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DIRECTOR

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



GAVIN NEWSOM
GOVERNOR

March 25, 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 Teresa.Castillo@dhcs.ca.gov or by mail to the address below:

Contact Information

Teresa Castillo
Chief, Program Policy Section
Medical Behavioral Health Division
Department of Health Care Services
P.O. Box 997413, MS 2702
Sacramento, CA 95814

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And Urban Indian Organizations
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In addition to this notice, DHCS plans to cover this waiver amendment in the next quarterly Medi-Cal Indian Health webinar. 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

The Department of Health Care Services (DHCS) is requesting approval from the Centers for Medicare and Medicaid Services (CMS) to extend the term of the existing Medi-Cal Specialty Mental Health Services (SMHS) Section 1915(b) Waiver for a period of six months.

BACKGROUND

The Medi-Cal SMHS waiver authorizes delivery of covered SMHS through county-based mental health plans. As originally approved by CMS, the waiver is set to expire on June 30, 2020. DHCS is requesting CMS' approval to extend the term of the waiver through December 31, 2020, to coincide with the expiration of California's Section 1115(a) Demonstration (entitled Medi-Cal 2020).

Extending the current Medi-Cal SMHS Waiver through December 31, 2020 will allow DHCS, as part of the department's California Advancing and Innovating Medi-Cal (CalAIM) initiative, to align existing managed care authorities under a single comprehensive Section 1915(b) waiver with the same effective date period. This would include the Medi-Cal SMHS waiver as well as the other managed programs currently approved under the Medi-Cal 2020 Demonstration (Medi-Cal Managed Care and Drug Medi-Cal Organized Delivery Systems).

Through its CalAIM initiative, DHCS proposes to implement overarching policy changes across all Medi-Cal delivery systems. The broader system, program, and payment reforms included in the initiative allow the state to take a population health, person-centered approach to providing services and focus on improving outcomes for all Californians.

To achieve such principles, CalAIM has three primary goals:

1. Identify and manage member risk and need through Whole Person Care Approaches and addressing Social Determinants of Health;
2. Move Medi-Cal to a more consistent and seamless system by reducing complexity and increasing flexibility; and
3. Improve quality outcomes and drive delivery system transformation through value-based initiatives, modernization of systems and payment reform.

SUMMARY OF PROPOSED CHANGES

DHCS is requesting CMS' approval to extend the term of the current Medi-Cal SMHS 1915(b) waiver through December 31, 2020, under the same terms and conditions as approved today. This will extend the term of the current waiver for a period of six months.

IMPACT TO TRIBAL HEALTH PROGRAMS

There is no impact to Tribal Health Programs since DHCS is not changing services, payment rates, eligibility for SMHS or any other waiver requirement through this waiver extension.

IMPACT TO FEDERALLY QUALIFIED HEALTH CENTERS (FQHCs)

There is no impact to Federally Qualified Health Centers since DHCS is not changing services, payment rates, eligibility for SMHS or any other waiver requirement through this waiver extension.

IMPACT TO INDIAN MEDI-CAL BENEFICIARIES

There is no impact to Indian Medi-Cal beneficiaries since DHCS is not 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. Comments may be sent by email to Teresa.Castillo@dhcs.ca.gov or by mail to the address below:

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