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State/Territory Name: CA

State Plan Amendment (SPA) #: 22-0067-A

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
Center for Medicaid & CHIP Services
233 North Michigan Ave., Suite 600
Chicago, Illinois 60601



Financial Management Group

February 24, 2023

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

RE: TN 22-0067-A

Dear Ms. Cooper:

We have reviewed the proposed California State Plan Amendment (SPA) to Attachment 4.19-B, CA-22-0067-A, which was submitted to the Centers for Medicare & Medicaid Services (CMS) on December 23, 2022. This SPA establishes ongoing 4.19-B authority for a FQHC/RHC standalone COVID vaccine APM and non-FQHC IHS/638 COVID vaccine FFS payment at 100% of the Medicare rate.

Based upon the information provided by the State, we have approved the amendment with an effective date of January 1st, 2023. We are enclosing the approved CMS-179 and a copy of the new state plan pages.

If you have any additional questions or need further assistance, please contact Blake Holt at 303-844-6218 or blake.holt@cms.hhs.gov.

Sincerely,



Todd McMillion
Director
Division of Reimbursement Review

Enclosures

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

1. TRANSMITTAL NUMBER <u>2 2</u> — <u>0 0 6 7</u> -A	2. STATE <u>CA</u>
3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL SECURITY ACT <input checked="" type="radio"/> XIX <input type="radio"/> XXI	

TO: CENTER DIRECTOR CENTERS FOR MEDICAID & CHIP SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES	4. PROPOSED EFFECTIVE DATE January 1, 2023
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5. FEDERAL STATUTE/REGULATION CITATION 42 CFR 447, 1902(bb) of the ACT	6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars) a. FFY <u>2023</u> \$ <u>11,873,000</u> 15,264,750 b. FFY <u>2024</u> \$ <u>20,353,000</u>
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7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT FQHC/RHC: Attachment 4.19-B, page 6AA5 IHS-MOA: Supplement 6 Attachment 4.19-B, page 2c 2b Tribal FQHC: Supplement 6 Attachment 4.19-B, page 4.4	8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable) None
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9. SUBJECT OF AMENDMENT
Continuation of supplemental payments to Federally Qualified Health Centers (FQHC), Rural Health Clinics (RHC), Indian Health Services-Memorandum of Agreement (IHS-MOA), and Tribal FQHCs for COVID-19 vaccine-only visits following the end of the Public Health Emergency (PHE).

10. GOVERNOR'S REVIEW (Check One)

GOVERNOR'S OFFICE REPORTED NO COMMENT
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL


OTHER, AS SPECIFIED:
Please note: The Governor's Office does not wish to review the State Plan Amendment.

11. SIGNATURE OF STATE AGENCY OFFICIAL 	15. RETURN TO Department of Health Care Services Attn: Director's Office P.O. Box 997413, MS 0000 Sacramento, CA 95899-7413
12. TYPED NAME Jacey Cooper	
13. TITLE State Medicaid Director	
14. DATE SUBMITTED December 23, 2022	

FOR CMS USE ONLY

16. DATE RECEIVED December 23, 2022	17. DATE APPROVED February 24, 2023
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PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL January 1, 2023	19. SIGNATURE OF APPROVING OFFICIAL 
20. TYPED NAME OF APPROVING OFFICIAL Todd McMillion	21. TITLE OF APPROVING OFFICIAL Director, Division of Reimbursement Review

22. REMARKS
02/15/23: State concurs with pen and ink changes: Box 1, adding "-A"; Box 5: adding "1902(bb) of the Act"; Box 6a: striking "\$11,873,000" and adding "\$15,264,750"; Box 7: striking "page 2c" and adding "page 2b"; striking "Tribal FQHC: Supplement 6 Attachment 4.19-B, page 4.4".

B1. ALTERNATIVE PAYMENT METHODOLOGY (APM) TO FEDERALLY QUALIFIED HEALTH CENTERS (FQHC) AND RURAL HEALTH CLINICS (RHC) TO COVER THE ADDITIONAL COSTS ASSOCIATED WITH COVID-19 VACCINE ADMINISTRATION.

- a. APM Reimbursement:
 - i. The APM for COVID-19 vaccine administration when administered during a COVID-19 vaccine-only visit will be a separate supplemental payment to the applicable Prospective Payment Systems (PPS) rate or applicable APM for a medical visit as described in Attachment 4.19-B, beginning on page 6B.1.
 - ii. COVID-19 vaccine reimbursement will be paid at 100% of the Medicare national equivalent rates, without any geographic adjustment, in effect at the time that the service is provided. Reimbursement for the supplemental payment will occur at time of billing.
 - iii. When the COVID-19 vaccine is administered as part of an otherwise billable FQHC/RHC encounter per Attachment 4.19-B, the encounter is reimbursed under the existing PPS/APM per Attachment 4.19-B, and no supplemental payment will be made. The FQHC or RHC provider must agree to receive the APM, and the payments made under the APM for stand-alone COVID-19 vaccine administration will not be less than what would be paid for this service under the PPS methodology.

- b. APM Term:
 - i. Date of service is January 1, 2023.

TN: 22-0067
Supersedes
TN: NEW

Approval Date: February 24, 2023 Effective Date: January 1, 2023

REIMBURSEMENT FOR INDIAN HEALTH SERVICES TRIBAL 638 HEALTH FACILITIES

Supplemental Payments for COVID-19 Vaccine Administration

- a. Reimbursement:
 - i. Payment for a COVID-19 vaccine administration given during a COVID-19 vaccine-only visit will be a separate supplemental payment to the applicable All-Inclusive Rate (AIR) for a medical visit as described in Supplement 6 Attachment 4.19-B. This additional reimbursement is necessary to account for the increase in vaccine-only visits due to COVID-19 vaccine administration not included in the AIR.
 - ii. The supplemental payment will be available at the applicable fee schedule rates for COVID-19 vaccine administration when the COVID-19 vaccine is administered during a COVID-19 vaccine-only visit. COVID-19 vaccine reimbursement will be paid at 100% of the Medicare national equivalent rates, without any geographic adjustment, in effect at the time that the service is provided. Reimbursement for the supplemental payment will occur at time of billing.
 - iii. When the COVID-19 vaccine is administered as part of an otherwise billable IHS-MOA 638 provider encounter described in Supplement 6 Attachment 4.19-B, the encounter is reimbursed under the existing AIR and no supplemental payment will be made.
- b. Supplemental Payment Term:
 - i. Date of service is January 1, 2023.