

To: Providers

From: Chris Turner, Chief Operating Officer

Date: February 6, 2018

Subject: Prop 56 Provider Payments

Dear Providers:

As many of you know, the California Healthcare, Research and Prevention Tobacco Tax Act of 2016 (Proposition 56), increased the excise tax rate on cigarettes and tobacco products to fund specified expenditures, including existing programs administered by the Department of Health Care Services (DHCS). This memo provides information pertaining to the impact of this proposition on Santa Clara Family Health Plan's (SCFHP) contracted providers.

DHCS has proposed supplemental payments for physician services in both the Medi-Cal feefor-service (FFS) and Medi-Cal managed care delivery systems. Providers who are eligible to provide and bill for the CPT codes listed below, for care provided July 1, 2017 through June 30, 2018, will receive the associated supplemental payment. Services provided by Federally Qualified Health Centers or Indian Health Services are not eligible for the supplemental payment.

<u>CPT Codes</u> 99201-99205 99211-99215 90791 90792 90863

DHCS **has not** yet issued payments or final guidance to the Medi-Cal plans for the supplemental payments. Once additional guidance is received, we anticipate it will take a couple of months for SCFHP to calculate the amounts owed and distribute payments. We will communicate more information upon receipt of the guidance from DHCS.

If you have questions regarding this information, please contact SCFHP's Provider Network Management department at **408-874-1788**.

Thank you for your continued support!