:	
	a. FFY 2017	-\$122,026,561 <u>\$3,629,750</u>
	b. FFY 2018	-\$366,079,682 <u>\$ 10,889,250</u>
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Supplement 27, Attachment 4.19-B, page 1	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (<i>If Applicable</i>): None	

10. SUBJECT OF AMENDMENT:

One-year supplemental payment for certain physician services using Proposition 56 tobacco tax funds.

11. 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:
 The Governor's Office does not wish to review the State Plan Amendment.

ORIGINAL SIGNED

16. RETURN TO

Department of Health Care Services
ATTN: State Plan Coordinator
1501 Capitol Avenue, Suite 71.326
P.O. Box 997417
Sacramento, CA 95899-7417

State Medicaid Director

15. DATE SUBMITTED:
9/28/2017

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED:
September 28, 2017

18. DATE APPROVED:
December 5, 2017

PLAN APPROVED – ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:
July 1, 2017

20. SIGNATURE OF REGIONAL OFFICIAL:
/s/

21. TYPED NAME:
Henrietta Sam-Louie

22. TITLE: Associate Regional Administrator,
Division of Medicaid & Children's Health Operations

23. REMARKS:

Boxes 6 & 7: Pen and ink changes made per CA response to CMS informal questions dated 10/19/17.

Box 16: Pen and ink change made by CMS per CA email dated 11/27/17.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

STATE: CALIFORNIA**ONE-YEAR SUPPLEMENTAL PAYMENT PROGRAM FOR CERTAIN PHYSICIAN SERVICES**

This program provides supplemental reimbursement for eligible physician services provided to Medi-Cal beneficiaries. The supplemental reimbursements will be provided, above the base rates, for qualified physician services rendered between July 1, 2017 and June 30, 2018. The base rates for physician services will remain unchanged through this amendment.

A. Supplemental Reimbursement Methodology – General Provisions

1. The supplemental payment amounts are fixed by type of eligible physician service and are paid per claim based on the Current Procedural Terminology (CPT) Code, as outlined in the chart below. Eligible physician services include new and established patient office/outpatient visits, psychiatric diagnostic evaluations, psychiatric diagnostic evaluation with medical services, and psychiatric pharmacological management services.

CPT Code	Supplement Amount
90863	\$5.00
99201, 99211	\$10.00
99202, 99212, 99213	\$15.00
99203, 99204, 99214, 99215	\$25.00
90791, 90792	\$35.00
99205	\$50.00

2. Providers eligible for the supplemental payments under this section do not include Federally Qualified Health Centers (FQHCs), Rural Health Centers (RHCs), and other providers that are reimbursed on a cost-based system.

TN 17-030
Supersedes
TN: None

Approval Date: December 5, 2017Effective Date: July 1, 2017