



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



GAVIN NEWSOM
GOVERNOR

July 22, 2020

To: Tribal Chairpersons, Designees of Indian Health Programs, and
Urban Indian Organizations

Subject: Notice of Proposed Change to the Medi-Cal Program

The purpose of this letter is to provide information regarding a proposed change to the Department of Health Care Services' (DHCS) Medi-Cal Program that will be submitted to the Centers for Medicare and Medicaid Services (CMS). DHCS is forwarding this information for your review and comment.

DHCS is required to seek advice from designees of Indian Health Programs and Urban Indian Organizations on Medi-Cal matters having a direct effect on Indians, Indian Health Programs or Urban Indian Organizations per the American Recovery and Reinvestment Act of 2009 (ARRA). DHCS must solicit the advice of designees prior to submission to CMS of any State Plan Amendment (SPA), waiver requests or modifications, or proposals for demonstration projects in the Medi-Cal program.

Please see the enclosed summary for a detailed description of this DHCS proposal.

QUESTIONS AND COMMENTS:

Indian Health Programs and Urban Indian Organizations may submit written comments or questions concerning this proposal within 30 days from the receipt of notice. Comments may be sent by email to Oleg.Istratiy@dhcs.ca.gov and Angeli.Lee@dhcs.ca.gov or by mail to the address below:

CONTACT INFORMATION

Department of Health Care Services
Director's Office
Attn: Oleg Istratiy & Angeli Lee
P.O. Box 997413, MS 0000
Sacramento, California 95899-7417

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Please note that Indian Health Programs and Urban Indian Organizations may also request a consultation on this proposal at any time as needed.

Sincerely,

Original Signed By

Sandra "Sam" Willburn, Chief
Primary, Rural, and Indian Health Division
Department of Health Care Services

Enclosure



Department of Health Care Services (DHCS) Tribal and Designees of Indian Health Programs Notice

PURPOSE

This notice provides information regarding a proposed 12-month extension request for the following waivers:

- [Medi-Cal 2020 Section 1115 waiver](#)
- 1915(b) specialty mental health services waiver

Both waivers are set to expire on December 31, 2020. The effective term of the proposed extension requests is January 1, 2021 to December 31, 2021. Both 12-month extension requests will be submitted to the federal Centers for Medicare & Medicaid Services (CMS) by the California Department of Health Care Services (DHCS) for approval.

BACKGROUND

Medi-Cal 2020 Section 1115 Waiver. Following the end of the Section 1115 waiver period, DHCS intended to implement [California Advancing and Innovating Medi-Cal](#) (CalAIM), a multi-year initiative to implement overarching policy changes across all Medi-Cal delivery systems. The COVID-19 emergency has had a significant impact on the state's health care delivery system, causing DHCS and key stakeholders to reconsider the effective date of CalAIM implementation. While the goals and objectives of CalAIM continue to be a high priority, DHCS formally announced the delay in May 2020. Because of the CalAIM delay, DHCS will submit a 12-month Section 1115 waiver extension request to CMS to ensure continuation of the important programs authorized through Medi-Cal 2020 as a bridge to their eventual transitions under CalAIM.

1915(b) Specialty Mental Health Services Waiver. On May 8, 2020, DHCS [formally requested](#) an 18-month extension of the state's current Medi-Cal specialty mental health services waiver authorized under Section 1915(b) of the Social Security Act. On June 2, 2020, DHCS received a response from CMS approving a 6-month extension of the waiver, until December 31, 2020, acknowledging that DHCS could request another 12-month extension request to align with the delay of CalAIM.

SUMMARY OF PROPOSED CHANGES

Medi-Cal 2020 Section 1115 Waiver. Following are the elements of the Medi-Cal 2020 Section 1115 waiver demonstration that are proposed to continue under the 12-month extension:

- Medi-Cal Managed Care
- Whole Person Care Pilots
- Global Payment Program
- Drug Medi-Cal Organized Delivery System (DMC-ODS)
- Low-Income Pregnant Women

- Out of State Former Foster Care Youth
- Community-Based Adult Services
- Coordinated Care Initiative
- Dental Transformation Initiative
- Tribal Uncompensated Care
- Rady's California Children's Services Pilot
- Program of All-Inclusive Care for the Elderly as an Alternative Delivery System in Select County Organized Health Systems

It is important to note that the Public Hospital Re-Design and Incentives in Medi-Cal (PRIME) program is not included in this extension request. PRIME will be transitioning to the Medi-Cal Quality Incentive Program over the next 12 months.

1915(b) Specialty Mental Health Services Waiver. DHCS is requesting CMS approval to extend the term of the current Medi-Cal SMHS 1915(b) waiver through December 31, 2021, under the same special terms and conditions as are approved today.

IMPACT TO TRIBAL HEALTH PROGRAMS

Medi-Cal 2020 Section 1115 Waiver. There is minimal impact to Tribal Health Programs since DHCS would not be changing services, rates, or eligibility for programs authorized by the existing waiver authority. DHCS intends to use this opportunity to make technical, no cost improvements to the DMC-ODS program to increase access to substance use disorder (SUD) treatment among American Indians and Alaska Natives, and ensure these populations have access to culturally appropriate and evidence-based SUD treatment. DHCS is also requesting a 1-year extension of the Tribal Uncompensated Care Waiver Amendment (TUCWA).

1915(b) Specialty Mental Health Services Waiver. There is no impact to Tribal Health Programs since DHCS would not be changing services, payment rates, eligibility for SMHS or any other waiver requirement through this waiver extension.

IMPACT TO FEDERALLY QUALIFIED HEALTH CENTERS (FQHCs)

Medi-Cal 2020 Section 1115 Waiver. There is no impact to Federally Qualified Health Centers since DHCS would not be changing services, rates, or eligibility for programs authorized by the existing waiver authority.

1915(b) Specialty Mental Health Services Waiver. There is no impact to Federally Qualified Health Centers since DHCS would not be changing services, payment rates, eligibility for SMHS or any other waiver requirement through this waiver extension.

IMPACT TO INDIAN MEDI-CAL BENEFICIARIES

Medi-Cal 2020 Section 1115 Waiver. There is minimal impact to Indian Medi-Cal beneficiaries since DHCS would not be changing services, rates, or eligibility for programs authorized by the existing waiver authority. DHCS intends to use this opportunity to seek technical, no cost changes to the DMC-ODS program to increase access to substance use disorder (SUD) treatment among American Indians and Alaska Natives, and ensure these populations have access to culturally appropriate



and evidence-based SUD treatment. DHCS is also requesting a 1-year extension of the Tribal Uncompensated Care Waiver Amendment (TUCWA).

1915(b) Specialty Mental Health Services Waiver. There is no impact to Indian Medi-Cal beneficiaries since DHCS would not be changing services, payment rates, eligibility for SMHS or any other waiver requirement through this waiver extension.

RESPONSE DATE

Indian Health Programs and Urban Indian Organizations may submit written comments or questions concerning this proposal within 30 days from the receipt of notice. To be assured consideration prior to submission of the Medi-Cal 2020 12-month extension request to CMS, comments must be received no later than **August 21, 2020**. Please note that comments will continue to be accepted after August 21, 2020, but DHCS may not be able to consider those comments prior to the initial submission of the 12-month waiver extension requests to CMS.

Comments on the Medi-Cal 2020 12-month extension request may be sent by email to 1115waiver@dhcs.ca.gov or by mail to the address below.

Comments on the 1915(b) specialty mental health services 12-month extension request may be sent by email to MCBHD@dhcs.ca.gov or by mail to the address below.

DHCS will also host the following meeting to solicit stakeholder comments. In light of the COVID-19 pandemic, and to maximize opportunities for participation, the meeting will be held via webinar.

- Wednesday, July 29, 2020 – DHCS Tribal and Designees of Indian Health Programs
 - 9:30 a.m. – 1:00 p.m.
 - For more information visit the [Indian Health Program webpage](#)

CONTACT INFORMATION

Written comments on the Medi-Cal 2020 12-month extension request may be sent to the following address:

Department of Health Care Services
Director's Office
Attn: Oleg Istratiy & Angeli Lee
P.O. Box 997413, MS 0000
Sacramento, California 95899-7417

Written comments on the 1915(b) specialty mental health services 12-month extension request may be sent to the following address:

Department of Health Care Services
Medi-Cal Behavioral Health Division
Attn: Andrea Moore
P.O. Box 997413, MS 2702
Sacramento, California 95899-7417