

Table of Contents

State/Territory Name: California

State Plan Amendment (SPA) #: 21-0051

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form
- 3) Approved SPA Pages

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
601 E. 12th St., Room 355
Kansas City, Missouri 64106



Medicaid and CHIP Operations Group

December 15, 2021

Jacey Cooper
Chief Deputy Director, Health Care Programs
California Department of Health Care Services
P.O. Box 997413, MS 0000
Sacramento, CA 95899-7413

Dear Ms. Cooper:

Enclosed is an approved copy of California State Plan Amendment (SPA) 21-0051, which was submitted to the Centers for Medicare & Medicaid Services (CMS) on October 15, 2021. This SPA will add peer support services as a Medi-Cal rehabilitative Mental Health Service and will include peer support specialists as a distinct provider type.

This SPA 21-0051 was approved on December 14, 2021 with an effective date of July 1, 2022. Enclosed are the following approved SPA pages that should be incorporated into your approved State Plan:

- Supplement 3 to Attachment 3.1-A, pages 2.m1 to 2.m2
- Supplement 2 to Attachment 3.1-B, pages 14.a to 14.b
- Attachment 4.19-B, pages 23, 25.10 and 25.11

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

Sincerely,

A black rectangular redaction box covers the signature of the sender.

Digitally signed by James G. Scott
-S
Date: 2021.12.15 10:26:41 -06'00'

Director, Division of Program Operations

Enclosures

cc: Dr. Kelly Pfeifer, Department of Health Care Services (DHCS)
Lindy Harrington, DHCS
Tyler Sadwith, DHCS
Shaina Zurlin, DHCS
Jacob Lam, DHCS
Chuck Anders, 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

2 1 — 0 0 51

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

July 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

Social Security Act 1905(a)(13)

7. FEDERAL BUDGET IMPACT

a. FFY 2021-2022 \$ 0
b. FFY 2022-2023 \$ 19,000 (in thousands)⁰

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

Supplement 3 to Attachment 3.1-A, pages ~~1-2q~~ ^{2.m1-2.m2}
Supplement 2 to Attachment 3.1-B, pages ~~1-20~~ ^{14.a-14.b}
Attachment 4.19-B, pages ~~25-25.11~~ ^{23, 25.10 & 25.11}

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 PAGE NUMBER OF THE SUPERSEDED PLAN SECTION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

~~Supplement 3 to Attachment 3.1-A, pages 1-2p~~
~~Supplement 2 to Attachment 3.1-B, pages 1-17~~
~~Attachment 4.19-B, pages 25-25.11~~ ^{23, 25.10 & 25.11}

10. SUBJECT OF AMENDMENT

Proposes to add peer support services as a Medi-Cal Rehabilitative Mental Health Service and to include peer support specialists as a distinct provider type. ~~In addition, DHCS proposes to remove the existent client plan requirement and update associated plan development activities for Medi-Cal Rehabilitative Mental Health Services.~~

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

13. TYPED NAME
Jacey Cooper

14. TITLE
State Medicaid Director

15. DATE SUBMITTED
October 15, 2021

16. RETURN TO

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

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED
October 15, 2021

18. DATE APPROVED
December 14, 2021

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL

July 1, 2022

20. SIGNATURE OF REGIONAL OFFICIAL

Digitally signed by James G. Scott -S
Date: 2021.12.15 10:27:43 -06'00'

21. TYPED NAME

James G. Scott

22. TITLE

Director, Division of Program Operations

23. REMARKS

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

Boxes 7,8,9 and 10: Box 7 changes based on 12/3/21 concurrence from the state via the informal questions process. CMS made the other pen and ink changes per emails with the state dated 12/6/21 and 12/7/21.

10. Peer Support Services are culturally competent individual and group services that promote recovery, resiliency, engagement, socialization, self-sufficiency, self-advocacy, development of natural supports, and identification of strengths through structured activities such as group and individual coaching to set recovery goals and identify steps to reach the goals. Services aim to prevent relapse, empower beneficiaries through strength-based coaching, support linkages to community resources, and to educate beneficiaries and their families about their conditions and the process of recovery. Peer support services may be provided with the beneficiary or significant support person(s) and may be provided in a clinical or non-clinical setting. Peer support services can include contact with family members or other collaterals if the purpose of the collateral's participation is to focus on the treatment needs of the beneficiary by supporting the achievement of the beneficiary's treatment goals.

Peer support services are based on an approved plan of care. Peer support services include one or more of the following service components:

- Educational Skill Building Groups means providing a supportive environment in which beneficiaries and their families learn coping mechanisms and problem-solving skills in order to help the beneficiaries achieve desired outcomes. These groups promote skill building for the beneficiaries in the areas of socialization, recovery, self-sufficiency, self-advocacy, development of natural supports, and maintenance of skills learned in other support services.
- Engagement means Peer Support Specialist led activities and coaching to encourage and support beneficiaries to participate in behavioral health treatment. Engagement may include supporting beneficiaries in their transitions and supporting beneficiaries in developing their own recovery goals and processes.
- Therapeutic Activity means a structured non-clinical activity provided by a Peer Support Specialist to promote recovery, wellness, self-advocacy, relationship enhancement, development of natural supports, self-awareness and values, and the maintenance of community living skills to support the beneficiary's treatment to attain and maintain recovery within their communities. These activities may include, but are not limited to, advocacy on behalf of the beneficiary; promotion of self-advocacy; resource navigation; and collaboration with the beneficiaries and others providing care or support to the beneficiary, family members, or significant support persons.

Providers: Peer Support Services are provided by Peer Support Specialists.

Limitations:

Peer support services are not provided in an institution for mental disease as defined in SSA Sec. 1905(i) and 42 CFR 435.1010.

TN No: 21-0051

Supersedes

TN No: None

Approval Date: 12/14/2021

Effective Date: July 1, 2022

Provider Qualifications: A Peer Support Specialist is an individual in recovery with a current State-approved Medi-Cal Peer Support Specialist Certification Program certification and must meet ongoing education requirements. Peer Support Specialists provides services under the direction of a Behavioral Health Professional.

**Peer Support Services will be implemented and have an effective date of July 1, 2022.*

TN No: 21-0051

Supersedes

TN No: None

Approval Date: 12/14/2021

Effective Date: July 1, 2022

10. Peer Support Services are culturally competent individual and group services that promote recovery, resiliency, engagement, socialization, self-sufficiency, self-advocacy, development of natural supports, and identification of strengths through structured activities such as group and individual coaching to set recovery goals and identify steps to reach the goals. Services aim to prevent relapse, empower beneficiaries through strength-based coaching, support linkages to community resources, and to educate beneficiaries and their families about their conditions and the process of recovery. Peer support services may be provided with the beneficiary or significant support person(s) and may be provided in a clinical or non-clinical setting. Peer support services can include contact with family members or other collaterals if the purpose of the collateral's participation is to focus on the treatment needs of the beneficiary by supporting the achievement of the beneficiary's treatment goals.

Peer support services are based on an approved plan of care. Peer support services include one or more of the following service components:

- Educational Skill Building Groups means providing a supportive environment in which beneficiaries and their families learn coping mechanisms and problem-solving skills in order to help the beneficiaries achieve desired outcomes. These groups promote skill building for the beneficiaries in the areas of socialization, recovery, self-sufficiency, self-advocacy, development of natural supports, and maintenance of skills learned in other support services.
- Engagement means Peer Support Specialist led activities and coaching to encourage and support beneficiaries to participate in behavioral health treatment. Engagement may include supporting beneficiaries in their transitions and supporting beneficiaries in developing their own recovery goals and processes.
- Therapeutic Activity means a structured non-clinical activity provided by a Peer Support Specialist to promote recovery, wellness, self-advocacy, relationship enhancement, development of natural supports, self-awareness and values, and the maintenance of community living skills to support the beneficiary's treatment to attain and maintain recovery within their communities. These activities may include, but are not limited to, advocacy on behalf of the beneficiary; promotion of self-advocacy; resource navigation; and collaboration with the beneficiaries and others providing care or support to the beneficiary, family members, or significant support persons.

Providers: Peer Support Services are provided by Peer Support Specialists.

Limitations:

Peer support services are not provided in an institution for mental disease as defined in SSA Sec. 1905(i) and 42 CFR 435.1010.

TN No: 21-0051

Supersedes

TN No: None

Approval Date: 12/14/2021

Effective Date: July 1, 2022

Provider Qualifications: A Peer Support Specialist is an individual in recovery with a current State-approved Medi-Cal Peer Support Specialist Certification Program certification and must meet ongoing education requirements. Peer Support Specialists provides services under the direction of a Behavioral Health Professional.

**Peer Support Services will be implemented and have an effective date of July 1, 2022.*

TN No: 21-0051

Supersedes

TN No: None

Approval Date: 12/14/2021

Effective Date: July 1, 2022

“Psychiatric inpatient hospital professional services” means services provided to a beneficiary by a licensed mental health professional with hospital admitting privileges while the beneficiary is in a hospital receiving psychiatric inpatient hospital services. Psychiatric inpatient hospital professional services do not include all services that may be provided in an inpatient setting. Psychiatric inpatient hospital professional services include only those services provided for the purpose of evaluating and managing the mental disorder that resulted in the need for psychiatric inpatient hospital services. Psychiatric inpatient hospital professional services do not include routine hospital services or hospital-based ancillary services.

“Rehabilitative Mental Health Services” means any of the following: mental health services, medication support services, day treatment intensive, day rehabilitation, crisis intervention, crisis stabilization, adult residential treatment services, crisis residential treatment services, psychiatric health facility services, and peer support services, provided to individuals who meet medical necessity criteria as defined in Supplement 3 to Attachment 3.1-A of the State plan; and services provided in a treatment foster home.

“Relative value statistic” means a statistic that has been developed from dissimilar elements that acts as a common basis for the purpose of allocating a pool of costs.

“Schedule of Maximum Rates (SMR)” means a schedule of maximum rates per unit of service, as defined in Section G of this Segment, which will be paid for each type of service.

“SD/MC hospital” means a hospital as defined in Attachment 3.19-A, Pages 38-40 of the State Plan. A SD/MC hospital may be a UC hospital, may be owned and operated by a county government, or may be owned and operated by a private entity.

“State Owned and Operated Provider” means a provider that is owned and operated by the Regents of the University of California.

“Targeted Case Management” has the meaning defined in supplement 1 to attachment 3.1-A, pages 8-17 of the State Plan.

“Services Provided in a Treatment Foster Home” means a bundle of rehabilitative mental health services provided to children and youth up to 21 years of age who have been placed in a Residential Treatment Foster Home and who meet medical necessity criteria for this service as established by the State. The bundle of

6. From the remaining providers, calculate the sum of the units of service reported for each type of service.
7. Divide the sum of gross costs determined in step 5 by the sum of the units of service as determined in step 6 to calculate the statewide average cost per unit for each type of service.
8. The statewide average cost per unit calculated in step 7 will be increased on an annual basis, effective the first day of each state fiscal year, using the change in the home health agency market basket index.

The State calculates that the SMIR for peer support services will be equal to the interim rate set for targeted case management services. The statewide average cost per unit for peer support services will be increased on an annual basis, effective the first day of each state fiscal year, using the change in the home health agency market basket index. The annually updated cost per unit for peer support services will be published in an annual information notice that is posted to the single state agency's website.

The State originally calculated the SMIR for crisis stabilization using a cost survey of fourteen county programs that provided services for up to 24 hours in an emergency room setting. The statewide average cost per unit for crisis stabilization services will be increased on an annual basis, effective the first day of each fiscal year, using the change in the home health agency market basket index. The annually updated cost per unit for crisis stabilization services will be published in an annual information notice that is posted to the single state agency's website.

The State originally calculated the SMIR for crisis residential treatment and adult residential treatment services based on a cost survey from approximately sixty facilities. The survey distinguished between the cost of treatment from the cost for room and board, which is excluded from the SMIR for crisis residential treatment and adult residential treatment. The statewide average cost per unit for crisis residential treatment and adult residential treatment will be increased on an annual basis, effective the first day of each fiscal year, using the change in the home health agency market basket index. The annually updated cost per unit for crisis residential treatment and adult residential treatment will be published in an annual information notice that is posted to the single state agency's website.

The SMIR for services provided in a treatment foster home will initially be set at \$87.40 per day and the State will annually increase this SMIR based upon the change in the home health agency market basket index. The \$87.40 daily rate is

based upon the existing rate the State pays providers for a similar service called intensive treatment foster care. The treatment component of these rates are based upon an hourly rate of \$23 for an in-home support counselor multiplied by the number of hours the in-home support counselor is likely to provide treatment to the child. The most intensive level of treatment expects the in-home support counselor to provide 114 hours of treatment per month, which is 3.8 hours per day. The hourly rate of \$23 multiplied by 3.8 hours per day of treatment equals the daily rate of \$87.40.

H. ALLOWABLE SERVICES (ALSO USED IN THE COST REPORT)

Allowable Rehabilitative Mental Health and Targeted Case Management Services and units of service are as follows:

<u>Service</u>	<u>Units of Service</u>
Mental Health Services	One Minute Increments
Medication Support Services	One Minute Increments
Day Treatment Intensive	Half-Day or Full-Day
Day Rehabilitation	Half-Day or Full-Day
Crisis Intervention	One Minute Increments
Crisis Stabilization	One-Hour Blocks
Adult Residential Treatment Services	Day (Excluding room and board)
Crisis Residential Treatment Services	Day (Excluding room and board)
Psychiatric Health Facility Services	Day (Excluding room and board)
Targeted Case Management	One Minute Increments
Services provided in a treatment home	Day (Excluding room and board)
Peer Support Services	15 Minute Increments