

DEPARTMENT OF HEALTH & HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
7500 Security Boulevard, Mail Stop S2-25-26  
Baltimore, Maryland 21244-1850



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## State Demonstrations Group

December 20, 2023

Michelle Baass  
Director & State Interim Medicaid Director  
California Department of Health Care Services  
1501 Capital Avenue, 6<sup>th</sup> Floor, MS 0000  
Sacramento, CA 95814

Dear Director Baass:

The Centers for Medicare & Medicaid Services (CMS) completed its review of the Summative Evaluation Reports, which are required by the Special Terms and Conditions (STCs), specifically STC #90 “Summative Evaluation Report” of the California section 1115 demonstration, “Medi-Cal 2020” (Project No: 11-W-00193/9). The Medi-Cal 2020 demonstration was approved on December 30, 2015 for a period of performance of December 30, 2015 through December 31, 2020, and subsequently temporarily extended through December 31, 2021. The Summative Evaluation Reports cover the Whole Person Care (WPC) pilots, California Children’s Services (CCS) demonstration pilots, Dental Transformation Initiative (DTI), Seniors and Persons with Disabilities (SPD) program, and Out of State (OOS) Former Foster Care Youth (FFY) components. Each report covers the applicable component-specific period of performance during the demonstration approval period. CMS determined that the Evaluation Reports, submitted on December 21, 2021 for SPD and December 30, 2022 for all other components, and revised on March 10, 2022 for SPD and August 21, 2023 for all other components, are in alignment with the CMS-approved Evaluation Design and the requirements set forth in the STCs, and therefore, approves the state’s Summative Evaluation Reports.

The Medi-Cal 2020 section 1115 demonstration aimed to improve access, quality of care, and health outcomes for Medicaid beneficiaries. The reports largely complied with the approved Evaluation Designs, utilizing the methods, data sources and measures outlined in the initial designs. The WPC Evaluation Report showed a reduction in emergency department visits, hospitalizations, and overall costs of approximately \$99 per enrollee per year when compared to matched comparison groups using difference-in-differences analyses. The WPC component also successfully established infrastructure, engaged partners, and shared data, resulting in sustained enrollment and enhanced services for the population served. The CCS demonstration pilots utilized rigorous qualitative and quantitative analyses, and results showed the program achieved improved care coordination, access to services, client satisfaction, quality of care (e.g., depression screening, diabetes control and childhood vaccination) and cost-effectiveness when

compared to classic CCS<sup>1</sup>. In alignment with the DTI goals, the evaluation report showed improvements in expanding preventative dental services by 4 percent, transforming treatment approaches for early childhood caries, and increased dental service utilization over the demonstration evaluation period. Furthermore, the SPD Evaluation Report showed positive outcomes in implementing managed care among the population, improved process of care measures, increased ambulatory care utilization, and decreased per capita costs during the evaluation approval period. Finally, despite limitations with tracking members and data challenges, several quality improvements were noted in the OOS FFY report. The results indicated a steady increase in the number of FFY participants over time, as well as higher ambulatory care utilization and lower ED rates when compared to a Medi-Cal 2020 peer group.

In accordance with STC #92 “Public Access,” the approved Summative Evaluation Reports may now be posted to the state’s Medicaid website within 30 days. CMS will also post the Evaluation Reports on Medicaid.gov.

We appreciated our partnership on Medi-Cal 2020 and look forward to our continued partnership with the ongoing California Advancing and Innovating Medi-Cal (CalAIM) section 1115 demonstration. If you have any questions, please contact your CMS demonstration team.

Sincerely,

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Danielle Daly  
Director  
Division of Demonstration Monitoring and Evaluation

cc: Cheryl Young, State Monitoring Lead, CMS Medicaid and CHIP Operations Group

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<sup>1</sup> The Classic CCS model was the existing delivery system providing complex case management. This model was used as a comparison group to evaluate the effectiveness of the two CSS demonstration pilots.