

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
90 Seventh Street, Suite 5-300 (5W)
San Francisco, CA 94103-6706



Regional Operations Group

August 23, 2019

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) 19-0012, which was submitted to the Centers for Medicare & Medicaid Services (CMS) on July 30, 2019. SPA 19-0012 will extend, for an additional year, augmentation payments to emergency medical air transportation providers for services rendered during State Fiscal Year 2019-20 and correct clerical errors for SFY 2017-18.

The effective date of this SPA is July 1, 2019. Enclosed are the following approved SPA pages that should be incorporated into your approved state plan:

- Supplement 16 to Attachment 4.19-B, pages 6, 7 and 8

If you have any questions, please contact Cheryl Young at 415-744-3598 or via email at Cheryl.Young@cms.hhs.gov.

Sincerely,

A solid black rectangular box redacting the signature of Richard C. Allen.

Richard C. Allen
Director
Center for Medicaid and CHIP Services
Regional Operations Group

cc: Jacey Cooper, California Department of Health Care Services (DHCS)
Lindy Harrington, DHCS
Connie Florez, DHCS
Michelle Tamai, DHCS
Angeli Lee, DHCS
Amanda Font, DHCS

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL
FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES**

1. TRANSMITTAL NUMBER

1 9 — 0 0 12

2. STATE

California

3. PROGRAM IDENTIFICATION:

TITLE XIX OF THE SOCIAL SECURITY ACT

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

4. PROPOSED EFFECTIVE DATE

July 1, 2019

5. TYPE OF PLAN MATERIAL (*Check One*) NEW STATE PLAN AMENDMENT TO BE CONSIDERED AS NEW PLAN AMENDMENTCOMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (*Separate transmittal for each amendment*)

6. FEDERAL STATUTE/REGULATION CITATION

42 CFR 447, Subpart F

7. FEDERAL BUDGET IMPACT

a. FFY 2019 (3 months) \$ 1,250,000b. FFY 2020 (9 months) \$ 3,750,000

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

Supplement 16 to Attachment 4.19-B pages 6-8

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION
OR ATTACHMENT (*If Applicable*)Supplement 16 to Attachment 4.19-B pages 6-8⁷

10. SUBJECT OF AMENDMENT

Supplemental payments for Emergency Air Medical Transportation Services, and clerical error correction for SFY 2017-18.

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

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

Mari Cantwell

14. TITLE

State Medicaid Director

15. DATE SUBMITTED

July 30, 2019

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED

July 30, 2019

18. DATE APPROVED

August 23, 2019

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL

July 1, 2019

20. SIGNATURE OF REGIONAL OFFICIAL

21. TYPED NAME

Richard C. Allen

22. TITLE

Director, Center for Medicaid & CHIP Services, Regional Operations Group

23. REMARKS

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

Box 9: CMS pen and ink change made on 8/20/19 to correct page numbers.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
STATE: CALIFORNIA

4. Effective July 1, 2014, the payment augmentation amount for each emergency air medical transportation service will be calculated as described in section (b).
- (a) Base rates for emergency air medical transportation services are the State Agency's rates per procedure code as posted on the Medi-Cal Rates website: <http://files.medi-cal.ca.gov/pubsdoco/rates/rateshome.asp>
 - (b) Payment augmentation amounts for emergency air medical transportation services will be calculated by multiplying the augmentation rate by the date of service projected utilization.
 - i. The augmentation rate is the difference between the base rate and the maximum allowable amount per transport based on the provider's usual and customary rates charged to the general public for an emergency air medical transport.
 - ii. For the 2014/15 rate year, the annual amount available for the payment augmentation will be based on a total pool amount of \$36,000,000. This pool amount will be distributed to eligible air medical transportation providers, using the methodology as described in b(i) and subject to the limitations of b(viii), for the dates of service period July 1, 2014 through June 30, 2015.
 - iii. For the 2015/16 rate year, the maximum annual amount available for the payment augmentation will be based on a total pool amount of \$13,000,000. Payments from this pool amount will be distributed to eligible air medical transportation providers, using the methodology described in b(i) and subject to the limitations of b(viii), for the dates of service period July 1, 2015 through June 30, 2016, until the annual pool amount is exhausted.
 - iv. For the 2016/17 rate year, the maximum annual amount available for the payment augmentation will be based on a total pool amount of \$13,000,000. Payments from this pool amount will be distributed to eligible air medical transportation providers, using the methodology described in b(i) and subject to the limitations of b(viii), for the dates of service period July 1, 2016 through June 30, 2017, until the annual pool amount is exhausted.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
STATE: CALIFORNIA

- v. For the 2017/18 rate year, the maximum annual amount available for the payment augmentation will be based on a total pool amount of \$13,000,000¹. Payments from this pool amount will be distributed to eligible air medical transportation providers, using the methodology described in b(i) and subject to the limitations of b(vi)², for the dates of service period July 1, 2017 through June 30, 2018, until the annual pool amount is exhausted.

¹CORRECTION: Section b(v) above is corrected to read as it did in SPA 17-019; and

²CORRECTION: The reference to section b(vi) is corrected to reference section b(viii), as follows:

- v. For the 2017/18 rate year, the maximum annual amount available for the payment augmentation will be based on a total pool amount of \$10,000,000. Payments from this pool amount will be distributed to eligible air medical transportation providers, using the methodology described in b(i) and subject to the limitations of b(viii), for the dates of service period July 1, 2017 through June 30, 2018, until the annual pool amount is exhausted.
- vi. For the 2018/19 rate year, the maximum annual amount available for the payment augmentation will be based on a total pool amount of \$13,000,000. Payments from this pool amount will be distributed to eligible air medical transportation providers, using the methodology described in b(i) and subject to the limitations of b(viii), for the dates of service period July 1, 2018 through June 30, 2019, until the annual pool amount is exhausted.
- vii. For the 2019/20 rate year, the maximum annual amount available for the payment augmentation will be based on a total pool amount of \$10,000,000. Payments from this pool amount will be distributed to eligible air medical transportation providers, using the methodology described in b(i) and subject to the limitations of b(viii), for the dates of service period July 1, 2019 through June 30, 2020, until the annual pool amount is exhausted.
- viii. The total computable augmentation amount for each rate year shall not exceed the applicable total allowable under b(ii), b(iii), b(iv), b(v), b(vi), and b(vii).

TN: 19-0012
Supersedes
TN: 18-0030

Approval Date: August 23, 2019 Effective Date: July 1, 2019

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
STATE: CALIFORNIA

C. Payment Augmentation

1. The payment augmentation amount will be an add-on to the base rate for FFS emergency air medical transportation and will be posted on the Notes to Rates page of the Department's Medi-Cal web site for each applicable date of service period:
<http://files.medi-cal.ca.gov/pubsdoco/rates/rateshome.asp>

¹The 2017/18 rate year total pool amount was inadvertently changed to \$13,000,000 in SPA 18-0030. The correct and approved total pool amount for the 2017/18 rate year is \$10,000,000. This technical correction reflects the amount of \$10,000,000 as approved in SPA 17-019.

²The reference to section b(vi) was a clerical error and should have been a reference to section b(vii). This technical correction reflects the correct reference to the current limitation in the new section b(viii).

TN: 19-0012

Supersedes

TN: NONE

Approval Date: August 23, 2019

Effective Date: July 1, 2019