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**State/Territory Name: California**

**State Plan Amendment (SPA) #: 19-0037**

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

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# CA - Submission Package - CA2019MS00070 - (CA-19-0037) - Health Homes

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CMS-10434 OMB 0938-1188

## Package Information

<b>Package ID</b>	CA2019MS00070	<b>Submission Type</b>	Official
<b>Program Name</b>	California Health Homes Program Chronic Physical Health Conditions/Substance Use Disorder (SUD)	<b>State</b>	CA
<b>SPA ID</b>	CA-19-0037	<b>Region</b>	San Francisco, CA
<b>Version Number</b>	1	<b>Package Status</b>	Approved
<b>Submitted By</b>	Angeli Sus Lee	<b>Submission Date</b>	9/30/2019
<b>Package Disposition</b>		<b>Approval Date</b>	10/31/2019 11:51 AM EDT
<b>Priority Code</b>	P2		

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 and Children's Health Operations

October 31, 2019

Richard Figueroa  
 Acting Director  
 California Department of Health Care Services  
 1501 Capitol Avenue  
 Sacramento, CA 95814

Re: Approval of State Plan Amendment CA-19-0037 California Health Homes Program Chronic Physical Health Conditions/Substance Use Disorder (SUD)

Dear Richard Figueroa:

On September 30, 2019, the Centers for Medicare and Medicaid Services (CMS) received California State Plan Amendment (SPA) CA-19-0037 for California Health Homes Program Chronic Physical Health Conditions/Substance Use Disorder (SUD) to add the Group 4 County of Orange County to the California Health Homes Program for Chronic Physical Health Conditions/Substance Use Disorder (SUD)..

We approve California State Plan Amendment (SPA) CA-19-0037 on October 31, 2019 with an effective date(s) of January 01, 2020.

Please incorporate the amended language into your state plan.

In accordance with the statutory provisions at Section 1945(c)(1) of the Social Security Act, for payments made to health home providers under this amendment, during the first eight fiscal quarters that the SPA is in effect January 1, 2020 through December 31, 2021 for Orange County, the federal medical assistance percentage (FMAP) rate applicable to such payments shall be equal to 90 percent. The FMAP rate for payments made to the Group 4 County of Orange County-based health home providers will return to the state's published FMAP on January 1, 2022.

The Form CMS-64 has a designated category of service Line 43 for states to report health home services expenditures for enrollees with chronic conditions. CMS' approval of SPA 19-0037 does not affect the 1115 state demonstration waiver amendment to waive freedom of choice, which allows the state to provide Health Home Program services through the Medi-Cal managed care delivery system. The effective date of the 1115 state demonstration waiver amendment remains July 1, 2018.

CMS approved the Health Home Program claiming methodology on November 9, 2018 so the state may claim the portion of the managed care payments at the enhanced matching rate. CMS understands with the approval of this SPA - along with the previously-approved companion Section 1115 demonstration amendment - DHCS plans to develop prospective risk-based rates for the health home services provided under the managed care plans. CMS expects that the state will develop the overall capitation rates, including the Health Home Program-related rates, on a timely basis, which will provide CMS an opportunity to review the rates prior to the rating period.

This SPA approval is based on the state's agreement to collect and report information required for the evaluation of the health home model. CMS encourages DHCS to report on the CMS recommended core set of quality measures.

For payments made to Health Homes providers for Health Homes participants who newly qualify based on the Health Homes program's increased geographical coverage under this amendment, a medical assistance percentage (FMAP) rate of 90% applies to such payments for the period 1/1/2020 to 12/31/2021.

The FMAP rate for payments made to health homes providers will return to the state's published FMAP rate at the end of the enhanced match period. The Form CMS-64 has a designated category of service Line 43 for states to report health homes services expenditures for enrollees with chronic conditions.

Name	Date Created
No items available	

If you have any questions regarding this amendment, please contact Cheryl Young at [cheryl.young@cms.hhs.gov](mailto:cheryl.young@cms.hhs.gov).

Sincerely,

Richard C. Allen  
Director, Western Regional  
Operations Group  
Division of Medicaid and  
Children's Health Operations

## Submission - Summary

MEDICAID | Medicaid State Plan | Health Homes | CA2019MS00070 | CA-19-0037 | California Health Homes Program Chronic Physical Health Conditions/Substance Use Disorder (SUD)

### Package Header

<b>Package ID</b>	CA2019MS00070	<b>SPA ID</b>	CA-19-0037
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<b>Approval Date</b>	10/31/2019	<b>Effective Date</b>	N/A
<b>Superseded SPA ID</b>	N/A		

### State Information

**State/Territory Name:** California

**Medicaid Agency Name:** California Department of Health  
Care Services

### Submission Component

- State Plan Amendment
- Medicaid
- CHIP

### Submission - Summary

MEDICAID | Medicaid State Plan | Health Homes | CA2019MS00070 | CA-19-0037 | California Health Homes Program Chronic Physical Health Conditions/Substance Use Disorder (SUD)

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<b>Superseded SPA ID</b> N/A	

### SPA ID and Effective Date

**SPA ID** CA-19-0037

Reviewable Unit	Proposed Effective Date	Superseded SPA ID
Health Homes Intro	1/1/2020	CA-19-0001
Health Homes Geographic Limitations	1/1/2020	CA-19-0001

## Submission - Summary

MEDICAID | Medicaid State Plan | Health Homes | CA2019MS00070 | CA-19-0037 | California Health Homes Program Chronic Physical Health Conditions/Substance Use Disorder (SUD)

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<b>Superseded SPA ID</b>	N/A		

### Executive Summary

**Summary Description Including Goals and Objectives** The California Department of Health Care Services' (DHCS) first Health Homes Program (HHP) State Plan Amendment (SPA) was for the Group 1 County of San Francisco and the population criterion of Chronic Physical Conditions/Substance Use Disorders (SUD). Additional counties for Group 2 of Riverside and San Bernardino were added in SPA 18-0019 for the same population criterion of Chronic Physical Conditions/SUD. Additional counties for Group 3 of Alameda, Kern, Los Angeles, Imperial, Sacramento, San Diego, Santa Clara, and Tulare were added in SPA 19-0001 for the same population criterion of Chronic Physical Conditions/SUD. The additional county of Orange for Group 4 is being added in this SPA 19-0037. The HHP will utilize the Medi-Cal Managed Care (MCMC) infrastructure. Managed Care Plans (MCPs) will be responsible for the overall administration of the HHP. The HHP will be structured as a HHP network including MCP, one or more Community Based Care Management Entities (CB-CMEs), linkages to Medi-Cal Specialty Mental Health Plans, Community and Social Support Services. The HHP benefit authorized herein, will operate in conjunction with, and is subject to the terms of, the State's approved Section 1115 Demonstration, including any approved waiver of freedom-of-choice that enables the state to limit the HHP benefit to the MCMC Delivery System. The goals for HHP are: improve care coordination, integrate palliative care, strengthen community linkages and team-based care, improve the health outcomes of HHP members, and wrap increased care coordination around existing care as close to the member's usual point of care delivery as possible in the community. DHCS Objectives include: ensure sufficient provider infrastructure and capacity to implement HHP as an entitlement benefit, ensure HHP providers appropriately serve members experiencing homelessness, and increase integration of physical & behavioral health services. Group 1 County of San Francisco implemented the population criterion of Chronic Physical Conditions/Substance Use Disorders (SUD) on July 1, 2018. Group 2 counties of Riverside and San Bernardino implemented January 1, 2019. Group 3 counties of Alameda, Kern, Los Angeles, Imperial, Sacramento, San Diego, Santa Clara, and Tulare implemented July 1, 2019. Group 4 County of Orange will implement January 1, 2020.

### Federal Budget Impact and Statute/Regulation Citation

#### Federal Budget Impact

	Federal Fiscal Year	Amount
First	2020	\$3776851
Second	2021	\$10402354

#### Federal Statute / Regulation Citation

Section 2703 of the PPACA-The estimated federal budget impact only includes one new county of Orange and not the previously approved counties.

Supporting documentation of budget impact is uploaded (optional).

Name	Date Created
No items available	

### Submission - Summary

MEDICAID | Medicaid State Plan | Health Homes | CA2019MS00070 | CA-19-0037 | California Health Homes Program Chronic Physical Health Conditions/Substance Use Disorder (SUD)

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### Governor's Office Review

- No comment
- Comments received
- No response within 45 days
- Other

**Describe** The Governor's Office does not wish to review the SPA.

## Submission - Public Comment

MEDICAID | Medicaid State Plan | Health Homes | CA2019MS00070 | CA-19-0037 | California Health Homes Program Chronic Physical Health Conditions/Substance Use Disorder (SUD)

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Indicate whether public comment was solicited with respect to this submission.

- Public notice was not federally required and comment was not solicited
- Public notice was not federally required, but comment was solicited
- Public notice was federally required and comment was solicited

## Submission - Tribal Input

MEDICAID | Medicaid State Plan | Health Homes | CA2019MS00070 | CA-19-0037 | California Health Homes Program Chronic Physical Health Conditions/Substance Use Disorder (SUD)

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<b>Superseded SPA ID</b>	N/A		

**Name of Health Homes Program:**

California Health Homes Program Chronic Physical Health Conditions/Substance Use Disorder (SUD)

**One or more Indian Health Programs or Urban Indian Organizations furnish health care services in this state**

- Yes
- No

**This state plan amendment is likely to have a direct effect on Indians, Indian Health Programs or Urban Indian Organizations, as described in the state consultation plan.**

- Yes
- No

The state has solicited advice from Indian Health Programs and/or Urban Indian Organizations, as required by section 1902(a)(73) of the Social Security Act, and in accordance with the state consultation plan, prior to submission of this SPA.

**Complete the following information regarding any solicitation of advice and/or tribal consultation conducted with respect to this submission:**

**Solicitation of advice and/or Tribal consultation was conducted in the following manner:**

- All Indian Health Programs

Date of solicitation/consultation:	Method of solicitation/consultation:
7/26/2019	On 7/26/19, the tribal notice was sent to Indian Health Programs (IHP) and Urban Indian Health (UIH) Organizations. No comments were received.  On 8/29/19, a tribal webinar was held with IHP and UIH Organizations on the SPA.

- All Urban Indian Organizations

Date of solicitation/consultation:	Method of solicitation/consultation:
7/26/2019	On 7/26/19, the tribal notice was sent to Indian Health Programs (IHP) and Urban Indian Health (UIH) Organizations. No comments were received.  On 8/29/19, a tribal webinar was held with IHP and UIH Organizations on the SPA.

States are not required to consult with Indian tribal governments, but if such consultation was conducted voluntarily, provide information about such consultation below:

- All Indian Tribes

**The state must upload copies of documents that support the solicitation of advice in accordance with statutory requirements, including any notices sent to Indian Health Programs and/or Urban Indian Organizations, as well as attendee lists if face-to-face meetings were**

held. Also upload documents with comments received from Indian Health Programs or Urban Indian Organizations and the state's responses to any issues raised. Alternatively indicate the key issues and summarize any comments received below and describe how the state incorporated them into the design of its program.

Name	Date Created	
<a href="#">SPA 19-0013 and SPA 19-0037 Tribal Notice</a>	8/16/2019 6:16 PM EDT	

**Indicate the key issues raised (optional)**

- Access
- Quality
- Cost
- Payment methodology
- Eligibility
- Benefits
- Service delivery
- Other issue

## Submission - Other Comment

MEDICAID | Medicaid State Plan | Health Homes | CA2019MS00070 | CA-19-0037 | California Health Homes Program Chronic Physical Health Conditions/Substance Use Disorder (SUD)

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### SAMHSA Consultation

**Name of Health Homes Program**

California Health Homes Program Chronic Physical Health Conditions/Substance Use Disorder (SUD)

The State provides assurance that it has consulted and coordinated with the Substance Abuse and Mental Health Services Administration (SAMHSA) in addressing issues regarding the prevention and treatment of mental illness and substance abuse among eligible individuals with chronic conditions.

<b>Date of consultation</b>
6/13/2018

## Health Homes Intro

MEDICAID | Medicaid State Plan | Health Homes | CA2019MS00070 | CA-19-0037 | California Health Homes Program Chronic Physical Health Conditions/Substance Use Disorder (SUD)

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<b>Approval Date</b>	10/31/2019	<b>Effective Date</b>	1/1/2020
<b>Superseded SPA ID</b>	CA-19-0001		
	User-Entered		

### Program Authority

1945 of the Social Security Act

The state elects to implement the Health Homes state plan option under Section 1945 of the Social Security Act.

#### Name of Health Homes Program

California Health Homes Program Chronic Physical Health Conditions/Substance Use Disorder (SUD)

### Executive Summary

#### Provide an executive summary of this Health Homes program including the goals and objectives of the program, the population, providers, services and service delivery model used

The California Department of Health Care Services' (DHCS) first Health Homes Program (HHP) State Plan Amendment (SPA) was for the Group 1 County of San Francisco and the population criterion of Chronic Physical Conditions/Substance Use Disorders (SUD). Additional counties for Group 2 of Riverside and San Bernardino were added in SPA 18-0019 for the same population criterion of Chronic Physical Conditions/SUD. Additional counties for Group 3 of Alameda, Kern, Los Angeles, Imperial, Sacramento, San Diego, Santa Clara, and Tulare were added in SPA 19-0001 for the same population criterion of Chronic Physical Conditions/SUD. The additional county of Orange for Group 4 is being added in this SPA 19-0037. The HHP will utilize the Medi-Cal Managed Care (MCMC) infrastructure. Managed Care Plans (MCPs) will be responsible for the overall administration of the HHP. The HHP will be structured as a HHP network including MCP, one or more Community Based Care Management Entities (CB-CMEs), linkages to Medi-Cal Specialty Mental Health Plans, Community and Social Support Services. The HHP benefit authorized herein, will operate in conjunction with, and is subject to the terms of, the State's approved Section 1115 Demonstration, including any approved waiver of freedom-of-choice that enables the state to limit the HHP benefit to the MCMC Delivery System. The goals for HHP are: improve care coordination, integrate palliative care, strengthen community linkages and team-based care, improve the health outcomes of HHP members, and wrap increased care coordination around existing care as close to the member's usual point of care delivery as possible in the community. DHCS Objectives include: ensure sufficient provider infrastructure and capacity to implement HHP as an entitlement benefit, ensure HHP providers appropriately serve members experiencing homelessness, and increase integration of physical & behavioral health services. Group 1 County of San Francisco implemented the population criterion of Chronic Physical Conditions/Substance Use Disorders (SUD) on July 1, 2018. Group 2 counties of Riverside and San Bernardino implemented January 1, 2019. Group 3 counties of Alameda, Kern, Los Angeles, Imperial, Sacramento, San Diego, Santa Clara, and Tulare implemented July 1, 2019. Group 4 County of Orange will implement January 1, 2020.

### General Assurances

- The state provides assurance that eligible individuals will be given a free choice of Health Homes providers.
- The state provides assurance that it will not prevent individuals who are dually eligible for Medicare and Medicaid from receiving Health Homes services.
- The state provides assurance that hospitals participating under the state plan or a waiver of such plan will be instructed to establish procedures for referring eligible individuals with chronic conditions who seek or need treatment in a hospital emergency department to designated Health Homes providers.
- The state provides assurance that FMAP for Health Homes services shall be 90% for the first eight fiscal quarters from the effective date of the SPA. After the first eight quarters, expenditures will be claimed at the regular matching rate.
- The state provides assurance that it will have the systems in place so that only one 8-quarter period of enhanced FMAP for each health homes enrollee will be claimed.
- The state provides assurance that there will be no duplication of services and payment for similar services provided under other Medicaid authorities.

## Health Homes Geographic Limitations

MEDICAID | Medicaid State Plan | Health Homes | CA2019MS00070 | CA-19-0037 | California Health Homes Program Chronic Physical Health Conditions/Substance Use Disorder (SUD)

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<b>Superseded SPA ID</b>	CA-19-0001		
	User-Entered		

- Health Homes services will be available statewide
- Health Homes services will be limited to the following geographic areas
- Health Homes services will be provided in a geographic phased-in approach

#### Specify the geographic limitations of the program

- By county
- By region
- By city/municipality
- Other geographic area

**Describe the area(s):** San Francisco 7/1/18  
 Riverside 1/1/19  
 San Bernardino 1/1/19  
 Alameda 7/1/19  
 Kern 7/1/19  
 Los Angeles 7/1/19  
 Imperial 7/1/19  
 Sacramento 7/1/19  
 San Diego 7/1/19  
 Santa Clara 7/1/19  
 Tulare 7/1/19  
 Orange 1/1/20

PRA Disclosure Statement: According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0938-1188. The time required to complete this information collection is estimated to average 40 hours per response, including the time to review instructions, search existing data resources, gather the data needed, and complete and review the information collection. If you have comments concerning the accuracy of the time estimate(s) or suggestions for improving this form, please write to: CMS, 7500 Security Boulevard, Attn: PRA Reports Clearance Officer, Mail Stop C4-26-05, Baltimore, Maryland 21244-1850.

*This view was generated on 10/31/2019 12:19 PM EDT*

