



FAQs on Proposition 56 SFY 18/19

What is the Proposition 56 Program?

- California voters approved the California Healthcare, Research and Prevention Tobacco Tax Act (known as Prop 56) which increased the excise tax rate on cigarettes and tobacco products. As a result, Assembly Bill (AB) No. 120 was passed to appropriate Prop 56 funds for specified Department of Health Care Services (DHCS) health care expenditures during the 2017-2018 state fiscal year (SFY). The healthcare expenditures that qualify for the supplemental payment under this program are physician services related to: new patient and established patient office/outpatient visits, psychiatric diagnostic evaluations, psychiatric diagnostic evaluation with medical services, and psychiatric pharmacological management services.
- DHCS is currently seeking CMS approval to revise and extend this supplemental payment for physician services for another 12 months, which would be SFY 2018-2019. *Please note that the requirements and payment parameters related to SFY 18/19 are subject to change, pending final approval by CMS.*

What Provider types are eligible for this supplemental payment?

- Any professional Provider that is eligible to bill for the applicable evaluation and management (E&M), preventive care, and psychiatric CPT codes and the service setting is not excluded from this program (see below for excluded service settings) are eligible for the supplemental payment.

Which service settings are excluded from supplemental payment?

- The services rendered in the following setting are excluded: Federally Qualified Health Center (FQHC), Rural Health Center (RHC), Cost Based Reimbursement Clinic (CBRC), and Indian Health Setting (IHS).

Who are the eligible Members?

- The Physician must have rendered qualified services to Medicaid Members that are not:
 - o Full dual Members (eligible for both Medicare Part A & Part B coverage); or
 - o Partial dual Members that are eligible for Medicare Part B coverage only.

What is the effective period for this incentive/supplemental payment?

- Services rendered from July 1st, 2017 – June 30th, 2018 and July 1st, 2018 – June 30th, 2019.

What are the eligible (qualified) procedure codes and corresponding supplemental payment amounts?

- See table below – The amounts below will be paid per eligible claim/encounter per Member per service date.

The following payment chart is for SFY 17/18 (July 1st, 2017 – June 30th, 2018):

CPT Code	
90863	\$5.00
99201, 99211	\$10.00
99202, 99212, 99213	\$15.00
99203, 99204, 99214, 99215	\$25.00
90791, 90792	\$35.00
99205	\$50.00

The following draft payment chart for SFY 18/19 (July 1st, 2018 – June 30th, 2019) are subject to change based on CMS guidance.

CPT Code		CPT Code	
99201	\$18.00	99381	\$77.00
99202	\$35.00	99382	\$80.00
99203	\$43.00	99383	\$77.00
99204	\$83.00	99384	\$83.00
99205	\$107.00	99385	\$30.00
99211	\$10.00	99391	\$75.00
99212	\$23.00	99392	\$79.00
99213	\$44.00	99393	\$72.00
99214	\$62.00	99394	\$72.00
99215	\$76.00	99395	\$27.00
90791	\$35.00	90863	\$5.00
90792	\$35.00		

How do we determine the payee for these payments?

- IEHP will pay the Prop 56 payment to the billing Provider and billing tax ID associated with the eligible claim or encounter.

How often will payments be disbursed?

- IEHP will pay Prop 56 payments on a quarterly basis. For each payment cycle, we will pay Prop 56 payments for claims and encounter data adjudicated and/or received by the cutoff date (see payment chart below for cutoff date information.)

Please see payment schedule below for each of the applicable fiscal years:

Prop 56 Payment Schedule – SFY 17/18 (Jul 17 – Jun 18)*		
Date of Service:	Claim Paid/ Encounter Received:	Payment Date:
7/1/17 - 9/30/17	12/31/2017	3/16/2018
7/1/17 - 12/31/2017	4/30/2018	6/22/2018
7/1/17 - 3/31/18	8/31/2018	9/28/2018
7/1/17 - 6/30/18	10/31/2018	12/14/2018
10/1/17 - 6/30/18	1/31/2019	3/22/2019
10/1/17 - 6/30/18	3/31/2019	6/21/2019
1/1/18 - 6/30/18	7/31/2019	9/20/2019
1/1/18 - 6/30/18	10/31/2019	12/13/2019

*revised schedule

Prop 56 Payment Schedule – SFY 18/19 (Jul 18 -Jun 19)		
Date of Service:	Claim Paid/ Encounter Received:	Payment Date:
7/1/18 - 9/30/18	1/31/2019	3/22/2019
7/1/18 - 12/31/18	3/31/2019	6/21/2019
7/1/18 - 3/31/19	7/31/2019	9/20/2019
7/1/18 - 6/30/19	10/31/2019	12/13/2019
10/1/17 - 6/30/19	12/31/2019	3/27/2020
10/1/17 - 6/30/19	4/30/2020	6/26/2020
1/1/18 - 6/30/19	8/31/2020	9/25/2020
1/1/18 - 6/30/19	10/31/2020	12/18/2020

What is the Provider Dispute process related to Prop 56 payments?

If a Provider has a dispute regarding Prop 56 payments, the Provider is to complete the applicable (claim or encounter) dispute form and email the form to a designated IEHP Provider Services email address: Prop56Inquiry@iehp.org.

What is the turnaround time for a resolution for Provider disputes?

IEHP will provide written notification of the Provider dispute results (via mail) within 30 working days from date of receipt.

How long does a Provider have to file a dispute regarding Prop 56 payments?

A Provider has 365 days from the Prop 56 payment date to file a dispute regarding Prop 56 payments.