

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

September 11, 2018

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) 18-0024, which was submitted to the Centers for Medicare & Medicaid Services (CMS) on July 5, 2018. SPA 18-0024 allows the California Department of Health Care Services (DHCS) to extend the supplemental payment program for certain dental services for an additional 12 months from July 1, 2018 through June 30, 2019. The supplemental payments are funded through the 2016 state voter-approved California Healthcare, Research and Prevention Tobacco Tax Act (also known as "Proposition 56").

The effective date of this SPA is July 1, 2018. Enclosed is the following approved SPA page that should be incorporated into your approved state plan:

- Supplement 25 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/

Hye Sun Lee
Acting Associate Regional Administrator
Division of Medicaid & Children's Health Operations

Enclosures

cc: Rene Mollow, DHCS
Alani Jackson, DHCS
Carolyn Brookins, DHCS
Nathaniel Emery, DHCS
Angeli Lee, DHCS

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| TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES | | 1. TRANSMITTAL NUMBER 1 8 — 00 2 4 | 2. STATE California |
| TO: REGIONAL ADMINISTRATOR CENTERS FOR MEDICARE & MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES | | 3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID) | |
| 5. TYPE OF PLAN MATERIAL <i>(Check One)</i> <input type="checkbox"/> NEW STATE PLAN <input type="checkbox"/> AMENDMENT TO BE CONSIDERED AS NEW PLAN <input checked="" type="checkbox"/> AMENDMENT | | 4. PROPOSED EFFECTIVE DATE July 1, 2018 | |
| COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT <i>(Separate transmittal for each amendment)</i> | | | |
| 6. FEDERAL STATUTE/REGULATION CITATION 42 C.F.R. Part 447, Subpart F | | 7. FEDERAL BUDGET IMPACT a. FFY 2018 \$ 87,073,613 b. FFY 2019 \$ 261,220,839 | |
| 8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT Supplement 25 to Attachment 4.19-B, page 1 | | 9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT <i>(If Applicable)</i> Supplement 25 to Attachment 4.19-B, page 1 | |
| 10. SUBJECT OF AMENDMENT Extension of the implemented FY 2017-18 one-year supplemental payment for certain dental services using California Healthcare, Research and Prevention Tobacco Tax Act (Proposition 56 Tobacco Tax) using funds allocated for the 2018-19 State Fiscal Year (SB 856, Ch. 30, Item 4260-101-3305, Statutes of 2018) to amend Budget Act of 2018. The supplemental payment would be for services rendered on or after July 1, 2018 through June 30, 2019. | | | |
| 11. GOVERNOR'S REVIEW <i>(Check One)</i> <input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input checked="" type="checkbox"/> OTHER, AS SPECIFIED <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL | | | |
| 12. SIGNATURE OF STATE AGENCY OFFICIAL 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 | |
| 13. TYPED NAME Mari Cantwell | | 14. TITLE State Medicaid Director | |
| 15. DATE SUBMITTED July 5, 2018 | | 17. DATE RECEIVED July 5, 2018 | |
| 18. DATE APPROVED September 11, 2018 | | FOR REGIONAL OFFICE USE ONLY | |
| PLAN APPROVED - ONE COPY ATTACHED | | | |
| 19. EFFECTIVE DATE OF APPROVED MATERIAL July 1, 2018 | | 20. SIGNATURE OF REGIONAL OFFICIAL /s/ | |
| 21. TYPED NAME Hye Sun Lee | | 22. TITLE Acting Associate Regional Administrator, Division of Medicaid & Children's Health Operations | |
| 23. REMARKS For Box 11 "OTHER, As Specified" : Please note: The Governor's Office does not wish to review the State Plan Amendment. Box 6: CMS made a pen & ink correction to refer to "Subpart F" per CA's response to informal questions dated 8/1/18. Boxes 8 & 9: CMS made a pen & ink correction to add "page 1" on 9/10/18. | | | |

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

STATE: California

Extension of the one-year Supplemental Payment for Certain Dental Services which was authorized for the State Fiscal Year 2017-2018 to continue through the State Fiscal Year 2018-2019

Effective for dates of services on or after July 1, 2018 through and including June 30, 2019, a supplemental payment will continue to be applied to certain dental services in the following dental categories: restorative, endodontic, prosthodontic, oral and maxillofacial, adjunctive, visits and diagnostic services.

For FY 2018-19, the supplemental payment rates for the existing categories stated above will remain at a rate equal to 40 percent of the Dental Schedule of Maximum Allowances (SMA), unless a proposed change to the procedure code is identified in the table referenced below.

For the top 26 utilized dental services, including general anesthesia, periodontal and orthodontia, the supplemental payments will either reflect a specific dollar increase per the identified code or will be a percentage increase above the existing Medi-Cal SMA rate.

The table reflecting the rates in effect on July 1, 2018 for the procedure codes that are eligible for the dental supplement payments can be found at this website:

[http://www.dhcs.ca.gov/services/Documents/MDSD/Prop%2056 Prop_56 Supplemental Payment Code List Changes FY 18-19.pdf](http://www.dhcs.ca.gov/services/Documents/MDSD/Prop%2056%20Prop_56_Supplemental_Payment_Code_List_Changes_FY_18-19.pdf)

The supplemental payment for services in these categories will be reimbursed to providers who have the ability to bill for these services through the Dental Fiscal Intermediary, or Medi-Cal Dental providers who bill through the Dental Managed Care delivery system. The supplemental payments will be issued for the specified codes for dates of service during the period of July 1, 2018 through June 30, 2019.

The SMA website link can be found here: https://www.denti-cal.ca.gov/DC_documents/providers/provider_handbook/handbook.pdf#page=239

For reference, the SMA is published in the Provider Services Handbook, Section 5, pages 5-106 through 5-126.