



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



Governor

Hello interested stakeholder,

On September 1, 2005, the federal government approved the Medi-Cal Hospital/Uninsured Care Demonstration (hospital financing waiver). One of the requirements under this demonstration is the development of a Healthcare Coverage Initiative for uninsured individuals. The intent of this initiative is to expand coverage. By January 31, 2006, the Department is required to submit a concept paper to the federal Centers for Medicare & Medicaid Services regarding this Coverage Initiative.

Per the Special Terms and Condition, Items 43 and 44, the following are the basic components of the Coverage Initiative:

- There is \$180 million of available federal matching funds for this initiative
- The \$180 million of available federal funds are **annual allotments**, per year, during the last three years of the demonstration (these funds can be paid out in subsequent years to the extent the services were rendered during a prior project year)
- Enrollment is to begin September 1, 2007

In preparation for a larger public stakeholder process which will be held before the end of the year, the Department would like to obtain some initial input from interested stakeholders on the development of the Healthcare Coverage Initiative concept. It is our intent to reach out to a variety of interested individuals to hear directly from them as to what ideas and approaches they believe the state should consider in developing this proposal. Some questions we are asking stakeholders to consider include:

- What is your vision of the coverage initiative, such as:

Who should be covered?

What services should be provided?

What would constitute a “participating provider”?

Should it be implemented statewide or in limited areas (as pilot projects or optional county programs)?

What sources of matching funds are available for this purpose?

We also are interested in obtaining written input from a broad array of stakeholders prior to the larger stakeholder process. This written input should include, at the least, ideas that respond to the above questions. You may submit your feedback electronically via email submission at

MCRedesign@dhs.ca.gov.

Please submit your feedback **no later than Friday, November 4, 2005, close of business**. Given the number of potentially interested stakeholders in this process, ***please limit your comments to no longer than two pages***. The initial input we obtain from stakeholders will help inform the ideas, concepts, and approaches on which we will seek input through the public stakeholder process later in the year.

Thank you in advance for your willingness to participate in this effort.