



MICHELLE BAASS  
DIRECTOR

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



GAVIN NEWSOM  
GOVERNOR

October 25, 2021

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

STATE PLAN AMENDMENT 21-0034: CONTINUE THE PROPOSITION 56  
SUPPLEMENTAL PAYMENTS FOR SPECIFIC FAMILY PLANNING SERVICES  
UNDER THE MEDI-CAL PROGRAM

Dear Mr. Scott:

The Department of Health Care Services (DHCS) is submitting State Plan Amendment (SPA) 21-0034 for your review and approval. This SPA proposes to continue the supplemental payments for specific family planning services under the Medi-Cal program. DHCS seeks an effective date of January 1, 2022, for this SPA.

On November 8, 2016, California voters approved the California Healthcare, Research and Prevention Tobacco Tax Act (commonly known as Proposition 56) to increase the excise tax rate on cigarettes and tobacco products. Under Proposition 56, a specified portion of the tobacco tax revenue is allocated to DHCS for use as the nonfederal share of health care expenditures.

Assembly Bill 74 (Budget Act of 2019) appropriated Proposition 56 funds for specified DHCS health care expenditures in accordance with the annual state budget process for state fiscal years 2019-20 through 2021-22. The Budget Act of 2021, Assembly Bill 128 (Chapter 21 of the Statutes of 2021), continues these appropriations beginning January 1, 2022.

SPA 21-0034 would continue the supplemental payments for the specified family planning procedure codes to providers qualified to offer family planning services under the Medi-Cal program beginning January 1, 2022. These payments would supplement, not supplant, specified existing payment levels, and would be subject to all applicable federal payment requirements and limits. The supplemental payments would be for specific family planning codes in the following family planning service categories: Long-Acting Reversible Contraception (LARCs), pregnancy testing, sterilization procedures

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(both male and female), emergency contraceptives, and other contraceptives (other than oral contraceptives) when provided as a medical benefit. The result is a significant incentive to provide access to these family planning services.

For SFY 2021-22, Prop. 56 supplemental payments will continue without interruption, and proposed changes are noted where applicable.

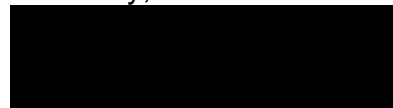
DHCS posted a public notice on August 18, 2021, and two comments were received. In addition, DHCS received CMS approval of no tribal notice on August 23, 2021.

The following enclosures are attached for SPA 21-0034:

- Supplement 30 to Attachment 4.19-B pages (redline and clean)
- Public notice
- CMS approval for no tribal notice
- CMS 179
- CMS Standard Medicaid Funding Questions.

If you have any questions or need additional information, please contact Christina Moreno, Chief of the Office of Family Planning, at (916) 701-8190 or by email at [Christina.Moreno@dhcs.ca.gov](mailto:Christina.Moreno@dhcs.ca.gov).

Sincerely,



Jacey Cooper  
State Medicaid Director  
Chief Deputy Director  
Health Care Programs

Enclosures

cc: Ms. René Mollow, MSN, RN  
Deputy Director  
Health Care Benefits & Eligibility  
Department of Health Care Services  
[Rene.Mollow@dhcs.ca.gov](mailto:Rene.Mollow@dhcs.ca.gov)

Ms. Christina Moreno, Chief  
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Mr. Aaron Toyama  
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Health Care Programs  
Department of Health Care Services  
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**TRANSMITTAL AND NOTICE OF APPROVAL OF  
STATE PLAN MATERIAL  
FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES**

1. TRANSMITTAL NUMBER

2 1 — 0 0 34

2. STATE

California

3. PROGRAM IDENTIFICATION:

Title XIX of the Social Security Act (Medicaid)

TO: REGIONAL ADMINISTRATOR  
CENTERS FOR MEDICARE & MEDICAID SERVICES  
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE

January 1, 2022

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

1902(a)(10)(A)(ii)(XXI), 42 CFR 447, Subpart F

7. FEDERAL BUDGET IMPACT

a. FFY 21-22 (1/1/22-9/30/22) \$ 14,126 (in thousands)

b. FFY 22-23 (10/1/22-9/30/23) \$ 19,023 (in thousands)

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

Supplement 30 to Attachment 4.19-B, pages 1-2

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION  
OR ATTACHMENT (*If Applicable*)

Supplement 30 to Attachment 4.19-B, pages 1-2

10. SUBJECT OF AMENDMENT

Continue supplemental payments for specific family planning services under the Medi-Cal program using California Healthcare, Research, and Prevention Tobacco Tax Act (commonly known as Proposition 56) funds. The Budget Act of 2021 continued this appropriation.

11. GOVERNOR'S REVIEW (*Check One*)

GOVERNOR'S OFFICE REPORTED NO COMMENT

OTHER, AS SPECIFIED

COMMENTS OF GOVERNOR'S OFFICE ENCLOSED

NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

12. SIGNATURE OF STATE AGENCY OFFICIAL

[Redacted Signature]

16. RETURN TO

Department of Health Care Services  
Attn: Director's Office  
P.O. Box 997413, MS 0000  
Sacramento, CA 95899-7413

13. TYPED NAME

Jacey Cooper

14. TITLE

State Medicaid Director

15. DATE SUBMITTED

October 25, 2021

**FOR REGIONAL OFFICE USE ONLY**

17. DATE RECEIVED

18. DATE APPROVED

**PLAN APPROVED - ONE COPY ATTACHED**

19. EFFECTIVE DATE OF APPROVED MATERIAL

20. SIGNATURE OF REGIONAL OFFICIAL

21. TYPED NAME

22. TITLE

23. REMARKS

For Box 11 "Other, As Specified," Please note: The Governor's Office does not wish to review the State Plan Amendment.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT  
State: California

**Proposition 56 Supplemental Payments for Specific Family Planning Services  
Under the Medi-Cal Program**

The Medi-Cal program will continue the supplemental payments to providers qualified to offer family planning services for specific family planning procedure codes beginning January 1, 2022.

The supplemental payments for specific family planning procedures, as noted on page 2 of Attachment 4.19-B, Supplement 30, were developed by applying certain percentages to existing Medi-Cal Fee-For-Service rates for the specified procedure codes and rounding to the nearest dollar, thus resulting in the supplemental payment amounts as described. The percentage rates for the different family planning service categories are as listed:

1. Long-Acting Reversible Contraceptives (LARCs) – 400%
2. Other Contraceptives (other than oral contraceptives) when provided as a medical benefit – 300%
3. Emergency Contraceptives when provided as a medical benefit – 200%
4. Pregnancy Testing – 200%
5. Sterilization – 200%

Prop. 56 supplemental payments beginning January 1, 2022 will be made available for adjudicated claims once any necessary system edits to accommodate such payments have been implemented. Where applicable, subject claims received and paid prior to implementation of January 1, 2022 system edits will be paid in accordance with SFY 2019-20 policy, and, upon implementation, will be retroactively reprocessed to accommodate any January 1, 2022 changes.

These supplemental payments do not change the underlying reimbursement amount for these procedure codes. The basic rates for the family planning procedures that are eligible for the supplemental payments via this plan amendment are posted on the Medi-Cal website at: <https://files.medi-cal.ca.gov/Rates/RatesHome.aspx>.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT  
State: California

Procedure Code	Description	Supplemental Payment
J7296	LEVONORGESTREL-RELEASING IU COC SYS 19.5 MG	\$2,727
J7297	LEVONORGESTREL-RLS INTRAUTERINE COC SYS 52 MG	\$2,053
J7298	LEVONORGESTREL-RLS INTRAUTERINE COC SYS 52 MG	\$2,727
J7300	INTRAUTERINE COPPER CONTRACEPTIVE	\$2,426
J7301	LEVONORGESTREL-RLS INTRAUTERINE COC SYS 13.5 MG	\$2,271
J7307	ETONOGESTREL CNTRACPT IMPL SYS INCL IMPL & SPL	\$2,671
J3490U8	DEPO-PROVERA	\$340
J7294*	CONTRACEPTIVE VAGINAL RING: SEGESTERONE ACETATE AND ETHINYL ESTRADIOL	\$301
J7295*	CONTRACEPTIVE VAGINAL RING: ETHINYL ESTRADIOL AND ETONOGESTREL	\$301
J7304U1*	CONTRACEPTIVE PATCH: NORELGESTROMIN AND ETHINYL ESTRADIOL	\$110
J7304U2*	CONTRACEPTIVE PATCH: LEVONORGESTREL AND ETHINYL ESTRADIOL	\$110
J3490U5	EMERG CONTRACEPTION: ULIPRISTAL ACETATE 30 mg	\$72
J3490U6	EMERG CONTRACEPTION: LEVONORGESTREL 0.75 mg (2) & 1.5 mg (1)	\$50
11976	REMOVE CONTRACEPTIVE CAPSULE	\$399
11981	INSERT DRUG IMPLANT DEVICE	\$835
58300	INSERT INTRAUTERINE DEVICE	\$673
58301	REMOVE INTRAUTERINE DEVICE	\$195
81025	URINE PREGNANCY TEST	\$6
55250	REMOVAL OF SPERM DUCT(S)	\$521
58340	CATHETER FOR HYSTEROGRAPHY	\$371
58600	DIVISION OF FALLOPIAN TUBE	\$1,515
58615	OCCLUDE FALLOPIAN TUBE	\$1,115
58661	LAPAROSCOPY REMOVE ADNEXA	\$978
58670	LAPAROSCOPY TUBAL CAUTERY	\$843
58671	LAPAROSCOPY TUBAL BLOCK	\$892
58700	REMOVAL OF FALLOPIAN TUBE	\$1,216

\*Effective October 1, 2021