

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 12, 2016

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) 16-025, which was submitted to the Centers for Medicare & Medicaid Services (CMS) on August 12, 2016. This SPA restores acupuncture services as a covered benefit under Medi-Cal to all eligible Medi-Cal beneficiaries and makes some unrelated coverage technical corrections.

The effective date of this SPA is July 1, 2016. Enclosed are the following approved SPA pages that should be incorporated into your approved state plan:

- Attachment 4.19-B, page 6B.1
- Limitations on Attachment 3.1-A, pages 3b, 3d, 12 and 15
- Limitations on Attachment 3.1-B, pages 3b, 3d, 12 and 15
- Supplement 6, Attachment 4.19-B, pages 2 and 2a

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: Cynthia Owens, California Department of Health Care Services (DHCS)
Jim Elliott, DHCS
Nathaniel Emery, DHCS
Wendy Ly, DHCS

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL	1. TRANSMITTAL NUMBER: SPA 16-025	2. STATE CA
	3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
FOR: HEALTH CARE FINANCING ADMINISTRATION	4. PROPOSED EFFECTIVE DATE July 1, 2016	
TO: REGIONAL ADMINISTRATOR HEALTH CARE FINANCING ADMINISTRATION DEPARTMENT OF HEALTH AND HUMAN SERVICES		

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: SSA 1905(a)(6); 42 CFR 440.60	7. FEDERAL BUDGET IMPACT: a. FFY 2016 \$1,071,000 b. FFY 2017 \$4,284,000
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8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Limitations on Attachment 3.1-A pg 3b Limitations on Attachment 3.1-A pg 3d Limitations on Attachment 3.1-A pg 12 Limitations on Attachment 3.1-A pg 15 Limitations on Attachment 3.1-B pg 3b Limitations on Attachment 3.1-B pg 3d Limitations on Attachment 3.1-B pg 12 Limitations on Attachment 3.1-B pg 15 Supplement 6 Attachment 4.19B pg 2 Supplement 6 Attachment 4.19B pg 2a <u>Att. 4.19-B, pg 6B.1</u>	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): Limitations on Attachment 3.1-A pg 3b <u>Att. 4.19-B, pg 6B.1</u> Limitations on Attachment 3.1-A pg 3d Limitations on Attachment 3.1-A pg 12 Limitations on Attachment 3.1-A pg 15 Limitations on Attachment 3.1-B pg 3b Limitations on Attachment 3.1-B pg 3d Limitations on Attachment 3.1-B pg 12 Limitations on Attachment 3.1-B pg 15 Supplement 6 Attachment 4.19B pg 2 Supplement 6 Attachment 4.19B pg 2a
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10. SUBJECT OF AMENDMENT:
Restores acupuncture services as a covered benefit under Medi-Cal.

11. GOVERNOR'S REVIEW (Check One):

GOVERNOR'S OFFICE REPORTED NO COMMENT OTHER, AS SPECIFIED:
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED The Governor's Office does not
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL wish to review the State Plan Amendment.

ORIGINAL SIGNED	16. RETURN TO: Department of Health Care Services Attn: State Plan Coordinator 1501 Capitol Avenue, MS 4506 P.O. Box 997417 Sacramento, CA 95899-7417
14. TITLE: Chief Deputy Director Health Care Programs State Medicaid Director	
15. DATE SUBMITTED: AUG 12 2016	

FOR REGIONAL OFFICE USE ONLY	
17. DATE RECEIVED: August 12, 2016	18. DATE APPROVED: December 12, 2016
PLAN APPROVED – ONE COPY ATTACHED	
19. EFFECTIVE DATE OF APPROVED MATERIAL: July 1, 2016	20. SIGNATURE OF REGIONAL OFFICIAL: /s/
21. TYPED NAME: Henrietta Sam-Louie	22. TITLE: Associate Regional Administrator, Division of Medicaid & Children's Health Operations

Boxes 8 & 9: Pen & ink change approved by CA via email to add Att. 4.19-B page 6B.1.

- (b) Optional services that are furnished by an FQHC and RHC within the scope of subparagraph C.1(a), or any other provision of this State Plan, are covered only to the extent that they are identified in the State Plan segments titled, "Limitations on Attachment 3.1-A" and "Limitations on Attachment 3.1-B" on pages 3 through 3e, effective July 1, 2016.
2. A "visit" for purposes of reimbursing FQHC or RHC services includes any of the following:
- (a) A face-to-face encounter between an FQHC or RHC patient and a physician, physician assistant, nurse practitioner, acupuncturist, certified nurse

TYPE OF SERVICE	PROGRAM COVERAGE**	PRIOR AUTHORIZATION OR OTHER REQUIREMENTS*
2b. Rural Health Clinic services and other ambulatory services covered under the state plan (continued).	<p>9. Licensed acupuncturist who is authorized to provide acupuncture services by the State and who is acting within the scope of his/her license</p> <p>Audiology, chiropractic, podiatry, and speech therapy are covered optional benefits only for the following beneficiaries:</p> <ul style="list-style-type: none"> • Pregnant women, if the optional benefit 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. <p>Psychology services are covered in RHCs for all Medi-Cal beneficiaries.</p> <p>The following services are limited to a maximum of two services in any one calendar month or any combination of two services per month from the following services, although additional services can be provided based on medical necessity: acupuncture, audiology, chiropractic, occupational therapy, podiatry, and speech therapy.</p> <p>Federally required adult dental services are covered in RHCs for all Medi-Cal beneficiaries.</p>	

* Prior authorization is not required for emergency services.

**Coverage is limited to medically necessary services.

TYPE OF SERVICE	PROGRAM COVERAGE**	PRIOR AUTHORIZATION OR OTHER REQUIREMENTS*
2c and 2d Federally Qualified Health Center (FQHC) services and other ambulatory services covered under the state plan (continued).	<p>4. Certified Nurse Midwife (CNM) who is authorized to practice nursing and midwifery services by the State and who is acting within the scope of his/her license</p> <p>5. Visiting nurse who is authorized to practice nursing by the State and who is acting within the scope of his/her license</p> <p>6. Comprehensive Perinatal Services Program (CPSP) practitioner services</p> <p>7. Licensed clinical social worker who is authorized to practice social work services by the State and who is acting within the scope of his/her license</p> <p>8. Clinical psychologist who is authorized to practice psychology services by the State and who is acting within the scope of his/her license</p> <p>9. Licensed acupuncturist who is authorized to provide acupuncture services by the State and who is acting within the scope of his/her license</p> <p>Audiology, chiropractic, dental, podiatry, speech therapy, are covered optional benefits only for the following beneficiaries:</p> <ul style="list-style-type: none"> • Pregnant women, if the optional benefit 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. <p>Psychology services are covered in FQHCs for all Medi-Cal beneficiaries.</p>	

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TYPE OF SERVICE	PROGRAM COVERAGE**	PRIOR AUTHORIZATION OR OTHER REQUIREMENTS*
6d.3 Acupuncture services	<p>Covered to prevent, modify, or alleviate the perception of severe, persistent chronic pain resulting from a generally recognized medical condition when provided by a physician, dentist, podiatrist, or licensed acupuncturist, within their scope of practice in accordance with applicable state laws.</p> <p>Outpatient acupuncture services are subject to a two-services limit in any one calendar month or any combination of two services per month from the following services, although additional services can be provided based upon medical necessity through the TAR process: audiology, chiropractic, occupational therapy, podiatry, and speech therapy.</p>	TAR is required for an acupuncture service visit that exceeds the two-visit limit.

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**Coverage is limited to medically necessary services.

TN No. 16-025

Supersedes

TN No. 13-008

Approval Date: December 12, 2016

Effective Date: July 1, 2016

STATE PLAN CHART

TYPE OF SERVICE	PROGRAM COVERAGE**	PRIOR AUTHORIZATION OR OTHER REQUIREMENTS*
7d Physical and occupational therapy, speech therapy and audiology services provided by a home health agency.	See 11. The two-visit limit does not apply to therapies provided in the home health setting.	See 11.
8 Special duty nursing services.	Not covered	
9 Clinic services	<p>Clinic services are covered under this state plan. Clinic services means preventive, diagnostic, therapeutic, rehabilitative, or palliative services that are furnished by a facility that is not part of a hospital but is organized and operated to provide medical care to outpatients. Clinic services include outpatient heroin or other opioid detoxification services. Services shall be furnished at the clinic by or under the direction of a physician or dentist.</p> <p>Audiology, chiropractic, eyeglasses and other appliances, incontinence creams and washes, podiatry, and speech therapy are covered optional benefits only for the following beneficiaries:</p> <ul style="list-style-type: none"> • Pregnant women, if the optional benefit 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. 	<p>Refer to appropriate service section for prior authorization requirements</p> <p>Narcotic Treatment Programs pursuant to federal and state regulations are the only facilities that may administer methadone for heroin or other opioid detoxification services. Other narcotic drugs permitted by federal law may be used for outpatient heroin or other opioid detoxification services at any outpatient clinic or physician office setting where the medical staff has appropriate state and federal certifications for treatment of opioid dependence outside of Narcotic Treatment Programs. Refer to type of service "5a Physician Services" for prior authorization and other requirements for outpatient heroin or other opioid detoxification services.</p>

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2b. Rural Health Clinic services and other ambulatory services covered under the state plan (continued)	9. Licensed acupuncturist who is authorized to provide acupuncture services by the State and who is acting within the scope of his/her license	
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	<p>Psychology services are covered in RHCs for all Medi-Cal beneficiaries.</p>	
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2c and 2d Federally Qualified Health Center (FQHC) services and other ambulatory services covered under the state plan (continued).	<p>4. Certified Nurse Midwife (CNM) who is authorized to practice nursing and midwifery services by the State and who is acting within the scope of his/her license</p> <p>5. Visiting nurse who is authorized to practice nursing by the State and who is acting within the scope of his/her license</p> <p>6. Comprehensive Perinatal Services Program (CPSP) practitioner services</p> <p>7. Licensed clinical social worker who is authorized to practice social work services by the State and who is acting within the scope of his/her license</p> <p>8. Clinical psychologist who is authorized to practice psychology services by the State and who is acting within the scope of his/her license</p> <p>9. Licensed acupuncturist who is authorized to provide acupuncture services by the State and who is acting within the scope of his/her license</p> <p>Audiology, chiropractic, dental, podiatry, speech therapy, are covered optional benefits only for the following beneficiaries:</p> <ul style="list-style-type: none"> • Pregnant women, if the optional benefit 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. <p>Psychology services are covered in FQHCs for all Medi-Cal beneficiaries.</p>	

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STATE PLAN CHART

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7d Physical and occupational therapy, speech therapy and audiology services provided by a home health agency.	See 11. The two-visit limit does not apply to therapies provided in the home health setting.	See 11.
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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 Hygienists
- Registered Dental Hygienists in Extended Functions
- Registered Dental Hygienists in Alternative Practice
- Clinical Psychologist
- Clinical Social Worker
- Marriage and Family Therapist
- Acupuncturist
- Visiting Nurse if services are provided in the Tribal facilities
- Under the Early and Periodic Screening, Diagnostic, and Treatment benefit (EPSDT), 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 interns that may provide Medi-Cal psychology services.

- Registered Marriage and Family Therapists Interns
- Registered Associate Clinical Social Workers
- Psychological Assistants

Interns must be under the supervision of a licensed mental health professional, in accordance with the requirements of 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
- Drug and Alcohol visits (Subject to Medi-Cal provider participation requirements)
- Telemedicine and teledentistry (No additional live transmission costs will be reimbursed)
- Optometry (Eyeglasses and other eye appliances are restricted to beneficiaries identified under Item E below)

E. Audiology, chiropractic, eyeglasses and other appliances, incontinence creams and washes, podiatry, and speech therapy are covered benefits under this state plan only for the following beneficiaries:

- Pregnant women, if the optional benefit 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.