



MEMO

To	SFHP Delegates
From	SFHP Provider Network Operations
Regarding	DHCS Proposition 56 Supplemental Payments – A Summary

BACKGROUND:

California Proposition 56 increased the excise tax rate on cigarettes, electronic cigarettes, and other tobacco products in phases beginning April 1, 2017. The Department of Health Care Services (DHCS) is responsible for structuring the supplemental payments from Proposition 56 funds. DHCS has provided guidance and requirements to Medi-Cal managed care plans on how funds are to be distributed to Medi-Cal providers through policy guidance called All-Plan Letters (APL).

There have been eight separate APLs over the past several years from DHCS. This memo summarizes those APLs to help ensure our provider network maximizes dollars from Proposition 56 funds.

HEALTH PLAN RESPONSIBILITY:

- Receives Proposition 56 funds from DHCS to distribute to eligible providers for eligible services, as defined in the APLs.
- Identify eligible providers and services through claims data.
- For claims paid by SFHP, SFHP will pay providers directly.
- For claims paid by delegates and submitted as encounters, SFHP will identify eligible services and eligible providers for payments and distribute payable amounts to medical groups.
- SFHP will include the details for the eligible providers and services with the payments.
- Supplemental amounts are identified on a rolling basis. Delegates can expect payments approximately monthly.

DELEGATE RESPONSIBILITY:

- Delegates will distribute payments for Proposition 56 eligible services to providers as identified in the reports sent (by SFHP) with the payments.
 - Delegates should make every effort to distribute payments within 45 days of receipt from SFHP.
- Supplemental funds are to be distributed directly to eligible providers and are not to be disbursed as claims payments or as part of the claims adjudication process, i.e. recoupment of overpayments/correction of underpayments.
- To receive the supplement payments, delegates should educate and inform individual providers and billing staff about the appropriate codes to use to identify services are eligible for Proposition 56 supplemental payments. SFHP can only pay the supplemental payments for claims and encounters with the related CPT codes for the eligible Proposition 56 services.

- Timely billing standards as described in the [SFHP Claims Operations Manual](#) (pg. 6) apply.

OVERSIGHT PROCEDURE:

- Verification of provider distribution of funds from the delegate to the rendering provider will be included in the annual delegation audit.

SUPPLEMENTAL PAYMENT PROGRAMS THROUGH PROPOSITION 56

Physician Services – [DHCS APL 19-015 Prop 56](#)

Supplemental payment for qualified network providers (excluding FQHCs, RHC/IHCs and Cost-Based Reimbursement Clinics and members dually eligible for Medi-Cal and Medicare Part B, regardless of enrollment in Medicare Part A or Part D) for the following fiscal year and codes:
 FY 2017-18 (dates of service between July 1, 2017 and June 30, 2018)
 FY 2018-19 (dates of service between July 1, 2018 and June 30, 2019)
 FY 2019-20 (dates of service between July 1, 2019 and December 31, 2021) *extended in end date is due to the bridge period.*

CPT	Description	FY 17-18	FY 18-19 and FY19-20 (extended to 12/31/2021)
99201	Office/Outpatient Visit, New	\$10.00	\$18.00
99202	Office/Outpatient Visit, New	\$15.00	\$35.00
99203	Office/Outpatient Visit, New	\$25.00	\$43.00
99204	Office/Outpatient Visit, New	\$25.00	\$83.00
99205	Office/Outpatient Visit, New	\$50.00	\$107.00
99211	Office/Outpatient Visit, Established	\$10.00	\$10.00
99212	Office/Outpatient Visit, Established	\$15.00	\$23.00
99213	Office/Outpatient Visit, Established	\$15.00	\$44.00
99214	Office/Outpatient Visit, Established	\$25.00	\$62.00
99215	Office/Outpatient Visit, Established	\$25.00	\$76.00
99381	Preventive Med Service, New		\$77.00
99382	Preventive Med Service, New		\$80.00
99383	Preventive Med Service, New		\$77.00
99384	Preventive Med Service, New		\$83.00
99385	Preventive Med Service, New		\$30.00
99391	Preventive Med Service, Established		\$75.00
99392	Preventive Med Service, Established		\$79.00
99393	Preventive Med Service, Established		\$72.00
99394	Preventive Med Service, Established		\$72.00
99395	Preventive Med Service, Established		\$27.00
90791	Psychiatric Dx Eval		\$35.00
90792	Psychiatric Dx Eval w/Medical Services		\$35.00
90863	Pharmacologic Management		\$5.00

Family Planning Services— [DHCS APL 20-013 Proposition 56](#)

Supplemental payment to providers qualified to offer family planning services for specific family planning procedure codes.

FY 2019-20 (dates of service between July 1, 2019 and December 31, 2021) *extended end date is due to the bridge period.*

CPT	Description	Amount
J7296	Levonorgestrel-releasing IUC System (Kyleena) 19.5 mg	\$2,727.00
J7297	Levonorgestrel-releasing IUC System (Liletta) 52 mg	\$2,053.00
J7298	Levonorgestrel-releasing IUC System (Mirena) 52 mg	\$2,727.00
J7300	Intrauterine Copper Contraceptive	\$2,426.00
J7301	Levonorgestrel-releasing IUC System (Skyla) 13.5 mg	\$2,271.00
J7307	Etonogestrel Contraceptive Implant System	\$2,671.00
J3490	Modifier U8: Depo-Provera	\$340.00
11976	Remove Contraceptive Capsule	\$399.00
11981	Insert Drug Implant Device	\$835.00
58300	Insert Intrauterine Device	\$673.00
58301	Remove Intrauterine Device	\$195.00
81025	Urine Pregnancy Test	\$6.00
55250	Removal of Sperm Duct(s)	\$521.00
58340	Catheter for Hysterography	\$371.00
58555	Hysteroscopy Dx Sep Proc	\$322.00
58565	Hysteroscopy Sterilization	\$1,475.00
58600	Division of Fallopian Tube	\$1,515.00
58615	Occlude Fallopian Tube	\$1,115.00
58661	Laparoscopy Remove Adnexa	\$978.00
58670	Laparoscopy Tubal Cautery	\$843.00
58671	Laparoscopy Tubal Block	\$892.00
58700	Removal of Fallopian Tube	\$1,216.00

Women’s Health (Pregnancy/Abortion) HYDE— [DHCS APL 19-013 Prop 56](#)

Supplemental payment for abortion services rendered by qualified providers (in/out of network) who are eligible to provide and bill for the following CPT codes will receive an associated supplemental *payment in order to bring their payment total to the amount identified below.*

FY 2017-18* (dates of service between July 1, 2017 and June 30, 2018)

FY 2018-19** (dates of service between July 1, 2018 and June 30, 2019)

FY 2019-20** (dates of service between July 1, 2019 and December 31, 2021) *extended end date is due to the bridge period.*

CPT Code	Description	Amount
59840	Induced abortion, by dilation and curettage	\$400.00
59841	Induced abortion, by dilation and evacuation	\$700.00

*FY 2017-18 was paid through the normal Medi-Cal fee schedule

***FY 2018-19 & FY 2019-20 will be retro-active. For FFS providers payments are paid through the normal Medi-Cal fee schedule. For delegate encounters amount owed, if any, will be paid by 12/31/2020.*

Developmental Screening— [DHCS APL 19-016 Prop 56](#)

Effective for dates of service beginning January 01, 2020

Proposition 56 supplemental payments must be in addition to whatever other payments the Network Providers would normally receive for developmental screenings.

- Developmental screenings must be provided in accordance with AAP/Bright Futures periodicity schedule and guidelines at 9 months, 18 months and 30 months of age, and when medically necessary based on developmental surveillance.
- The member must be enrolled in SFHP and not also eligible for Medicare Part B (regardless of Medicare Part A or Part D).
- A routine screening will be considered eligible for payment if done on or before the first birthday and on or before the second birthday, or after the second birthday and on or before the third birthday.
- Screenings done when medically necessary, in addition to routine screenings, are also eligible for directed payments.

CPT Code	Description	Amount
96110 excluding modifier KX*	Developmental Screening	\$59.90

** KX modifier denotes screening for autism. Claims with KX modifier are excluded from the supplemental Prop 56 directed payment.*

Adverse Childhood Experiences (ACEs) Screening Services— [DHCS APL 19-018 Prop 56](#)

Effective for dates of service beginning January 01, 2020.

Network Providers must meet the following criteria to be eligible for the payment:

1. Beginning on July 1, 2020, the Network Provider that renders the screening must be on DHCS' list of Providers that have completed the state-sponsored trauma-informed care training to qualify for receipt of the directed payment.
2. The training is not required for Providers to receive the directed payment for services from January 1, 2020 through June 30, 2020.
3. The Network Provider must utilize either the PEARLS tool for children, not more often than once per year per Provider and MCP, or a qualifying ACE questionnaire for adults up to 65 years of age, no more than once per Provider per MCP in the adult's lifetime.
4. Providers must calculate the score for the billing codes using the questions on the 10 original categories of ACEs.
5. Documentation of the use of the qualifying tool must remain in the Member's medical record.

SFHP is only required to make the \$29.00 required minimum payment to a particular Network Provider once per year per Member, for a child Member assessed using the PEARLS tool, and once per lifetime per adult Member (through age 64) assessed using a qualifying ACEs questionnaire.

CPT Code	Description	Amount
G9919	Adverse Childhood Event Screening, high risk-score of 4 or greater	\$29.00
G9920	Adverse Childhood Event Screening, low risk-score between 0-3	\$29.00

Value-Based Payment (VBP) Program Directed Payments — [DHCS APL 20-014 Proposition 56](#) and [VBP Program Performance Measures 2019](#)

For dates of service on or after July 1, 2019.

This Prop 56 program provides VBP supplemental payments to Network Providers to improve health care in the domains of prenatal and postpartum care, early childhood prevention, chronic disease management, and behavioral health care.

FQHCs, AIHS Programs, and Cost-Based Reimbursement Clinics are not eligible Network Providers for the purposes of the VBP Program.

Code updates for 2020 to be communicated in early 2021.

Domain	Measure	CPT Code(s)	Add-On Amount for Non-at-Risk Members	Add-On Amount for At-Risk Members
Prenatal/ Postpartum Care Bundle	Prenatal Pertussis ('Whooping Cough') Vaccine	<i>See attached code set lists.</i>	\$25.00	\$35.00
	Prenatal Care Visit	"	\$70.00	\$105.00
	Postpartum Care Visits	"	\$70.00	\$105.00
	Postpartum Birth Control	"	\$25.00	\$37.50
Early Childhood Bundle	Well Child Visits in First 15 Months of Life	"	\$70.00	\$105.00
	Well Child Visits in 3rd – 6th Years of Life	"	\$70.00	\$105.00
	All Childhood Vaccines for Two Year Olds	"	\$25.00	\$37.50
	Blood Lead Screening	"	\$25.00	\$37.50
	Dental Fluoride Varnish	"	\$25.00	\$37.50
Chronic Disease Management Bundle	Controlling High Blood Pressure	TBD	\$40.00	\$60.00
	Diabetes Care	TBD	\$80.00	\$120.00
	Control of Persistent Asthma	TBD	\$40.00	\$60.00
	Tobacco Use Screening	TBD	\$25.00	\$37.50
	Adult Influenza ('Flu') Vaccine	TBD	\$25.00	\$37.50
Behavioral Health Integration Bundle	Screening for Clinical Depression	TBD	\$50.00	\$75.00
	Management of Depression Medication	TBD	\$40.00	\$60.00
	Screening for Unhealthy Alcohol Use	TBD	\$50.00	\$75.00

At this time, SFHP has identified the appropriate codes for the bundles in the following table. We are continuing to work on identifying the appropriate codes for the other bundles.

Domain	Measure	CPT Code(s)	Add-On Amount for Non-at-Risk Members	Add-On Amount for At-Risk Members
Early Childhood Bundle	Well Child Visits in First 15 Months of Life	<i>See attached code set lists.</i>	\$70.00	\$105.00
	Well Child Visits in 3rd – 6th Years of Life	“	\$70.00	\$105.00
	All Childhood Vaccines for Two Year Olds	“	\$25.00	\$37.50
	Blood Lead Screening	“	\$25.00	\$37.50
	Dental Fluoride Varnish	“	\$25.00	\$37.50
Prenatal/ Postpartum Care Bundle	Prenatal Pertussis ('Whooping Cough') Vaccine	<i>See attached code set lists.</i>	\$25.00	\$35.00
	Prenatal Care Visit	“	\$70.00	\$105.00
	Postpartum Care Visits	“	\$70.00	\$105.00
	Postpartum Birth Control	“	\$25.00	\$37.50

Provider Disputes

SFHP offers a fair and cost-effective dispute resolution mechanism to providers who are dissatisfied with a claim, billing or contract determination. Providers may submit a formal, written dispute regarding the processing or non-payment of directed payments required by Proposition 56.

A Provider Dispute Resolution (PDR) request may be submitted in writing using the [Provider Dispute Resolution Request Form](#) (click the link to access the PDR Request form). Dispute requests must be submitted within 365 days of SFHP’s most recent action on the disputed claim.

Upon receipt of the written dispute specifying the issue of concern, the dispute will be entered into the provider dispute database. An acknowledgement letter will be sent to the provider within fifteen (15) working days of receiving the written dispute, and a resolution letter will be sent within forty-five (45) working days.

ATTACHMENTS:

Please see the attached code sets for 2019 and 2020. SFHP is providing these code sets as guidance to assist provider offices. These code sets are subject to change and other sources should be used to ensure the accuracy of the codes that are included in the claims and encounter data submitted to SFHP.

REFERENCES:

- [DHCS APL 19-015 Prop 56](#)
- [DHCS APL 20-013 Prop 56](#)
- [DHCS APL 19-013 Prop 56](#)
- [DHCS APL 19-016 Prop 56](#)
- [DHCS APL 19-018 Prop 56](#)
- [DHCS APL 20-014 Prop 56](#)
- [VBP Program Performance Measures 2019](#)