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



State Demonstrations Group

Jaycee Cooper Chief Deputy Director, Health Care Programs California Department of Health Care Services 1501 Capitol Ave, 6th Floor, MS 00000 Sacramento, CA 95814

FEB 2 5 2020

Dear Ms. Cooper:

This letter is to inform you that the Centers for Medicare & Medicaid Services (CMS) has approved the final interim evaluation covering the 2016-2018 period of the Public Hospital Redesign and Incentives in Medi-Cal (PRIME) component of California's section 1115 Medicaid demonstration, entitled "Medi-Cal 2020" (Project Number 11-W-00193/9, approved from December 30, 2015 through December 31, 2020). We appreciate the thoughtful work you and your staff put into conducting and finalizing the evaluation. The final interim evaluation will be posted to Medicaid.gov shortly.

Despite the limitation of a small time period with which to measure outcomes, there are a number of important quality and structural improvements noted in this report. The PRIME program has helped to motivate expanded partnerships with external service providers to improve care coordination and enhance the integration of physical and behavioral health. The difference-in-differences analysis of quality metrics show improvement across a variety of quality care measures such as lower rates of C-section deliveries, increased rates of cancer screenings, and follow-up visits after hospitalizations. While some metric results show room for improvement, we look forward to the further analysis that will be possible with the additional years of measurement that will be included in the summative evaluation.

If you have any questions, please contact your CMS project officer, Mrs. Heather Ross at 410-786-3666, or by email at <u>Heather.Ross@cms.hhs.gov</u>. We look forward to our continued partnership on the California Medi-Cal 2020 section 1115 demonstration.

Sincerely,

Director Division of Demonstration Monitoring and Evaluation

Angela Garner Director Division of System Reform Demonstrations

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