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State/Territory Name: California

State Plan Amendment (SPA) #: 12-001B

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
San Francisco Regional Office
90 Seventh Street, Suite 5-300 (5W)
San Francisco, CA 94103-6706



DIVISION OF MEDICAID & CHILDREN'S HEALTH OPERATIONS

Toby Douglas, Director
California Department of Health Care Services
P.O. Box 997413, MS 0000
Sacramento, CA 95899-7413

MAY 19 2014

Dear Mr. Douglas:

Enclosed is an approved copy of California State Plan Amendment (SPA) 12-001B. SPA 12-001 was submitted to my office on February 15, 2012 to authorize supplemental payments for emergency air medical transportation (EMATA) providers. A Request for Additional Information (RAI) was issued on May 15, 2012. In the State's August 7th response to the RAI, the State requested that the SPA be split. SPA 12-001B implements a payment rate augmentation to provide enhanced fee for service payments to EMATA providers for transports provided during the 2012/2013 and 2013/2014 rate years. Additional SPAs will be needed annually to update the pool amounts available for the rate augmentation in each subsequent year.

The effective date of this SPA is January 7, 2012. Enclosed are the following approved SPA pages that should be incorporated into your approved State Plan:

- Supplement 16 to Attachment 4.19-B. pages 4-6.

If you have any questions, please contact Tom Schenck by phone at (415) 744-3589 or by email at tom.schenck@cms.hhs.gov.

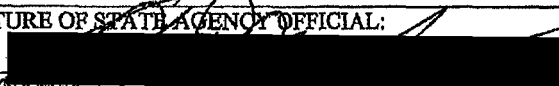

Sincerely,



Gloria Nagle, Ph.D., MPA
Associate Regional Administrator
Division of Medicaid & Children's Health Operations

Enclosure

cc: Connie Florez, California Department of Health Care Services
Wendy Ly, California Department of Health Care Services

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL		1. TRANSMITTAL NUMBER: 12-001B	2. STATE California
FOR: HEALTH CARE FINANCING ADMINISTRATION		3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
TO: REGIONAL ADMINISTRATOR HEALTH CARE FINANCING ADMINISTRATION DEPARTMENT OF HEALTH AND HUMAN SERVICES		4. PROPOSED EFFECTIVE DATE January 7, 2012	
5. TYPE OF PLAN MATERIAL (Check One):			
<input type="checkbox"/> NEW STATE PLAN <input type="checkbox"/> AMENDMENT TO BE CONSIDERED AS NEW PLAN <input checked="" type="checkbox"/> AMENDMENT			
COMPLETE 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 2012 \$2,119,388 <u>\$5,610,000</u> b. FFY 2013 <u>\$4,500,000</u>	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Supplement 16 to Attachment 4.19-B Pages 4-4-6		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): N/A	
10. SUBJECT OF AMENDMENT: Reimbursement for Air Medical Transportation Services			
11. GOVERNOR'S REVIEW (Check One):			
<input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL		<input checked="" type="checkbox"/> OTHER, AS SPECIFIED: The Governor's Office does not wish to review the State Plan Amendment.	
12. SIGNATURE OF STATE AGENCY OFFICIAL: 		16. RETURN TO: Department of Health Care Services Attn: State Plan Coordinator 1501 Capitol Avenue, Suite 71.3.26 P.O. Box 997417 Sacramento, CA 95899-7417	
13. TYPED NAME: Toby Douglas			
14. TITLE: Director			
15. DATE SUBMITTED: February 15, 2012			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED: February 15, 2012		18. DATE APPROVED: 5/19/2014	
PLAN APPROVED - ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL: 01/07/2012		20. SIGNATURE OF REGIONAL OFFICIAL: 	
21. TYPED NAME: Gloria Nagle, Ph.D, MPA		22. TITLE: Associate Regional Administrator	
23. REMARKS:			

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

**REIMBURSEMENT FOR EMERGENCY AIR MEDICAL TRANSPORTATION
SERVICES**

A. Emergency Air Medical Transportation Service Payment Augmentation

1. Effective for dates of service on and after July 1, 2012, the Department will implement a payment augmentation to eligible Medi-Cal air medical transportation providers, as defined in Supplement 16 to Attachment 4.19-B, Page 1, Section B.1, that provide Fee-for-Service (FFS) emergency air medical transportation services.
2. The payment augmentation amount will be in addition to the existing fee schedule rate for emergency air medical transportation and mileage services, as defined in Supplement 16 to Attachment 4.19-B, Page 1, Section C.1 and will not affect any other payments to air medical transportation providers. The sum of the payment augmentation amount and the existing fee schedule rate must not exceed a provider's usual and customary rates charged to the general public for an emergency air medical transport.

B. Payment Augmentation Methodology

1. The payment augmentation will apply to Medi-Cal emergency air transportation services paid for dates of service on and after July 1, 2012.
2. The payment augmentation amount for each emergency air medical transportation service will be calculated by multiplying the respective base rate for each service by the adjustment factor.
 - (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 web site: <http://files.medi-cal.ca.gov/pubsdoco/rates/rateshome.asp>
 - (b) The current Medi-Cal costs of providing air medical transportation services will be the sum of all eligible emergency air medical transportation costs calculated by multiplying the respective Medi-Cal base rate for each eligible emergency air medical transportation service and the number of total paid claims for the dates of service period.
 - (c) The adjustment factor is the ratio of the annual amount available (as defined by (c)(i)/(c)(ii) below) and the total cost of providing air medical transportation services and will be calculated by dividing the amount available (as defined by (c)(i)/(c)(ii) below) by the current Medi-Cal costs.

TN 12-001B

Supersedes

TN: None

Approval Date: May 19, 2014

Effective Date: January 7, 2012

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

**REIMBURSEMENT FOR EMERGENCY AIR MEDICAL TRANSPORTATION
SERVICES**

(i) For the 2012/13 rate year, the annual amount available for the payment augmentation will be based on a total pool amount of \$11,220,000. This pool amount will be distributed to the eligible air medical transportation providers, using the methodology as described in B(2), that have submitted claims and received payment for the dates of service period July 1, 2012 to June 30, 2013.

(ii) For the 2013/14 rate year, the annual amount available for the payment augmentation will be based on a total pool amount of \$9,000,000. This pool amount will be distributed to the eligible air medical transportation providers, using the methodology as described in B(2), that have submitted claims and received payment for the dates of service period July 1, 2013 to June 30, 2014.

3. The payment augmentation amount per transport will be calculated annually. Rates will be updated on 7/1/2014 and will be effective for services rendered on or after that date.

TN 12-001B

Supersedes

TN: None

Approval Date: May 19, 2014

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

**REIMBURSEMENT FOR EMERGENCY AIR MEDICAL TRANSPORTATION
SERVICES**

D. Payment Augmentation and Effective Date

1. The payment augmentation amount be an add-on to the existing rate for FFS emergency air medical transportation and will be posted on the State Agency's rates web site for each applicable date of service period.
2. The State Agency's initial rates for FFS emergency air transportation services were last updated on July 1, 2012 and are effective for dates of service on or after that date. The rates for FFS emergency air transportation services are posted on the Medi-Cal Rates web site at: <http://files.medi-cal.ca.gov/pubsdoco/rates/rateshome.asp>

TN 12-001B
Supersedes
TN: None

Approval Date: May 19, 2014

Effective Date: January 7, 2012