



State of California—Health and Human Services Agency
Department of Health Care Services



MICHELLE BAASS
DIRECTOR

GAVIN NEWSOM
GOVERNOR

July 6, 2022

Mr. James G. Scott, Director
Division of Program Operations
Medicaid and CHIP Operations Group
Centers for Medicare & Medicaid Services
601 East 12th Street, Suite 0300
Kansas City, MO 64106-2898

DISASTER RELIEF STATE PLAN AMENDMENT 22-0038: ADDITION OF SELF-DIRECTED
SUPPORT SERVICES AND TECHNOLOGY SERVICES

Dear Mr. Scott:

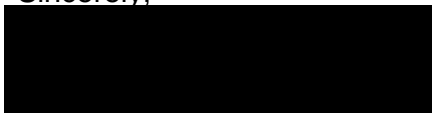
The Department of Health Care Services (DHCS) is submitting a 1915(i) Disaster Relief State Plan Amendment (DR SPA) 22-0038 for your review and approval. This DR SPA proposes to add Self-Directed Support Services and Technology Services. DHCS seeks an effective date of July 1, 2021.

The purpose of the DR SPA is to add Self-Directed Services and Technology Services, as well as the increase to incentive payments for Prevocational and Supported Employment Services.

Included in this submission is the Disaster Relief SPA 22-0038 template, Fiscal Impact Summary, and CMS 179 Form. CMS also approved the Tribal no-notice request on June 9, 2022.

If you have any questions or need additional information, please contact Joseph Billingsley, Assistant Deputy Director for Integrated Systems, Health Care Delivery Systems, at (916) 713-8389 or by email at Joseph.Billingsley@dhcs.ca.gov.

Sincerely,



Jacey Cooper
State Medicaid Director
Chief Deputy Director
Health Care Programs

Enclosures

cc: See Next Page

Mr. James G. Scott
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cc: Ms. Susan Philip
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**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL
FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES**

1. TRANSMITTAL NUMBER

2. STATE

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

5. FEDERAL STATUTE/REGULATION CITATION

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)

a. FFY _____ \$ _____

b. FFY _____ \$ _____

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

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 PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)

9. SUBJECT OF AMENDMENT

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

13. TITLE

14. DATE SUBMITTED
July 6, 2022

15. RETURN TO

FOR CMS USE ONLY

16. DATE RECEIVED

17. DATE APPROVED

PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL

19. SIGNATURE OF APPROVING OFFICIAL

20. TYPED NAME OF APPROVING OFFICIAL

21. TITLE OF APPROVING OFFICIAL

22. REMARKS

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 state plan below effective July 1, 2021 through the end of the Public Health Emergency (PHE).

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 agency seeks the following under section 1135(b)(1)(C) and/or section 1135(b)(5) of the Act:

- a. X SPA submission requirements – the agency requests modification of the requirement to submit the SPA by March 31, 2020, to obtain a SPA effective date during the first calendar quarter of 2020, pursuant to 42 CFR 430.20.
- b. X Public notice requirements – the agency requests waiver of public notice requirements that would otherwise be applicable to this SPA submission. These requirements may include those specified in 42 CFR 440.386 (Alternative Benefit Plans),

TN: 22-0038

Supersedes TN: None

Approval Date: _____

Effective Date: 07/01/2021

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

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 A – Eligibility

1. _____ The agency furnishes medical assistance to the following optional groups of individuals described in section 1902(a)(10)(A)(ii) or 1902(a)(10)(c) of the Act. This may include the new optional group described at section 1902(a)(10)(A)(ii)(XXIII) and 1902(ss) of the Act providing coverage 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 described 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 financial methodologies based on modified adjusted gross income (MAGI) as follows.

Less restrictive income methodologies:

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Supersedes TN: None

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Effective Date: 07/01/2021

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

Less restrictive resource methodologies:

4. ____ The agency considers individuals who are evacuated from the state, who leave the state for medical reasons related to the disaster or public health emergency, or who are otherwise absent from the state due to the disaster or public health emergency and who intend to return to the state, to continue to be residents of the state under 42 CFR 435.403(j)(3).

5. ____ The agency provides Medicaid coverage to the following individuals living in the state, who are non-residents:

6. ____ The agency provides for an extension of the reasonable opportunity period for non-citizens declaring to be in a satisfactory immigration status, if the non-citizen is making a good faith effort to resolve any inconsistencies or obtain any necessary documentation, or the agency is unable to complete the verification process within the 90-day reasonable opportunity period due to the disaster or public health emergency.

Section B – Enrollment

1. ____ The agency elects to allow hospitals to make presumptive eligibility determinations for the following additional state plan populations, or for populations in an approved section 1115 demonstration, in accordance with section 1902(a)(47)(B) of the Act and 42 CFR 435.1110, provided that the agency has determined that the hospital is capable of making such determinations.

Please describe the applicable eligibility groups/populations and any changes to reasonable limitations, performance standards or other factors.

2. ____ The agency designates itself as a qualified entity for purposes of making presumptive eligibility determinations described below in accordance with sections 1920, 1920A, 1920B, and 1920C of the Act and 42 CFR Part 435 Subpart L.

TN: 22-0038
Supersedes TN: None

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Effective Date: 07/01/2021

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Please describe any limitations related to the populations included or the number of allowable PE periods.

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.
5. _____ The agency conducts redeterminations of eligibility for individuals excepted from MAGI-based 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).

TN: 22-0038

Supersedes TN: None

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Effective Date: 07/01/2021

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

2. ____ The agency suspends enrollment fees, premiums and similar charges for:
- a. ____ All beneficiaries
 - b. ____ The following eligibility groups or categorical populations:

Please list the applicable eligibility groups or populations.

3. ____ The agency allows waiver of payment of the enrollment fee, premiums and similar charges for undue hardship.

Please specify the standard(s) and/or criteria that the state will use to determine undue hardship.

Section D – Benefits

Benefits:

1. X The agency adds the following optional benefits in its state plan (include service descriptions, provider qualifications, and limitations on amount, duration or scope of the benefit):

Add Self-Directed Support Services as a new service:

This service guides and assists the individual and/or the participant’s family or representative, as appropriate, in arranging for, directing, and managing their services. With planning team oversight, providers assist the participant or family in identifying immediate and long-term needs, developing options to meet those needs, and accessing identified supports and services. Practical skills training is offered to enable families and participants to independently direct and manage waiver services. In addition, this service provides training on managing an annual budget for service expenditures. This service is available to consumers who have identified an interest in self-directing some or all their services. Assistance provided to participants and/or their families consists of guidance and advisement in ensuring a thorough understanding of responsibilities involved with self-direction of services, to make informed planning decisions about services and supports through the person-centered planning process, development of their initial budget and spending plan, and appropriate practices of hiring, managing, and communicating with staff. The extent of the assistance furnished to the participant or family is specified in the Individual Program Plan (IPP).

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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.

This service does not duplicate, replace, or supplant other waiver services, including case management.

This service is limited to 40 hours. Additional hours must be reviewed by the Department and may be authorized if deemed necessary to meet the needs of the consumer.

Provider Qualifications – Agency and Individuals:

Completion of a training course about the principles of participant-directed services.

As appropriate, a business license as required by the local jurisdiction where the business is located.

Add Technology Services as a new service:

This service is intended to provide technology and/or equipment, in addition to the training and coordination of the use of such technology to assist consumers in accessing services remotely. This service does not duplicate any service currently available under the state plan.

Technology is an item, piece of equipment, or product system, whether acquired commercially, modified, or customized, that will be used for the purposes of accessing the remote provision of services, in accordance with HIPAA requirements while ensuring health and welfare.

Specific equipment includes computer monitors or electronic device that streams video, video cameras for use in video conferencing and intermittent remote check-in/monitoring of consumers in the home when in-person support is not possible, cell phone, tablet, and other similar handheld device used for communication such as augmentative and alternative communication (AAC) devices, software cost, maintenance, and installation needed for the use of AAC, microphones, speakers, headphones, hardware and/or tool(s) for the purpose of facilitating communication with a provider and to make possible the use of the equipment. Installation, removal, re-installation, maintenance and repair of technology is provided by this service. Allowable assistive technology services also include the evaluation of technology needs of a participant and the training or technical assistance for the participant, or where appropriate their family members or service providers to support the provision of remote services if determined beneficial for the participant, services for family members may include training and instruction about utilizing assistive technology to enable the family to support the recipient. The person-centered planning team determines the extent of participation necessary to meet the individual's needs.

Limited to the least costly alternative that can meet the need of the consumer. Annual limit of \$5,000 with the option to exceed upon department authorization if deemed necessary to meet the needs of the consumer.

Provider Qualifications – Agency and Individuals:

Providers must possess any valid license or certification required by State or local law.

TN: 22-0038

Supersedes TN: None

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Effective Date: 07/01/2021

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2. ____ The agency makes the following adjustments to benefits currently covered in the state plan:

3. ____ The agency assures that newly added benefits or adjustments to benefits comply with all applicable statutory requirements, including the statewide 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.

Telehealth:

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 Benefit:

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.

TN: 22-0038

Supersedes TN: None

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Effective Date: 07/01/2021

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

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:

1. X Newly added benefits described in Section D are paid using the following methodology:
 - a. X Published fee schedules –

Effective date (enter date of change): 7/1/2021 (Self-Directed Services)

Location (list published location): https://www.dds.ca.gov/wp-content/uploads/2022/03/Self_Directed_Support_Services_Rates.pdf

 - b. X Other:

Technology Services

The rates for contractors providing this service are determined utilizing the Usual and Customary rate methodology.

A usual and customary rate means the rate which is regularly charged by a vendor for a service that is used by regional center consumers and/or their families and where at least 30% of the recipients of the given service are not regional center consumers or consumer family members. The rate shall not exceed what is regularly charged to the general public for an individual with a developmental disability and is not a regional center consumer.

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Supersedes TN: None

Approval Date:
Effective Date: 07/01/2021

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Increases to state plan payment methodologies:

2. The agency increases payment rates for the following services:

Enhanced Habilitation – Supported Employment (Individual)
Enhanced Habilitation – Prevocational Services

- a. Payment increases are targeted based on the following criteria:

The reimbursement methodologies for the following 1915i services are subject to the increase:

Enhanced Habilitation – Supported Employment (Individual) – State Statute (Welfare and Institutions Code §4870)

Enhanced Habilitation – Prevocational Services – State Statute (Welfare and Institutions Code §4870)

- b. Payments are increased through:

- i. A supplemental payment or add-on within applicable upper payment limits:

Please describe.

- ii. An increase to rates as described below.

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:

TN: 22-0038

Supersedes TN: None

Approval Date: _____

Effective Date: 07/01/2021

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

Effective as of July 1, 2021 through September 30, 2021, incentive payments will be paid to service providers of Enhanced Habilitation – Supported Employment (Individual) and Enhanced Habilitation – Prevocational Services in the following manner:

Incentive payments include:

1) a one-time payment of \$2000 (increased from \$1000) made to a provider when an individual obtains competitive integrated employment and is still employed after 30 consecutive days.

2) An additional one-time payment of \$2,500 (increased from \$1,250) made to a provider when an individual obtains competitive integrated employment and is still employed after six consecutive months.

3) An additional one-time payment of \$3,000 (increased from \$1,500) made to a provider when an individual has been employed consecutively for one year.

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;
 - b. Differ from payments for the same services when provided face to face;
 - c. Differ from current state plan provisions governing reimbursement for telehealth;

Describe telehealth payment variation.

- d. Include payment for ancillary costs associated with the delivery of covered services via telehealth, (if applicable), as follows:
 - i. Ancillary cost associated with the originating site for telehealth is incorporated into fee-for-service rates.
 - ii. Ancillary cost associated with the originating site for telehealth is separately reimbursed as an administrative cost by the state when a Medicaid service is delivered.

Other:

4. Other payment changes:

TN: 22-0038

Supersedes TN: None

Approval Date: _____

Effective Date: 07/01/2021

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

Effective July 1, 2021 until the end of the PHE, the reimbursement methodology for Enhanced Habilitation – Prevocational Services will be amended to include incentive payments for internship programs, which are job-readiness programs in integrated settings for the purposes of developing general strengths and skills that contribute to employability in paid employment in integrated community settings.

The incentive payments will be applied as follows:

1) A payment of seven hundred fifty dollars (\$750) shall be made to the regional center service provider if the individual remains in the internship after 30 consecutive days.

2) An additional payment of one thousand dollars (\$1,000) shall be made to the regional center provider for an individual as described above who remains in the internship for 60 consecutive days.

Section F – Post-Eligibility Treatment of Income

1. ___ The state elects to modify the basic personal needs allowance for institutionalized individuals. The basic personal needs allowance is equal to one of the following amounts:
 - a. ___ The individual’s total income
 - b. ___ 300 percent of the SSI federal benefit rate
 - c. ___ Other reasonable amount: _____
2. ___ 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 Information

TN: 22-0038
Supersedes TN: None

Approval Date: _____
Effective Date: 07/01/2021

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

State/Territory: California

Page: 90ggggggg

Disaster Relief SPA #15

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 0938-1148 (Expires 03/31/2021). The time required to complete this information collection is estimated to average 1 to 2 hours per response, including the time to review instructions, search existing data resources, gather the data needed, and complete and review the information collection. Your response is required to receive a waiver under Section 1135 of the Social Security Act. All responses are public and will be made available on the CMS web site. 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. ***CMS Disclosure*** Please do not send applications, claims, payments, medical records or any documents containing sensitive information to the PRA Reports Clearance Office. Please note that any correspondence not pertaining to the information collection burden approved under the associated OMB control number listed on this form will not be reviewed, forwarded, or retained. If you have questions or concerns regarding where to submit your documents, please contact the Centers for Medicaid & CHIP Services at 410-786-3870.

TN: 22-0038

Supersedes TN: None

Approval Date: _____

Effective Date: 07/01/2021

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