



TOBY DOUGLAS
DIRECTOR

State of California—Health and Human Services Agency
Department of Health Care Services



EDMUND G. BROWN JR.
GOVERNOR

July 16, 2013

Ms. Gloria Nagle, PhD, M.P.A.

Associate Regional Administrator
Division of Medicaid and Children's Health
Centers for Medicare and Medicaid Services, Region IX

RE: Withdrawal of State Plan Amendments (SPA) 12-024 A-C

Dear Ms. Nagle:

On September 20, 2012, the State of California, Department of Health Care Services (DHCS) submitted SPAs 12-024 A-C, for approval.

- SPA 12-024A would change the reimbursement methodology for Non-Designated Public Hospitals (NDPHs) to a Certified Public Expenditure (CPE) Methodology.
- SPA 12-024B would discontinue the supplemental reimbursement program for inpatient hospital services for NDPHs.
- SPA 12-024C would add NDPHs to the existing State Plan supplemental payment program that would allow them to obtain reimbursement for the uncompensated costs of providing physician and non-physician practitioner professional services to Medi-Cal beneficiaries.

In light of new departmental priorities and initiatives, DHCS is no longer seeking approval of the above SPAs. This letter serves as the Department's formal withdrawal of the proposals.

DHCS extends sincere thank you to the Centers for Medicare and Medicaid Services for their consideration of the proposal and for all the effort undertaken by various staff.

We look forward to future collaborations with CMS that will continue to enhance health service delivery to those we serve. Should you have any questions or concerns, please contact, Jennifer Brooks, Assistant Division Chief of the Safety Net Financing Division at: Jennifer.Brooks@dhcs.ca.gov or by phone at (916) 322-2551.

Sincerely,

ORIGINAL DOCUMENT SIGNED BY MARI CANTWELL FOR:

Toby Douglas
Director

Ms. Nagle
July 16, 2013
Page 2

Cc:

Diane Gerrits, Director
Division of State Demonstrations and Waivers
Center for Medicaid and CHIP Services, CMS
Diane.Gerrits@cms.hhs.gov

Mark Wong
Division of Medicaid & Children's Health Operations
Centers for Medicare and Medicaid Services, CMS
Mark.Wong@cms.hhs.gov

Kristin Dillon
Division of Medicaid & Children's Health Operations
Centers for Medicare and Medicaid Services, CMS
Kristin.Dillon@cms.hhs.gov

Mari Cantwell
Chief Deputy Director, Health Care Programs, DHCS
Marianne.Cantwell@dhcs.ca.gov

Pilar Williams
Chief, Safety Net Financing Division, DHCS
Pilar.Williams@dhcs.ca.gov

Brian Hansen
Health Reform Advisor, DHCS
Brian.Hansen@dhcs.ca.gov

Wendy Soe
Health Program Specialist, DHCS
Wendy.Soe@dhcs.ca.gov