



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



EDMUND G. BROWN JR.  
Governor

JUN 06 2011

Ms. Victoria A. Wachino  
Centers for Medicare & Medicaid Services  
Family and Children's Health Programs Group  
Center for Medicaid, CHIP and Survey & Certification  
7500 Security Boulevard, Mailstop S2-01-06  
Baltimore, MD 21244-1850

Dear Ms. Wachino:

The purpose of this letter is to request an amendment to the Bridge to Reform Demonstration Project (11-W-00193/9), which would allow the Department of Health Care Services (DHCS) to impose mandatory copayments on Medi-Cal beneficiaries, regardless of eligibility category, age, or whether they are participating in the Medi-Cal fee-for-service or the managed care model of service delivery. This request is submitted in accordance with paragraphs 7 and 35.a.iv of the Special Terms and Conditions.

In order to minimize the need to drastically cut enrollment standards or benefits, or impose further reductions on Medi-Cal providers during times of economic crisis, it is crucial to find areas within the program where beneficiaries can share responsibility for utilization of health care, whether they are participating in the fee for service or the managed care model of service delivery.

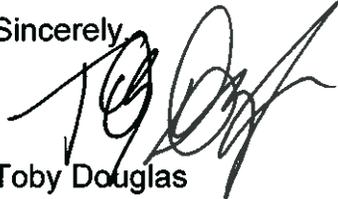
The proposed copayments are mandatory, and a provider of service has no obligation to provide services to a Medi-Cal beneficiary who does not, at the point of service, pay the copayment. Exclusions include those enrolled in the Family Planning, Access, Care and Treatment Program, Senior Care Action Network, Program of All-Inclusive Care for the Elderly, and the AIDS Healthcare Foundation. The Low Income Health Population is also exempt from this requirement.

Attachment 1 contains the proposed Special Terms and Conditions (STC) amendments that would implement the mandatory co-payments; Attachment 2 contains DHCS's Responses to the specific items requested in Paragraph 7 of the STCs regarding this proposed amendment. Attachments 2-A through 2-H provide the budget neutrality analysis.

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Should you have any questions, please contact Ms. Vickie Orlich, Chief, Medi-Cal Benefits, Waiver Analysis and Rates Division, at (916) 552-9619.

Sincerely,



Toby Douglas  
Director

Enclosures

cc: Gloria Nagle, PhD, MPA  
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