

# Tribal and Designee Medi-Cal Advisory Process Webinar on Proposed Changes to the Medi-Cal Program

May 28, 2026

# Welcome and Webinar Logistics

## **Dos & Don'ts of Teams**

- » Everyone will be automatically muted upon entry
- » Use the Q&A or Chat feature to submit comments or questions
- » Please use the Chat feature for any technical issues related to the webinar

# Feedback Guidance for Participants

- » **Q&A or Chat Box**. Please feel free to utilize either option to submit feedback or questions during the meeting.
- » **Spoken**.
  - Please use the Teams chat function to raise your hand. Once your hand is recognized by the event organizer, unmute your line to speak. DHCS will take comments or questions first from Tribal leaders and then all others in the room and on the webinar.
- » **If you logged on via phone-only**. Press “\*5” to raise or lower hand. Press “\*6” on your phone to unmute your line once recognized by the event organizer.

# Agenda

- » Welcome and Purpose
- » Overview of State Plan, State Plan Amendments (SPAs), and Waivers
- » Items Scheduled for Submission to CMS
  - » California Advancing & Innovating in Medi-Cal (CalAIM) Section 1915(b) Waiver Renewal
- » Closing and Feedback

# Purpose

- » The Department of Health Care Services (DHCS) is hosting this webinar regarding proposed changes to the Medi-Cal Program. This webinar will provide information and allow for feedback on State Plan Amendments (SPA) and Waiver Renewals/Amendments proposed for submission to Centers for Medicare and Medicaid Services (CMS).
- » Background: Executive Orders recognize the unique relationship of Tribes with the federal government and emphasize the importance of States to work with Tribes on matters that may impact Indian health.
- » This webinar is one way for DHCS to provide information about the Medi-Cal program and get feedback verbally and in writing.

# Medicaid State Plan Overview

- » State Plan: The official contract between the state and federal government by which a state ensures compliance with federal Medicaid requirements to be eligible for federal funding.
- » The State Plan describes the nature and scope of Medicaid and gives assurance that it will be administered in accordance with the specific requirements of Title XIX of the Federal Social Security Act, Code of Federal Regulations, Chapter IV, and State law/regulations.
- » California's State Plan is over 1600 pages and can be accessed online at: <https://www.dhcs.ca.gov/formsandpubs/laws/Pages/CaliforniStatePlan.aspx>

# State Plan Amendment (SPA) Overview

- » SPA: Any formal change to the State Plan.
- » Approved State Plans and SPAs ensure the availability of federal funding for the state's program (Medi-Cal).
- » The CMS reviews all State Plans and SPAs for compliance with:
  - » -Federal Medicaid statutes and regulations
  - » -State Medicaid manual
  - » -Most current State Medicaid Directors' Letters, which serve as policy guidance.

# What are Medicaid Waivers?

- » “Waive” specified provisions of Medicaid Law (Title XIX of the Social Security Act).
- » Allow flexibility and encourage innovation in administering the Medicaid program to meet the health care needs of each State’s populations.
- » Provide medical coverage to individuals and/or services that may not otherwise be eligible or allowed under regular Medicaid rules.
- » Approved for specified periods of time and often may be renewed upon expiration.

# California Advancing & Innovating in Medi-Cal (CalAIM) Section 1915(b) Waiver Renewal

Tyler Sadwith  
State Medicaid Director

# Today's Objective

**DHCS is requesting a five-year renewal of the California Advancing and Innovating Medi-Cal (CalAIM) Section 1915(b) waiver, which authorizes California's managed care delivery systems.**

**Today, we will summarize the CalAIM Section 1915(b) waiver request and receive feedback from Tribal partners on the proposed approach.**

## **How to Access Public Comment Materials**

- » **[CalAIM Section 1915\(b\) Waiver Webpage](#)**
  - [Section 1915\(b\) Waiver Renewal Summary](#)
  - [Tribal and Designees of Indian Health Programs Notice](#)
- » **[DHCS Indian Health Program Webpage](#)**

# CalAIM Overview

- » DHCS is transforming Medi-Cal to ensure Californians can get the care they need to live healthier lives
- » This includes new initiatives and services that go beyond the traditional doctor's office or hospital setting to address **social, physical, and mental health needs**
- » DHCS is now seeking renewals of two federal authorities – the Section 1115 demonstration and the Section 1915(b) waiver – for another five years to **build upon the successes of the CalAIM initiative**
- » The CalAIM Section 1115 demonstration allows California to **test new ideas in their Medicaid programs** to help people get better care and permits certain flexibilities that otherwise are not allowed under federal law
  - DHCS submitted the CalAIM Section 1115 renewal application to CMS on May 11
- » The CalAIM Section 1915(b) waiver allows the state to **operate Medi-Cal through managed care delivery systems**
  - DHCS plans to submit the CalAIM 1915(b) renewal to CMS this summer

# CalAIM Section 1915(b) Waiver

**DHCS is requesting feedback on the [Section 1915\(b\) Waiver Renewal Summary](#). DHCS plans to submit the full Section 1915(b) application to CMS this summer.**

- » The CalAIM 1915(b) waiver approval in 2021 centralized federal authority for **California’s managed care delivery systems**—including Medi-Cal Managed Care, Dental Managed Care, and Specialty Mental Health Services (SMHS), and the Drug Medi-Cal Organized Delivery System (DMC-ODS)
- » Through the CalAIM 1915(b) renewal, DHCS is seeking the necessary federal authorities to:
  - » Continue to operate **Medi-Cal Managed Care** statewide
  - » Continue to operate **Dental Managed Care** in applicable counties
  - » Streamline the administration of SMHS and Substance Use Disorder services by implementing a single **Specialty Behavioral Health Delivery System**

# Specialty Behavioral Health Delivery System

## Request:

- » DHCS is **integrating specialty mental health and substance use disorder** treatment into one delivery system beginning in 2027, establishing a single Behavioral Health Plan (BHP) in each county to replace separate SMHS and DMC-ODS contracts.
- » In DMC-ODS counties, SUD services would be provided through the integrated BHP. In DMC counties, SUD services would continue to be provided under fee-for-service authority.
- » **The renewal request does not change Medi-Cal eligibility or reduce covered benefits for American Indian/Alaska Native (AI/AN) members.**

# Tribal Impacts (1/2)

**The changes have no direct impacts on Tribal Health Programs, FQHCs, or AI/AN Medi-Cal members.**

- » AI/AN members are not required to enroll in managed care, except in the case of County Organized Health Systems (COHS) or Single Plan Model counties<sup>1</sup>
- » AI/AN members enrolled in managed care retain the right to receive services from any Indian Health Care Provider (IHCP), regardless of network status<sup>2</sup>
- » IHCPs are entitled to receive reimbursement for covered services provided to AI/AN members, regardless of contract status with the plan<sup>2</sup>

<b>Tribal Impact of CalAIM 1915(b) Renewal</b>	
<b>Impact to Tribal Health Programs</b>	» No direct impact. DHCS is not proposing changes to Tribal health program services, eligibility, or any other related requirement authorized by this demonstration authority or the Medi-Cal State Plan.
<b>Impact to Federally Qualified Health Centers (FQHCs)</b>	» No direct impact. DHCS is not proposing changes to FQHC services, rates, eligibility, or any other related requirement authorized by this demonstration authority or the Medi-Cal State Plan.

<sup>1</sup> [APL 24-002](#)

<sup>2</sup> [42 CFR § 438.14](#); [BHIN 22-020](#); [BHIN 22-053](#)

# Tribal Impacts (2/2)

**The changes have no direct impacts on Tribal Health Programs, FQHCs, or AI/AN Medi-Cal members.**

<b>Tribal Impact of CalAIM 1915(b) Renewal</b>	
<b>Impact to Indian Medi-Cal Members</b>	<ul style="list-style-type: none"><li>» The CalAIM Section 1915(b) waiver renewal continues managed care authorities and does not change Medi-Cal eligibility or reduce covered benefits for AI/AN members.</li><li>» This waiver renewal will bring specialty mental health and substance use disorder services under a single Behavioral Health delivery system in all counties.</li><li>» The Specialty Behavioral Health Delivery System will improve health care outcomes and the experience of care for Medi-Cal members—particularly those living with co-occurring mental health and SUD issues—by reducing administrative burden for members, counties, providers, and the state.</li></ul>

# Cost Effectiveness & Monitoring Approach

**As part of the CalAIM Section 1915(b) waiver renewal, California must demonstrate that the waiver is cost-effective and supports high-quality, accessible care for Medi-Cal members.**

## **Cost-Effectiveness Requirements:**

- » DHCS will include detailed spending projections in the waiver renewal application to demonstrate cost-effectiveness. The State will track and report actual spending to the federal government throughout the waiver period.
- » DHCS will analyze savings generated through managed care delivery systems, which may be used to support additional services and improvements for Medi-Cal members under the waiver.

## **Monitoring Approach:**

- » DHCS will actively monitor the waiver's impact on the Medi-Cal program, as required by federal rules. Key areas of monitoring include:
  - Program Impact
  - Access
  - Quality

# Waiver Renewal Timeline

**California plans to submit its full 1915(b) waiver renewal application by early Quarter 3 (Q3) 2026. California is committed to working with Tribal partners and stakeholders throughout the design and implementation of the proposed demonstration.**

» July 2025

- **Release Concept Paper**

» Q2 2026

- **Post Draft 1915(b) Overview for Tribal Feedback**

» Early Q3 2026

- **Submit 1915(b) Application**

» Q3 2026

- **CMS Negotiations**

» Q4 2026

- **Target 1915(b) Waiver Approval Date**

» Dec 2026


- **Current CalAIM Waivers\* Expire**

» Jan 2027

- **New Waivers\* Launch**

» \* *DHCS is concurrently pursuing a five-year renewal of the CalAIM Section 1115 demonstration, which was [submitted](#) to CMS on May 11, 2026.*

# Next Steps

Milestones	Proposed Timeline ( <i>subject to change</i> )
Conduct 30-day Tribal & public comment period	May 21, 2026 – June 20, 2026
 Tribal Consultation	May 28, 2026
Review public comments received during Tribal and public comment periods and finalize application for CMS submission	May – June 2026
<b>Submit CalAIM 1915(b) Renewal Application</b>	<b>July 2026</b>
Negotiations with CMS	Fall 2026

**Find the summary of the CalAIM 1915(b) Renewal Application posted on <https://www.dhcs.ca.gov/provgovpart/Pages/CalAIM-1115-and-1915b-Waiver-Renewals.aspx>**

# Submitting Tribal Feedback

**The Tribal and Designees of Indian Health Programs comment period for the CalAIM 1915(b) Renewal Application is from May 21 to June 20, 2026. To be considered prior to CMS submission, public comments must be received by 11:59 PM PT on June 20, 2026.**

- » **Mail.** Indicate “CalAIM Section 1915(b) Waiver Renewal Application” in the address line  
Department of Health Care Services  
Director’s Office  
Attention: Tyler Sadwith  
P. O. Box 997413, MS 0000  
Sacramento, California 95899-7413
- » **Email.** Indicate “CalAIM Section 1915(b) Waiver Renewal Application” in email’s subject line  
[CalAIMWaiver@dhcs.ca.gov](mailto:CalAIMWaiver@dhcs.ca.gov)
- » **Today’s Tribal Webinar.**
  - **Q&A Box.** All information and questions received through the Q&A box will be recorded as Tribal feedback
  - **Spoken.** Participants will have the opportunity to submit Tribal feedback in the second half of the webinar

Thank You

