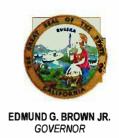


State of California—Health and Human Services Agency Department of Health Care Services



May 16, 2018

Ms. Hye Sun Lee
Acting Associate Regional IX Administrator
Division of Medicaid and Children's Health Operations
Centers for Medicare & Medicaid Services
San Francisco Regional Office
90 Seventh Street, Suite 5-300 (5W)
San Francisco. CA 94103-6707

Dear Ms. Lee:

The Department of Health Care Services (DHCS) is submitting the enclosed Title XXI Children's Health Insurance Program (CHIP) State Plan Amendment (SPA) CA-18-0028. This proposed amendment would allow DHCS to add the Medi-Cal Access Program (MCAP) population to the Medi-Cal Managed Care (MMC) delivery system.

MCAP's transition to the MMC delivery system will mirror the benefits of Medi-Cal pregnancy coverage, which includes the full range of medically necessary services, including medical and dental. DHCS is prepared to collaborate with the Centers for Medicare and Medicaid Services in order to secure prompt approval of this amendment.

In compliance with the new policy set forth by the American Recovery and Reinvestment Act of 2009, DHCS notified Indian Health Programs (IHPs) and Urban Indian (UI) Organizations of CA-18-0028. On May 2, 2017, IHPs and UI Organizations approved DHCS' rationale that no tribal consultation was needed for CHIP SPA CA-18-0028.

California is requesting a retroactive effective date of July 1, 2017 for this SPA.

If you have any questions, or if we can provide further information, please contact Sandra Williams, Chief, Medi-Cal Eligibility Division at (916) 445-6938 or by email at Sandra.Williams@dhcs.ca.gov.

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Health Care Programs
State Medicaid Director

FORM APPROVE
OMP No noge-n10

CENTERS FOR MEDICARE & MEDICAID SERVICES		OMB No. 0938-0193
TRANSMITTAL AND NOTICE OF APPROVAL OF	1. TRANSMITTAL NUMBER	2. STATE
STATE PLAN MATERIAL	18-0028	CA
FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES	3. PROGRAM IDENTIFICATION: TITL SECURITY ACT (MEDICAID) (CHIP) Title XXI of Social Security Act	E XIX OF THE SOCIAL
TO: REGIONAL ADMINISTRATOR	4. PROPOSED EFFECTIVE DATE	
CENTERS FOR MEDICARE & MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES	07/01/2017	
5. TYPE OF PLAN MATERIAL (Check One)		
☐ NEW STATE PLAN ☐ AMENDMENT TO BE CON	ISIDERED AS NEW PLAN	AMENDMENT
COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AM	ENDMENT (Separate transmittal for each	amendment)
6. FEDERAL STATUTE/REGULATION CITATION	7. FEDERAL BUDGET IMPACT	
42 CFR Section 457		0
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT Sections 1.4 and 3.1 (see CHIP SPA Template attached)	9. PAGE NUMBER OF THE SUPER OR ATTACHMENT (If Applicable	RSEDED PLAN SECTION
10. SUBJECT OF AMENDMENT This proposed amendment would allow DHCS to add the Medi-Cal Managed Care (MMC) delivery system. 11. GOVERNOR'S REVIEW (Check One)	the Medi-Cal Access Program	(MCAP) population to
☐ GOVERNOR'S OFFICE REPORTED NO COMMENT	OTHER, AS SPECIFIED	
☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL		
	16. RETURN TO	
ORIGINAL SIGNED	Department of Health Care So Attn: State Plan Coordinator 1501 Capitol Avenue Sacramento, CA 95899-7417	ervices
State Medicaid Director		
15. DATE SUBMITTED 5/16/2018		
	OFFICE USE ONLY	
17. DATE RECEIVED	18. DATE APPROVED	
. 200000 0000	ONE COPY ATTACHED	
19. EFFECTIVE DATE OF APPROVED MATERIAL	20. SIGNATURE OF REGIONAL OFFICE	CIAL
21. TYPED NAME	22. TITLE	
23. REMARKS		
For Box 11 "OTHER, As Specified": Please note: The	e Governor's Office does not wi	ish to review the State
. cc c	2 227211131 2 211100 4000 110t W	

Plan Amendment.

1.4. Provide the effective (date costs begin to be incurred) and implementation (date services begin to be provided) dates for this SPA (42 CFR 457.65). A SPA may only have one effective date, but provisions within the SPA may have different implementation dates that must be after the effective date.

Original Plan

Effective Date: July 1, 1998

Implementation Date: July 1, 1998

SPA #18-0028

Purpose of SPA:

To implement the transition of MCAP (Population 3) services provided by public-private-partnership to services provided by California's Medi-Cal Managed Care delivery system.

Proposed effective date: July 1, 2017

Proposed implementation date: July 1, 2017

3.1. Delivery Standards Describe the methods of delivery of the child health assistance using Title XXI funds to targeted low-income children. Include a description of the choice of financing and the methods for assuring delivery of the insurance products and delivery of health care services covered by such products to the enrollees, including any variations. (Section 2102)(a)(4) (42CFR 457.490(a))

CA RESPONSE:

Overview of the Delivery Systems

POPULATION 3/MCAP:

Delivery System. This separate CHIP population also receives coverage under the unborn option (similar to Population 2). However, this coverage is the same as state employee benchmark coverage. MCAP's services are provided through Medi-Cal's Managed Care delivery system, where services for Population 2 are primarily provided on a FFS basis, unless in a COHS county.

Administration. The MCAP program is administered by DHCS, which contracts with the private sector to provide subsidized coverage for beneficiaries. To cover the full cost of care, California uses Proposition 99 tobacco tax monies to subsidize subscriber and contributions, while the subscriber pays 1.5 percent of their adjusted annual income (please see cost sharing section for more details on cost sharing for this population).

CHIP SPA Impact Form

State/Title/Plan Number: CA-18-0028

Federal Fiscal Impact: \$0

Number of People Affected by Enhanced Coverage, Benefits or Retained Eligibility: Approximately 3,500 enrolled in Medi-Cal Access Program (MCAP) that would be added to the Medi-Cal Managed Care (MMC) Delivery System.

Number of Potential Newly Eligible People: Numbers should not change.

or

Eligibility Simplification: Yes

Number of People Losing Medicaid Eligibility: MCAP enrollees are not Medi-Cal members; they are CHIP Title XXI enrollees who will be utilizing the Medi-Cal delivery system <u>only</u>.

Reduces Benefits: No

Provider Payment Increase: No

Delivery System Innovation: Yes

(Examples: adding new provider types to provide a covered service, managed care delivery systems or other similar type plans.) This CHIP SPA CA-18-0028 is a shift in delivery system for MCAP enrollees. Currently, services are provided on a fee-for-service basis. This CHIP SPA would transfer those services to the MMC delivery system.

Comments/Remarks:

DHCS Contact: Daryl Hightower

Daryl.Hightower@dhcs.ca.gov

(916)327-6682

Date: 5/1/18