

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
San Francisco Regional Office
90 Seventh Street, Suite 5-300 (5W)
San Francisco, CA 94103-6706



Division of Medicaid & Children's Health Operations

JUN 27 2013

Toby Douglas, Director
California Department of Health Care Services
1501 Capitol Avenue, MS 0002
P.O. Box 997413
Sacramento CA 95899-7413

Dear Mr. Douglas:

The Centers for Medicare & Medicaid Services (CMS) is approving California's request for a renewal of the Medi-Cal Specialty Mental Health Consolidation waiver, authorized under Section 1915(b) of the Social Security Act. This waiver has been assigned control CA 17.R08. CMS is approving this waiver renewal for a two-year period effective July 1, 2013 through June 30, 2015.

The approval provides for the waiver of the following sections of the Social Security Act: 1902(a)(1) statewideness; 1902(a)(10)(b) comparability of services; 1902(a)(23) freedom of choice; and 1902(a)(4) to mandate enrollment into a single Prepaid Inpatient Health Plan. The approval also provides a waiver from 42 Code of Federal Regulations (CFR) Sections: 438.56 regarding disenrollment; 438.52 for enrollment of beneficiaries in a single County Health Plan; and 438.10(f)(3) related to informing requirements. The Medicaid eligibility groups included in the waiver are Section 1931 children and related populations; 1931 adults and related populations; Blind/Disabled adults and related populations; aged and related populations; and foster children.

The decision to renew this waiver is based on information submitted to the Federal review team in response to questions sent to the State throughout the renewal process. The waiver must remain consistent with the Medicaid program and meet all statutory and regulatory requirements for assuring beneficiaries access to care, receipt of quality services, and demonstration of cost effectiveness.

Please note that during the waiver renewal process, a new Diagnostic and Statistical Manual of Mental Disorders was released by the American Psychiatric Association. Both CMS and the State expect this new clinical guidance to result in some changes to diagnoses and who gains entry to waiver services. We expect the state to submit appropriate amendments to reflect these changes in the near future.

The State must continue its participation in regular monitoring activities with CMS, including monthly calls. As part of these activities, we expect the State to submit all triennial monitoring reports to CMS within 30 days of completion. Additionally, while meeting all necessary criteria for waiver renewal, CMS harbors concerns about access challenges faced by some County Mental Health Plans. Reports since at least 2001 continue to indicate a lack of translation services and long waits to see Spanish speaking providers in some County Mental Health Plans. CMS will be carefully analyzing the State's monitoring activities and corrective action plans to ensure all necessary actions are implemented and improvement occurs.

Thank you for your cooperation during the waiver renewal review process. We appreciate your staff's commitment to working with CMS to provide mental health services to the State's Medi-Cal beneficiaries. If you have any questions, please contact Susan Ruiz at 415-744-3567 or via email at Susan.Ruiz@cms.hhs.gov.

Sincerely,



Gloria Nagle, Ph.D., MPA
Associate Regional Administrator
Division of Medicaid & Children's Health Operations

cc: Dina Kokkos-Gonzales, DHCS-BWARD-RDB
Alexis Gibson, CMS/CMCS