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

JENNIFER KENT
DIRECTOR

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GOVERNOR

August 15, 2016

Ms. Angela Garner
Director
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Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop S2-01-16
Baltimore, MD 21244-1850

Ms. Mehreen Rashid
Project Officer
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Ms. Henrietta Sam-Louie
Associate Regional Administrator
Division of Medicaid and Children's Health Operations
Centers for Medicare & Medicaid Services
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CALIFORNIA MEDI-CAL 2020 DEMONSTRATION (NO. 11-W-00193/9) AMENDMENT REQUEST FOR THE DENTAL TRANSFORMATION INITIATIVE DOMAIN 1 PROGRAM CRITERIA METHODOLOGY

Dear Ms. Garner, Ms. Rashid, and Ms. Sam-Louie:

The State of California proposes to amend the Special Terms and Conditions (STCs) of Waiver 11-W-00193/9, California Section 1115 "Medi-Cal 2020 Demonstration" (Demonstration Waiver) pursuant to STC paragraph 7.

This proposed amendment would allow the Department of Health Care Services (DHCS) to revise the methodology to determine the baseline metrics that will be used by new and existing dental service office locations for purposes of receiving incentive payments for the Dental Transformation Initiative (DTI) program. Additionally, DHCS is seeking authority to provide partial incentive payments to provider service office locations that partially meet annual increases in the preventive services provided to children above the pre-determined baseline.

DHCS is requesting that CMS act on this proposal as quickly as possible, beginning on

August 15, 2016, to allow the State to promptly disburse full and partial incentive payments to providers exceeding respective baseline metrics in a timely manner. DHCS is prepared to collaborate with the Centers for Medicare and Medicaid Services (CMS) in order to secure prompt approval of this amendment.

Background
The DTI provides $740,000,000 over five years and will include three domains: preventive services, caries risk assessment and management, and continuity of care, in addition to making funding available for local dental pilot projects that address one or more of these three domains.

This amendment is necessary to ensure new and existing dental provider service office locations are not disadvantaged by having to reach unrealistic increases in the number of children provided preventive services, based on their current capabilities, in order to receive the applicable incentive payment under the first domain.

Impact to Services
This proposed amendment will not impact the Demonstration Waiver services.

Waiver Authority
DHCS believes the existing waivers of freedom of choice, statewideness, and comparability encompass this proposed Demonstration Waiver amendment. To the extent necessary, DHCS requests that its authority to operate under these waivers extends to the amendments contained in this request

Expenditure Authority
This proposed Demonstration amendment will not impact the existing Demonstration Waiver Expenditure Authority.

Public Notice and Tribal Notice
As required by STC paragraphs 8 and 14, DHCS has provided, and continues to conduct, public notice through the following means:

1. Public Notice and Processing:
    - The amendment was discussed during all DTI sub-workgroup meetings.
    - The DTI Domain 1 fact sheet, which includes a description of the amended process, was posted on the DTI website on June 1, 2016.
    - DHCS advised meeting participants of the amendment during the June 14, 2016 webinar. The webinar presentation is available at: http://www.dhcs.ca.gov/provgovpart/Documents/FinalDTIWebinar06.14.16v2.0.pdf.
    - On July 14, 2016, the waiver amendment request was posted on the DTI website at: http://www.dhcs.ca.gov/provgovpart/Documents/DTIDomain1STCsChanges.pdf.
    - An email announcement was sent to the DTI stakeholder distribution list on July 28, 2016.
    - There was a DTI program overview and amendment update provided for the Stakeholder Advisory Committee on August 11, 2016. The meeting materials are posted on the DHCS website. The meeting agenda is available at: http://www.dhcs.ca.gov/services/Documents/SACAgenda_081116.pdf. The DTI

presentation is posted at: http://www.dhcs.ca.gov/services/Documents/DTI_SAC_081116.pdf.
- The amendment will be raised during the budget template webinar on August 18, 2016.

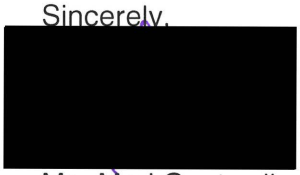
2. Tribal Notice:
   - On July 14, 2016, DHCS Primary, Rural, and Indian Health Division issued a tribal notice regarding the State's intention to request the Demonstration Waiver amendment and posted it for thirty days on the DHCS website at: http://www.dhcs.ca.gov/services/rural/Pages/Tribal_Notifications.aspx.
   - On July 14, 2016, the tribal notice was posted on the DHCS website at: http://www.dhcs.ca.gov/provgovpart/Documents/Medi-Cal2020WaiverAmendmentDTI.pdf.
   - No questions or comments regarding the amendment were received.
   - DHCS intends to hold a tribal consultation on August 31, 2016 to discuss the proposed amendment for the first domain.

Budget Neutrality
This proposed amendment will not impact the Demonstration Waiver budget neutrality.

Evaluation Design
This proposed Demonstration amendment will not impact the DTI evaluation design for Domain 1 as stated in STC 106(g).

Thank you for your support and consideration. DHCS is happy to assist you and your staff in any way as you review the proposed Demonstration amendment. If you have any questions, please contact Rene Mollow, MSN, RN, Deputy Director of Health Care Benefits and Eligibility at Rene.Mollow@dhcs.ca.gov.

Sincerely,



Ms. Mari Cantwell
Chief Deputy Director
Health Care Programs

Enclosures:
- Revised Demonstration Waiver Special Terms and Conditions for DTI Domain 1
- Tribal Notice for Proposed Amendment for DTI Domain 1

cc: Ms. Laurie Weaver
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