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State/Territory Name: California

State Plan Amendment (SPA) #: 22-0050

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form/Summary Form (with 179-like data)
- 3) Approved SPA Pages

DEPARTMENT OF HEALTH & HUMAN SERVICES Centers for Medicare & Medicaid Services 7500 Security Boulevard, Mail Stop S2-26-12 Baltimore, Maryland 21244-1850



December 16, 2022

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

Re: California State Plan Amendment (SPA) 22-0050

Dear Ms. Cooper:

We have reviewed the proposed amendment to add section 7.4 Medicaid Disaster Relief for the COVID-19 National Emergency to your Medicaid state plan, as submitted under transmittal number (TN) 22-0050. This amendment proposes to implement temporary policies, which are different from those policies and procedures otherwise applied under your Medicaid state plan, during the period of the Presidential and Secretarial emergency declarations related to the COVID-19 outbreak (or any renewals thereof).

On March 13, 2020, the President of the United States issued a proclamation that the COVID-19 outbreak in the United States constitutes a national emergency by the authorities vested in him by the Constitution and the laws of the United States, including sections 201 and 301 of the National Emergencies Act (50 U.S.C. 1601 et seq.), and consistent with section 1135 of the Social Security Act (Act). On March 13, 2020, pursuant to section 1135(b) of the Act, the Secretary of the United States Department of Health and Human Services invoked his authority to waive or modify certain requirements of titles XVIII, XIX, and XXI of the Act as a result of the consequences of the COVID-19 pandemic, to the extent necessary, as determined by the Centers for Medicare & Medicaid Services (CMS), to ensure that sufficient health care items and services are available to meet the needs of individuals enrolled in the respective programs and to ensure that health care providers that furnish such items and services in good faith, but are unable to comply with one or more of such requirements as a result of the COVID-19 pandemic, may be reimbursed for such items and services and exempted from sanctions for such noncompliance, absent any determination of fraud or abuse. This authority took effect as of 6PM Eastern Standard Time on March 15, 2020, with a retroactive effective date of March 1, 2020. The emergency period will terminate, and this state plan provision will no longer be in effect, upon termination of the public health emergency, including any extensions.

Pursuant to section 1135(b)(5) of the Act, for the period of the public health emergency, CMS is modifying the requirement at 42 C.F.R. 430.20 that the state submit SPAs related to the COVID-19 public health emergency by the final day of the quarter, to obtain a SPA effective date during

the quarter, enabling SPAs submitted after the last day of the quarter to have an effective date in a previous quarter, but no earlier than the effective date of the public health emergency.

The State of California also requested a waiver of public notice requirements applicable to the SPA submission process. Pursuant to section 1135(b)(1)(C) of the Act, CMS is waiving public notice requirements applicable to the SPA submission process. Public notice for SPAs is required under 42 C.F.R. §447.205 for changes in statewide methods and standards for setting Medicaid payment rates, 42 C.F.R. §447.57 for changes to premiums and cost sharing, and 42 C.F.R. §440.386 for changes to Alternative Benefit Plans (ABPs). Pursuant to section 1135(b)(1)(C) (to waive) of the Act, CMS is approving the state's request to waive these notice requirements otherwise applicable to SPA submissions.

These waivers or modifications of the requirements related to SPA submission timelines and public notice apply only with respect to SPAs that meet the following criteria: (1) the SPA provides or increases beneficiary access to items and services related to COVID-19 (such as by waiving or eliminating cost sharing, increasing payment rates or amending ABPs to add services or providers); (2) the SPA does not restrict or limit payment or services or otherwise burden beneficiaries and providers; and (3) the SPA is temporary, with a specified sunset date that is not later than the last day of the declared COVID-19 public health emergency (or any extension thereof). We nonetheless encourage states to make all relevant information about the SPA available to the public so they are aware of the changes.

We conducted our review of your submittal according to the statutory requirements at section 1902(a) of the Act and implementing regulations. This letter is to inform you that California Medicaid SPA Transmittal Number 22-0050 is approved effective March 1, 2020. This SPA is in addition to all previous approved Disaster Relief SPAs, and does not supersede anything approved in those SPAs.

Enclosed is a copy of the CMS-179 summary form and the approved state plan pages.

Please contact Cheryl Young at 415-744-3598 or by email at Cheryl. Young@cms.hhs.gov if you have any questions about this approval. We appreciate the efforts of you and your staff in responding to the needs of the residents of the State of California and the health care community.

Sincerely,

Alissa M. Deboy -S

Digitally signed by Alissa M. Deboy -S Date: 2022.12.16

Alissa Mooney DeBoy On Behalf of Anne Marie Costello, Deputy Director Center for Medicaid and CHIP Services

Enclosures

DENTERO FOR MEDIONAL WINEDIONE DERVIOLD		
TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL	1. TRANSMITTAL NUMBER 2. STATE	
	2 2 — 0 0 5 0 <u>CA</u>	
FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES	3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL	
	SECURITY ACT XIX XXI	
TO: CENTER DIRECTOR	4. PROPOSED EFFECTIVE DATE	
CENTERS FOR MEDICAID & CHIP SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES	March 1, 2020	
5. FEDERAL STATUTE/REGULATION CITATION	6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars) a FFY 2019-20 \$ 42.581	
1915i of the Social Security Act	b. FFY 2020-21 \$ 332,360	
7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT	8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION	
Section 7.4 pages 117-126	OR ATTACHMENT (If Applicable)	
	n/a	
9. SUBJECT OF AMENDMENT		
	vment Individual are added as services that can be participant-	
Habilitation - Day Services and Enhanced Habilitation - Supported Emplodirected. Effective 3/1/2020, adds participant-direction with corresponding payment Supported Employment Individual and effective 7/1/2021 revises Self-Enhanced Habilitation - Supported Employment Individual.	ent methodology to Habilitation - Day Services and Enhanced Habilitation - birected Support Services to include Habilitation – Day Services and	
10. GOVERNOR'S REVIEW (Check One)		
O GOVERNOR'S OFFICE REPORTED NO COMMENT	OTHER, AS SPECIFIED:	
COMMENTS OF GOVERNOR'S OFFICE ENCLOSED	Please note: The Governor's Office does not wish to review the	
NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL	State Plan Amendment.	
GENCY OFFICIAL	15. RETURN TO	
	Department of Health Care Services	
	Attn: Director's Office	
	P.O. Box 997413, MS 0000 Sacramento, CA 95899-7413	
13. TITLE	Sacramento, OA 33033-7413	
State Medicaid Director		
14. DATE SUBMITTED		
September 28, 2022	SE ONLY	
	17. DATE APPROVED	
September 28, 2022	December 16, 2022	
PLAN APPROVED - ON	IE COPY ATTACHED	
18. EFFECTIVE DATE OF APPROVED MATERIAL	19. SIGNATISER INF. APPROVINGO PER COMPETITION OF THE COMPETITION OF T	
March 1, 2020	Deboy -S Date: 2022.12.16 08:25:12-05'00'	
	21. TITLE OF APPROVING OFFICIAL	
Alissa Mooney Deboy	On behalf of Anne Marie Costello, Deputy Director, CMCS	
22. REMARKS		
Box 9: CMS made a pen and ink change to update the SPA description of	on 12/12/22.	

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Disaster Relief SPA #17

Section 7 – General Provisions 7.4. Medicaid Disaster Relief for the COVID-19 National Emergency

On March 13, 2020, the President of the United States issued a proclamation that the COVID-19 outbreak in the United States constitutes a national emergency by the authorities vested in him by the Constitution and the laws of the United States, including sections 201 and 301 of the National Emergencies Act (50 U.S.C. 1601 et seq.), and consistent with section 1135 of the Social Security Act (Act). On March 13, 2020, pursuant to section 1135(b) of the Act, the Secretary of the United States Department of Health and Human Services invoked his authority to waive or modify certain requirements of titles XVIII, XIX, and XXI of the Act as a result of the consequences COVID-19 pandemic, to the extent necessary, as determined by the Centers for Medicare & Medicaid Services (CMS), to ensure that sufficient health care items and services are available to meet the needs of individuals enrolled in the respective programs and to ensure that health care providers that furnish such items and services in good faith, but are unable to comply with one or more of such requirements as a result of the COVID-19 pandemic, may be reimbursed for such items and services and exempted from sanctions for such noncompliance, absent any determination of fraud or abuse. This authority took effect as of 6PM Eastern Standard Time on March 15, 2020, with a retroactive effective date of March 1, 2020. The emergency period will terminate, and waivers will no longer be available, upon termination of the public health emergency, including any extensions.

The State Medicaid agency (agency) seeks to implement the policies and procedures described below, which are different than the policies and procedures otherwise applied under the Medicaid state plan, during the period of the Presidential and Secretarial emergency declarations related to the COVID-19 outbreak (or any renewals thereof), or for any shorter period described below:

The state seeks to implement the changes to the 1915 (i) state plan below effective March 1, 2020 through the end of the Public Health Emergency.

NOTE: States may not elect a period longer than the Presidential or Secretarial emergency declaration (or any renewal thereof). States may not propose changes on this template that restrict or limit payment, services, or eligibility, or otherwise burden beneficiaries and providers.

Request for Waivers under Section 1135

X	_ The ager	cy seeks the following u	nder section 1135(b)(1)(C) and/or section 1135(b)(5) of the Act:
	a.	requirement to submit t	equirements – the agency requests modification of the the SPA by March 31, 2020, to obtain a SPA effective date during or of 2020, pursuant to 42 CFR 430.20.
	b.	requirements that woul	uirements – the agency requests waiver of public notice d otherwise be applicable to this SPA submission. These de those specified in 42 CFR 440.386 (Alternative Benefit Plans),
TN: _	22-0050		Approval Date: <u>12/16/2022</u>
Supe	rsedes TN:	None	Effective Date: 03/01/2020

Disaste	r Relief	SPA #17
		42 CFR 447.57(c) (premiums and cost sharing), and 42 CFR 447.205 (public notice of changes in statewide methods and standards for setting payment rates).
	C.	Tribal consultation requirements – the agency requests modification of tribal consultation timelines specified in [insert name of state] Medicaid state plan, as described below:
		Please describe the modifications to the timeline
Section	n A – Elig	gibility
1.	describ	The agency furnishes medical assistance to the following optional groups of individuals sed in section $1902(a)(10)(A)(ii)$ or $1902(a)(10)(c)$ of the Act. This may include the new all group described at section $1902(a)(10)(A)(ii)(XXIII)$ and $1902(ss)$ of the Act providing ge for uninsured individuals.
	Include	name of the optional eligibility group and applicable income and resource standard.
2.		The agency furnishes medical assistance to the following populations of individuals ped in section 1902(a)(10)(A)(ii)(XX) of the Act and 42 CFR 435.218:
	a.	All individuals who are described in section 1905(a)(10)(A)(ii)(XX)
		Income standard:
		-or-
	b.	Individuals described in the following categorical populations in section 1905(a) of the Act:
		Income standard:
3.		The agency applies less restrictive financial methodologies to individuals excepted from all methodologies based on modified adjusted gross income (MAGI) as follows.
	Less re	strictive income methodologies:
TN:2	22-0050	Approval Date: <u>12/16/2022</u>

Supersedes TN: None

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This SPA is in addition to all previously approved disaster relief SPAs and does not supersede anything approved in those SPAs.

Effective Date: <u>03/01/2020</u>

Disaste	er Relief SPA #17 Less restrictive resource methodologies:	
	3	
4.	for medical reasons related to the disaster or p	blic health emergency and who intend to return
5.	The agency provides Medicaid coverage who are non-residents:	to the following individuals living in the state,
6.	citizens declaring to be in a satisfactory immigr faith effort to resolve any inconsistences or ob-	tain any necessary documentation, or the agency within the 90-day reasonable opportunity period
Section	n B – Enrollment	
1.	The agency elects to allow hospitals to not the following additional state plan populations demonstration, in accordance with section 190 provided that the agency has determined that determinations.	or for populations in an approved section 1115 2(a)(47)(B) of the Act and 42 CFR 435.1110,
	Please describe the applicable eligibility groups, limitations, performance standards or other fac	
2.		ed entity for purposes of making presumptive ecordance with sections 1920, 1920A, 1920B, and
	Please describe any limitations related to the periods.	opulations included or the number of allowable PE
	<u>22-0050</u> edes TN: <u>None</u>	Approval Date: <u>12/16/2022</u> Effective Date: <u>03/01/2020</u>

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Disaster Relief SPA #17 3. The agency designates the following entities as qualified entities for purposes of making presumptive eligibility determinations or adds additional populations as described below in accordance with sections 1920, 1920A, 1920B, and 1920C of the Act and 42 CFR Part 435 Subpart L. Indicate if any designated entities are permitted to make presumptive eligibility determinations only for specified populations. Please describe the designated entities or additional populations and any limitations related to the specified populations or number of allowable PE periods. 4. The agency adopts a total of months (not to exceed 12 months) continuous eligibility for children under age enter age _____ (not to exceed age 19) regardless of changes in circumstances in accordance with section 1902(e)(12) of the Act and 42 CFR 435.926. The agency conducts redeterminations of eligibility for individuals excepted from MAGIbased financial methodologies under 42 CFR 435.603(j) once every months (not to exceed 12 months) in accordance with 42 CFR 435.916(b). 6. _____ The agency uses the following simplified application(s) to support enrollment in affected areas or for affected individuals (a copy of the simplified application(s) has been submitted to CMS). a. The agency uses a simplified paper application. b. _____ The agency uses a simplified online application. c. _____ The simplified paper or online application is made available for use in call-centers or other telephone applications in affected areas. Section C - Premiums and Cost Sharing 1. The agency suspends deductibles, copayments, coinsurance, and other cost sharing charges as follows: Please describe whether the state suspends all cost sharing or suspends only specified deductibles, copayments, coinsurance, or other cost sharing charges for specified items and services or for specified eligibility groups consistent with 42 CFR 447.52(d) or for specified income levels consistent with 42 CFR 447.52(g). 2. _____ The agency suspends enrollment fees, premiums and similar charges for: TN: 22-0050 Approval Date: <u>12/16/2022</u> Supersedes TN: None Effective Date: 03/01/2020

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	a All beneficiaries	
	b The following eligibility groups or categorical populat	ions:
	Please list the applicable eligibility groups or populations.	
3.	The agency allows waiver of payment of the enrollment fee, payment for undue hardship.	oremiums and similar
	Please specify the standard(s) and/or criteria that the state will use the hardship.	to determine undue
	on D – Benefits	
Benefi	its:	
1.	The agency adds the following optional benefits in its state pl descriptions, provider qualifications, and limitations on amount, dur benefit):	
2.	X The agency makes the following adjustments to benefits currently plan:	ently covered in the state
	Expand participant-direction opportunities to include the following services:	g 1915(i) State Plan HCBS
	Enhanced Habilitation - Supported Employment- Individual Habilitation- Day Services	
	Adds the following provider qualifications when the participant-die Enhanced Habilitation - Supported Employment- Individual and Ha	
	Supported Employment- Individual – Provider Qualifications – Individual – Providers of supported employment shall be an adult who possesses experience necessary to provide services in accordance with the individual – Provider Qualifications – Individua	s the skill, training, and
	 _ <u>22-0050</u> sedes TN: <u>None</u>	Approval Date: <u>12/16/2022</u> Effective Date: <u>03/01/2020</u>

Page: <u>1</u>	Territory: <u>California</u> <u>22</u> er Relief SPA #17
	<u>Day Services - Individual – Provider Qualifications – Individuals</u> Providers of day services shall be an adult who possesses the skill, training, and experience necessary to provide services in accordance with the individual program plan.
	Effective 7/1/2021, Self-Directed Support Services as approved in DR SPA 22-0038 will support the participant-directed options for Enhanced Habilitation – Supported Employment – Individual and Habilitation – Day Services.
3.	The agency assures that newly added benefits or adjustments to benefits comply with all applicable statutory requirements, including the statewideness requirements found at 1902(a)(1), comparability requirements found at 1902(a)(10)(B), and free choice of provider requirements found at 1902(a)(23).
4.	Application to Alternative Benefit Plans (ABP). The state adheres to all ABP provisions in 42 CFR Part 440, Subpart C. This section only applies to states that have an approved ABP(s).
	 a The agency assures that these newly added and/or adjusted benefits will be made available to individuals receiving services under ABPs.
	b Individuals receiving services under ABPs will not receive these newly added and/or adjusted benefits, or will only receive the following subset:
	Please describe.
Telehed	alth:
5.	The agency utilizes telehealth in the following manner, which may be different than outlined in the state's approved state plan:
	Please describe.
Drug B	enefit:
6.	The agency makes the following adjustments to the day supply or quantity limit for covered outpatient drugs. The agency should only make this modification if its current state plan pages have limits on the amount of medication dispensed.

Please describe the change in days or quantities that are allowed for the emergency period and for which drugs. 7. Prior authorization for medications is expanded by automatic renewal without clinical review, or time/quantity extensions. 8. The agency makes the following payment adjustment to the professional dispensing fee when additional costs are incurred by the providers for delivery. States will need to supply documentation to justify the additional fees. Please describe the manner in which professional dispensing fees are adjusted. 9. _____ The agency makes exceptions to their published Preferred Drug List if drug shortages occur. This would include options for covering a brand name drug product that is a multi-source drug if a generic drug option is not available. Section E - Payments Optional benefits described in Section D: Newly added benefits described in Section D are paid using the following methodology: a. ____ Published fee schedules -Effective date (enter date of change): _____ Location (list published location): b. ____ Other: Describe methodology here. *Increases to state plan payment methodologies:* 2. The agency increases payment rates for the following services: TN: <u>22-0050</u> Approval Date: <u>12/16/2022</u> Supersedes TN: None Effective Date: 03/01/2020

State/Territory: California

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State/Territory: California Page: 124 Disaster Relief SPA #17 Please list all that apply. a. _____ Payment increases are targeted based on the following criteria: Please describe criteria. b. Payments are increased through: A supplemental payment or add-on within applicable upper payment limits: Please describe. ____ An increase to rates as described below. ii. Rates are increased: _____ Uniformly by the following percentage: _____ _____ Through a modification to published fee schedules – Effective date (enter date of change): _____ Location (list published location): _____ _____ Up to the Medicare payments for equivalent services. By the following factors:

Payment for services delivered via telehealth:

3. _____ For the duration of the emergency, the state authorizes payments for telehealth services that:

a. ____ Are not otherwise paid under the Medicaid state plan;

Please describe.

Disaster Reli	ef SPA #17	
ŀ	Differ from payments for the same services when pro	ovided face to face;
C	Differ from current state plan provisions governing r telehealth;	eimbursement for
	Describe telehealth payment variation.	
(l Include payment for ancillary costs associated with the services via telehealth, (if applicable), as follows:	he delivery of covered
	 i Ancillary cost associated with the originating incorporated into fee-for-service rates. 	site for telehealth is
	 ii Ancillary cost associated with the originating separately reimbursed as an administrative cost b Medicaid service is delivered. 	
Other:		
4. <u>X</u>	_ Other payment changes:	
Habi	tive 3/1/2020 through 9/15/2022, for the Supported Employme itation – Day Services described in section D-2, this SPA establis our, when the participant directed-option is applied.	
	tive 9/16/2022 until the end of the PHE, the following rates app I below, when the participant directed option is applied:	ly for the provider types
Enha	nced Habilitation - Supported Employment- Individual - \$28.55	s per hour
Habi	litation-Day Services:	
•	Personal Assistant - \$19.42 per hour Independent Living Specialist - \$20.31 per hour	
Section F – P	ost-Eligibility Treatment of Income	
	The state elects to modify the basic personal needs allowance iduals. The basic personal needs allowance is equal to one of	
6	The individual's total income	
l	o 300 percent of the SSI federal benefit rate	
TN: <u>22-00</u>		Approval Date: <u>12/16/2022</u> Effective Date: 03/01/2020

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	c Other reasonable amount:
C	The state elects a new variance to the basic personal needs allowance. (Note: Election of this option is not dependent on a state electing the option described the option in F.1. above.)
	The state protects amounts exceeding the basic personal needs allowance for individuals who have the following greater personal needs:
	Please describe the group or groups of individuals with greater needs and the amount(s) protected for each group or groups.
Section (G – Other Policies and Procedures Differing from Approved Medicaid State Plan /Additional tion
	PRA Disclosure Statement
informat informat instruction informat Security of commen please w Baltimore payment Clearance burden a forwarde	g to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of ion unless it displays a valid OMB control number. The valid OMB control number for this ion collection is 0938-1148 (Expires 03/31/2021). The time required to complete this ion collection is estimated to average 1 to 2 hours per response, including the time to review ons, search existing data resources, gather the data needed, and complete and review the ion collection. Your response is required to receive a waiver under Section 1135 of the Social Act. All responses are public and will be made available on the CMS web site. If you have ts concerning the accuracy of the time estimate(s) or suggestions for improving this form, rite to: CMS, 7500 Security Boulevard, Attn: PRA Reports Clearance Officer, Mail Stop C4-26-05, e, Maryland 21244-1850. ***CMS Disclosure*** Please do not send applications, claims, is, medical records or any documents containing sensitive information to the PRA Reports to Office. Please note that any correspondence not pertaining to the information collection approved under the associated OMB control number listed on this form will not be reviewed, and, or retained. If you have questions or concerns regarding where to submit your documents, contact the Centers for Medicaid & CHIP Services at 410-786-3870.

TN: <u>22-0050</u>

Supersedes TN: None

This SPA is in addition to all previously approved disaster relief SPAs and does not supersede anything approved in those SPAs.

Approval Date: <u>12/16/2022</u>

Effective Date: <u>03/01/2020</u>