



WILL LIGHTBOURNE
DIRECTOR

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



GAVIN NEWSOM
GOVERNOR

February 25, 2021

Mr. James G. Scott, Director
Division of Program Operations
Medicaid and CHIP Operations Group
Centers for Medicare & Medicaid Services
601 East 12th Street, Suite 0300
Kansas City, MO 64106-2898

WITHDRAWAL OF DISASTER STATE PLAN AMENDMENT 20-0046: COVID-19 TESTING IN SCHOOLS

Dear Mr. Scott:

In response to the Centers for Medicare & Medicaid Services' (CMS) guidance, the California Department of Health Care Services (DHCS) is withdrawing the disaster State Plan Amendment (SPA) 20-0046. This SPA proposed to establish rates at seventy (70) percent of Medicare reimbursement rates for the COVID-19 testing when provided to Medi-Cal children in Transitional Kindergarten (TK) to 12th grade when provided in schools. DHCS originally submitted this SPA to CMS on December 24, 2020.

On February 23, 2021, CMS concurred with the state's interpretation of the previous disaster SPA 20-0024 requirement to pay 100 percent of the Medicare rate for testing processing. Specifically, that the state is only obligated to pay the \$75 Medicare base rate and is not obligated to pay the \$25 Medicare rate add on for tests returned within two days. CMS agrees that the state's interpretation is reasonable and would not require any change to the state plan. With this confirmation, DHCS will use disaster SPA 20-0024 as the authority for determining the payment rate for school testing.

We appreciate CMS' collaboration on this disaster SPA. Please contact Lindy Harrington, Deputy Director of Health Care Financing, at Lindy.Harrington@dhcs.ca.gov for any additional questions.

Sincerely,

Jacey Cooper
Chief Deputy Director
Health Care Programs
State Medicaid Director

Enclosures

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cc: Lindy Harrington
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