DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop S2-26-12
Baltimore, Maryland 21244-1850

Center for Medicaid, CHIP and Survey & Certification
Family and Children's Health Program Group

AUG 2 7 2010

Mr. Toby Douglas
Chief Deputy Director, Health Care Programs
Department of Health Care Services
1501 Capitol Avenue, MS 0000
P.O. Box 997413
Sacramento, CA 99859

Dear Mr. Douglas:

Thank you for your letter requesting a 60-day extension of the California section 1115 Medicaid demonstration, entitled, Medi-Cal Hospital/Uninsured Care (Waiver 11-W-00193/9), which is due to expire on August 31, 2010.

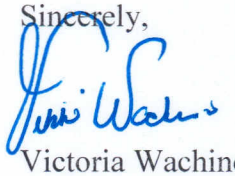
With this letter, the Centers for Medicare & Medicaid Services is approving your request to temporarily extend the Medi-Cal Hospital/Uninsured Care demonstration, which is currently operating under the authority of section 1115(a) of the Social Security Act. The current list of expenditure authorities and special terms and conditions will continue to apply to the Demonstration until October 31, 2010.

During the temporary extension period from September 1, 2010, through October 31, 2010 the State will have spending authority of $255 million (total computable), which represents a 2-month prorated share of the prior $1,532 billion (total computable) annual allotment. Expenditures during the temporary extension period will be subject to the Title XIX budget neutrality expenditure limit determined for the new section 1115(a) Comprehensive Demonstration Project Waiver: A Bridge to Reform (Bridge to Reform Waiver).

On February 1, 2010, the demonstration was amended to provide the State with an additional $720 million (total computable) in spending authority for designated State health care programs. This amended award period is being extended to October 31, 2010. The amended award amount shall remain $720 million (total computable) for the revised period of February 1, 2010, through October 31, 2010. The Federal share of these funds shall be provided to the State based on the American Reinvestment and Recovery Act increased Federal Medical Assistance Percentage rate.

We appreciate the time that you and your staff have dedicated to the renewal process and look forward to continuing to work with you to finalize the Medi-Cal Hospital/Uninsured Care section 1115 demonstration renewal.

Sincerely,



Victoria Wachino
Director

cc: Gloria Nagle, San Francisco Regional Office
Barbara Edwards, DEHPG
Dianne Heffron, FMG
Steven C. Rubio, FCHPG