



NOTICE OF GENERAL PUBLIC INTEREST

RELEASE DATE: JUNE 30, 2023

PROPOSED STATE PLAN AMENDMENT TO GRADUALLY UNWIND THE COVID-19 PHE INCREASE FOR FREESTANDING PEDIATRIC SUBACUTE FACILITIES

This notice is to provide information of public interest about a proposed State Plan Amendment (SPA) by the Department of Health Care Services (DHCS). SPA #23-0028 proposes for dates of service July 1, 2023, through December 31, 2023, Freestanding Pediatric Subacute (FS/PSA) reimbursement rates will be calculated at the total per diem rate in effect on August 1, 2022, inclusive of an amount equivalent to the COVID-19 Public Health Emergency (PHE) rate increase then in effect. In addition, SPA #23-0028 proposes for dates of service on or after January 1, 2024, FS/PSA rates shall be the greater of:

- (1) the reimbursement rate established by the applicable State Plan reimbursement methodology, or
- (2) the reimbursement rate in effect for the facility on December 31, 2023, inclusive of the amount equivalent to the COVID-19 PHE rate increase.

DHCS estimates that the annual aggregate Medi-Cal expenditures for FS/PSA facilities will increase by an estimated \$200,000 in total funds for Federal Fiscal Year (FFY) 2023, and \$600,000 in total funds for FFY 2024.

The effective date of the proposed SPA is July 1, 2023. All proposed SPAs are subject to approval by the Centers for Medicare and Medicaid Services (CMS).

Public Review and Comments

Upon submission to CMS, a copy of the proposed SPA #23-0028 will be published on: <https://www.dhcs.ca.gov/formsandpubs/laws/Pages/Pending-2023.aspx>



If you would like to view the SPA in person once it becomes available, please visit your local county welfare department. You may also request a copy of proposed SPA #23-0028 using the mailing or email address listed below.

Written comments may be sent to the following address:

Department of Health Care Services
Fee-For-Service Rates Development Division
Attn: Christie Hansen
P.O. Box 997413, MS 4600
Sacramento, California 95899-7417

Comments may also be emailed to PublicInput@dhcs.ca.gov. Please indicate SPA #23-0028 in the subject line or message.

A copy of submitted public comments to SPA #23-0028 may be requested in writing to the mailing or email address identified above.