

## **Table of Contents**

**State/Territory Name: California**

**State Plan Amendment (SPA) #: 22-0042**

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  
601 E. 12th St., Room 355  
Kansas City, Missouri 64106



Medicaid and CHIP Operations Group

---

September 8, 2022

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: California State Plan Amendment (SPA) 22-0042

Dear Ms. Cooper:

The Centers for Medicare & Medicaid Services (CMS) reviewed your Medicaid State Plan Amendment (SPA) submitted under transmittal number (TN) California 22-0042. This SPA will reduce premiums to \$0 for the Optional Targeted Low-Income Child (OTLIC) group, which covers eligible individuals with a family income determined to be above 160 percent of the Federal Poverty Level. The effective date of the SPA is July 1, 2022.

We conducted our review of your submittal according to statutory requirements in Title XIX of the Social Security Act and implementing regulations at 42 Code of Federal Regulations (CFR) 447.50 - 57. This letter is to inform you that California Medicaid SPA 22-0042 was approved on September 8, 2022, with an effective date of July 1, 2022.

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 box redacts the signature of James G. Scott. A blue ink-like scribble is visible below the box.

Digitally signed by  
James G. Scott -S  
Date: 2022.09.08  
15:05:42 -05'00'

James G. Scott, Director  
Division of Program Operations

cc: Rene Mollow, California Department of Health Care Services (DHCS)  
Yingjia Huang, DHCS  
Sandra Williams, DHCS  
Aaron Toyama, 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 2 — 0 0 4 2

2. STATE

CA

3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL SECURITY ACT

XIX  XXI

TO: CENTER DIRECTOR  
CENTERS FOR MEDICAID & CHIP SERVICES  
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE

July 1, 2022

5. FEDERAL STATUTE/REGULATION CITATION

Section 1916A; 42 CFR 447.50; ~~447.62-447.82~~

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)

a. FFY 2022 \$ (47,785,000) (~~\$11,946,250~~)  
b. FFY 2023 \$ (47,785,000)

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

Attachment 4.18-F pages ~~5-10~~

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 PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)

Attachment 4.18-F pages ~~5-10~~

9. SUBJECT OF AMENDMENT

This proposed amendment reduces premiums for the Optional Target Low Income Children's Program to \$0.

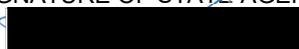
10. GOVERNOR'S REVIEW (Check One)

- 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



12. TYPED NAME

Jacey Cooper

13. TITLE

State Medicaid Director

14. DATE SUBMITTED

June 29, 2022

15. RETURN TO

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

**FOR CMS USE ONLY**

16. DATE RECEIVED

June 29, 2022

17. DATE APPROVED

September 8, 2022

**PLAN APPROVED - ONE COPY ATTACHED**

18. EFFECTIVE DATE OF APPROVED MATERIAL

July 1, 2022

19. SIGNING OFFICIAL

 Digitally signed by James G. Scott -S  
Date: 2022.09.08 15:07:14 -05'00'

20. TYPED NAME OF APPROVING OFFICIAL

James G. Scott

21. TITLE OF APPROVING OFFICIAL

Director, Division of Program Operations

22. REMARKS

Box 6: CMS pen & ink change made on 8/1/22 per CA's revised response to CMS' informal questions dated 8/1/22 confirming the revised amount is for the three-month period from 7/1/22 to 9/30/22 for FFY22.

Box 5: CMS pen & ink change made to remove outdated citation per email to CA DHCS dated 8/5/22 and to add additional regulations at 42 CFR 447.50 - 57 per email concurrence dated 8/15/22 from CA DHCS.

Box 7-8: CMS pen & ink change to delete pages 6-10 from the submission per email concurrence dated 8/15/22 from CA DHCS.

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

c. Enforcement

- i. \_\_\_ / Prepayment is required for the following groups of applicants when they apply for Medicaid:
- ii. \_\_\_ / Prepayment is required for the following groups of beneficiaries as a condition for receiving Medicaid services for the premium period:
- iii. X / Eligibility is terminated for failure to pay premiums after a grace period of 90/120 days after the premium due date (at least 60 days) for the following groups of Medicaid beneficiaries:

- 1-6 years of age, with family income above 160 percent of the FPL and up to and including 261 percent of the FPL will terminate after 90 days from age 1-6 years of age.
- 6-19 years of age, with family income above 160 percent of the FPL and up to and including 261 percent of the FPL will terminate after 90 days from age 6-19 years of age.

- iv. X / Payment will be waived by the state on a case-by case basis, if payment would create undue hardship for the individual.
- v. Effective July 1, 2022, premium amounts for individuals whose family income has been determined to be above 160 percent and up to and including 261 percent of the federal poverty level as described in this section, shall be reduced to \$0, regardless of number of children or family size.

**D. Period of determining 5 percent aggregate family limit for premiums and cost sharing:**

**Specify the period for which the 5 percent maximum will be applied.**

Specify the period for which the 5 percent maximum will be applied.

   / Quarterly

X / Monthly

**E. Method for tracking beneficiaries' liability for premiums and cost sharing:**

1. Describe the methodology used by the State to identify beneficiaries, who are subject to premiums or to cost sharing for specific items or services.

**RESPONSE:** California will use aid codes to identify beneficiaries with family incomes above 160 percent FPL. These individuals will have premium payments and will require cost sharing tracking. Family incomes at or below 160 percent of the FPL do not require premiums tracking. The cost sharing tracking process is outlined in the response below.