

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

February 27, 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 Waivers
- » California Advancing & Innovating in Medi-Cal (CalAIM) Section 1115  
Demonstration 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 a Waiver Renewal proposed for submission to the 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.

# 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 1115 Demonstration Renewal

**Tyler Sadwith**

State Medicaid Director and Chief Deputy Director

# Agenda

- » Background
- » Overview of CalAIM Section 1115 Demonstration Renewal Request
- » Timeline and Tribal Feedback

# Today's Objective

**DHCS is requesting a five-year renewal of the California Advancing and Innovating Medi-Cal (CalAIM) Section 1115 demonstration.**

**Today, we will summarize the CalAIM Section 1115 renewal request and receive feedback from Tribal partners on the proposed approach.**

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

- » **[CalAIM Section 1115 Demonstration Webpage](#)**
  - [Section 1115 demonstration renewal application](#)
  - [Public notice](#)
  - [Tribal and Designees of Indian Health Programs notice](#)
- » **[DHCS Indian Health Program webpage](#)**
- » **[CalAIM Homepage](#)**

# Submitting Tribal Feedback

**The Tribal and Designees of Indian Health Programs comment period for the CalAIM 1115 Renewal Application is from February 10 to March 12, 2026. To be considered prior to CMS submission, public comments must be received by 11:59 PM PT on March 12, 2026.**

- » **Mail.** Indicate “CalAIM Section 1115 Demonstration 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 1115 Demonstration Renewal Application” in email’s subject line  
[1115waiver@dhcs.ca.gov](mailto:1115waiver@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

# CalAIM Section 1115 Demonstration Renewal

# Overview of CalAIM



# 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**
- » To implement CalAIM, California received authority from the federal government, through a **Section 1115 demonstration**
- » Section 1115 demonstrations allow states to **test new ideas in their Medicaid programs** to help people get better care and permit certain flexibilities that otherwise are not allowed under federal law
- » DHCS is now seeking to renew the CalAIM Section 1115 demonstration for another five years to **build upon the successes of the CalAIM initiative**

# CalAIM 1115 Demonstration Goals

**Building on Tribal partner and stakeholder feedback, DHCS has three main goals to expand and strengthen CalAIM, in line with California's vision for Medi-Cal.**

## **Updated CalAIM 1115 Demonstration Goals**

Help DHCS, health plans, and providers identify member needs early and act sooner to manage risk. Use whole-person care to improve each member's experience.

Make Medi-Cal more consistent and easier to navigate by reducing complexity, increasing accountability, and improving how programs work.

Improve quality of care and support system changes through value-based programs. Help members receive the right care, at the right time, in the right place, and at the right cost.

# Section 1115 Demonstration Request



# Section 1115 CalAIM Renewal Approach (1 of 2)

**California is requesting to continue and strengthen existing work to improve Medi-Cal.**

## **Renew Authority**

- Justice-Involved Reentry Initiative
- Drug Medi-Cal Organized Delivery System (DMC-ODS) – Waiver of Institutions for Mental Disease (IMD) Exclusion for Substance Use Disorder (SUD) Services
- County Option to Cover Select Outpatient SUD Services
- Recovery Incentives (Contingency Management)
- Traditional Healers and Natural Helpers
- Coverage for Out-of-State Former Foster Care Youth
- Chiropractic Services from Indian Health Service (IHS) and Tribal Facilities
- Align Dually Eligible Enrollees' Medi-Cal Managed Care Plan (MCP) and Medicare Advantage (MA) Plan
- Managed Care Authority to Limit Plan Choice in Certain Counties
- Modification of Asset Test for Deemed Supplemental Security Income (SSI) Populations
- Global Payment Program

# Section 1115 CalAIM Renewal Approach (2 of 2)

**California is also requesting to implement new initiatives and move some CalAIM services to other Medi-Cal coverage options. California will also sunset certain initiatives that are no longer needed.**

## **Request New Authority**

- BridgeCare Pilots
- Employment Supports

## **Transition Authority**

- Recuperative Care, Short-Term Post-Hospitalization Housing\*
- Community-Based Adult Services

## **Sunset Authority**

- Low-Income Pregnant Women
- Providing Access and Transforming Health (PATH) Initiative
- Designated State Health Programs

*\* Section 1115 approval is not needed to continue Enhanced Care Management (ECM) and 12 of the 15 Community Supports. ECM is allowed under federal Medicaid managed care rules that require health plans to coordinate care and support members. The 12 Community Supports are allowed as "In Lieu Of Services" (ILOS), which means they can be provided instead of other covered services under managed care rules.*

# Section 1115 Demonstration Request: Continuing Section 1115 CalAIM Initiatives



# Justice-Involved Reentry Initiative

## Request:

- » The state requests to continue to provide a targeted set of Medi-Cal services for justice-involved individuals for up to 90 days prior to their release from a prison, county jail, or youth correctional facility.
- » Services include care management, medications for addiction treatment, physical and behavioral health clinical consultation, laboratory and radiology services, and the administration of covered medications.

## Tribal Impacts

- » **Tribal Health Programs (including IHS-MOA and Tribal FQHCs) and UIOs that participate in Medi-Cal as FQHCs** may be able to provide relevant pre-release services to eligible individuals up to 90 days before release from prison, jail, or a youth correctional facility. After returning to their communities, members who received Reentry Services may also access services at these facilities more frequently.
- » **AI/AN Medi-Cal members who are justice-involved** will receive health services before release to support a safer return to the community and reduce serious health risks.

# DMC-ODS – Waiver of IMD Exclusion for SUD Services

## Request:

- » The state requests continued federal reimbursement for Medicaid services provided to individuals receiving SUD services in qualifying institutions known as IMDs.
- » DHCS requests this extension to continue its efforts to expand access to necessary treatment for SUD.

## Tribal Impacts

- » **IHCPs (if operating as IMDs)** will be able to receive federal payment for providing residential SUD treatment to Medi-Cal members.
- » **AI/AN Medi-Cal members** with SUD will have better access to evidence-based residential SUD treatment.

# County Option to Cover Select Outpatient SUD Services

## Request:

- » The state requests to continue making peer support services, which are culturally competent services that promote recovery, available to Medi-Cal members receiving care in the Specialty Mental Health Services (SMHS), the Drug Medi-Cal (DMC), or the DMC-ODS delivery systems.
- » The state requests new authority to allow DMC counties to opt in to cover certain outpatient SUD services that are currently limited to the DMC-ODS delivery system (care coordination, recovery services, partial hospitalization, withdrawal management).
- » The state requests authority to allow DMC, DMC-ODS, and SMHS counties to opt-in to provide mobile crisis services to Medi-Cal members receiving care in those delivery systems.

## Tribal Impacts

- » **Tribal Health Programs (including IHS-MOA and Tribal FQHCs) and UIOs that participate in Medi-Cal as FQHCs** will be able to provide peer support, mobile crisis services, and outpatient SUD services to Medi-Cal members, including AI/AN individuals, if located within counties that opt-in to offer outpatient SUD services.
- » **AI/AN Medi-Cal members** will have expanded access to outpatient SUD treatment in the least restrictive setting possible.

# Recovery Incentives (Contingency Management)

## Request:

- » The state requests to continue Recovery Incentives, also referred to as contingency management services, in the DMC-ODS, and to allow DMC counties to opt-in.
- » Recovery Incentives are an evidence-based practice to treat stimulant use disorder, which is a specific type of SUD that is defined as the continued use of stimulants (e.g., cocaine, amphetamine, methamphetamine) despite harm to the person using them.
- » Recovery Incentives reward eligible participants with stimulant use disorder for meeting treatment goals.

## Tribal Impacts

- » **Tribal Health Programs (including IHS-MOA and Tribal FQHCs) and UIOs that participate in Medi-Cal as FQHCs** will be able to begin, or continue to, provide Recovery Incentives to Medi-Cal members if located within counties that opt-in to offer Recovery Incentives.
- » **AI/AN Medi-Cal members** will be able to access evidence-based Recovery Incentives for stimulant use disorder. This initiative aims to promote longer retention in treatment and reduced drug use, ultimately improving members' health outcomes.

# Traditional Healers and Natural Helpers

## Request:

- » The state requests to continue to provide Traditional Healer and Natural Helper services for Medi-Cal members experiencing SUDs.
- » Members who receive coverage from DMC-ODS counties, meet DMC-ODS access criteria, and receive care from participating IHS facilities, Tribal facilities, or Urban Indian Organization (UIO) facilities can receive Traditional Healer and Natural Helper services.
- » The state also requests to retain flexibility to cover these services for other conditions beyond SUD and for other delivery systems.

## Tribal Impacts

- » **Tribal Health Programs (including IHS-MOA and Tribal FQHCs) and UIOs that participate in Medi-Cal as FQHCs** will be able to receive federal payment for providing Traditional Healer and Natural Helper services.
- » **AI/AN Medi-Cal members** will receive access to culturally responsive SUD treatment services.

# Chiropractic Services from IHS and Tribal Facilities

## **Request:**

- » The state seeks continued authority to provide reimbursement for chiropractic services provided by IHS and Tribal providers.

## **Tribal Impacts**

- » **Tribal Health Programs** enrolled in Medi-Cal as IHS Memorandum of Agreement (MOA) providers will continue to receive payment for providing chiropractic services to eligible members.

# Global Payment Program

## Request:

- » The state seeks continued authority to support public health care systems that provide health care for uninsured Californians through a statewide funding pool.

## Tribal Impacts

- » **Public Health Care Systems\* that serve uninsured AI/AN individuals** will benefit from GPP through strengthened provider capacity and improved access for Medicaid and low-income populations.

*\* Public Health Care Systems are designated public hospitals operated by a county, a city and county, University of California, or a special hospital authority (see Attachment C of the [CalAIM special terms and conditions](#) for additional detail).*

# Other Existing Initiatives Continuing Under CalAIM (1 of 2)

Initiative	Request	Tribal Impact
<p><b>Coverage of Out of State Former Foster Care Youth</b></p>	<ul style="list-style-type: none"> <li>» Continued and ongoing authority to provide Medi-Cal coverage to former foster care youth for individuals who turned 18 before January 1, 2023 until they turn 26 years old.</li> </ul>	<ul style="list-style-type: none"> <li>» <b>Tribal Health Programs (including IHS-MOA and Tribal FQHCs) and UIOs that participate in Medi-Cal as FQHCs</b> can receive payment for serving former foster care youth.</li> <li>» Allows eligible former foster care youth, including <b>AI/AN individuals</b>, to enroll in Medi-Cal.</li> </ul>
<p><b>Modification of Asset Test for Deemed SSI Populations</b></p>	<ul style="list-style-type: none"> <li>» Renew authority with one change—to reinstate the Medi-Cal asset limit for individuals in select Deemed SSI populations (Pickle Group, Disabled Adult Child group, Disabled Widow/Widower group).</li> <li>» An individual in these groups will be allowed to have up to \$130,000 in assets (and \$65,000 for each additional household member) and still be eligible for Medi-Cal.</li> </ul>	<ul style="list-style-type: none"> <li>» Allows <b>AI/AN individuals</b> with up to \$130,000 in assets to qualify for Medi-Cal if they meet other eligibility criteria. <b>AI/AN asset protections will continue.</b></li> </ul>

# Other Existing Initiatives Continuing Under CalAIM (2 of 2)

Initiative	Request	Tribal Impact
<b>Align Dually Eligible Enrollees' Medi-Cal MCP and MA Plan</b>	» Request authority to align a dual-eligible member's Medi-Cal plan with their MA plan (if available).	» Improves care coordination for <b>AI/AN members</b> who have both Medicare and Medi-Cal.
<b>Managed Care Authority to Limit Plan Choice</b>	» Request to limit choice of MCPs in metro, large metro, and urban counties operating under the County Organized Health System (COHS) and Single Plan models.	» <b>AI/AN Medi-Cal members</b> residing in counties that opt to participate in COHS and Single Plan managed care models may have fewer plan options, <b>but they can still receive care from Indian Health Care Providers.</b>

# Section 1115 Demonstration Request: New Section 1115 CalAIM Initiatives



# Employment Supports

## Request:

- » The state is seeking new authority to provide services that help people find and keep employment to support Medi-Cal members subject to work requirements.
- » This initiative aims to address barriers to employment, support sustained workforce participation, and promote economic stability among Medi-Cal members.

## Tribal Impacts

- » This initiative will not impact **AI/AN Medi-Cal members** since they are exempt from work requirements.

# BridgeCare Pilots

## Request:

- » The state is seeking authority to provide a targeted set of home and community-based services (HCBS) and caregiver supports for Medicare members ages 65 and older with incomes just above Medicaid income limits but who lack resources for adequate care.
- » Services may include individualized care planning, care management, personal care, caregiver supports, nutritional services, transportation, and homemaker services, among others.

## Tribal Impacts

- » **IHCPs (if within a participating region)** will be able to provide BridgeCare services and receive federal payment if they choose to participate in the pilot.
- » **AI/AN Medi-Cal members** may be able to receive BridgeCare services, if eligible, which helps them stay in their communities.

Section 1115 Demonstration Request:  
Transitioning and Sunsetting Section 1115  
CalAIM Initiatives



# Transitioning Section 1115 CalAIM Initiatives (1 of 2)

**As part of the CalAIM 1115 renewal, California plans to move coverage of the following services to other Medi-Cal authorities starting January 1, 2027.**

Initiative	Request	Tribal Impact
<b>Community-Based Adult Services (CBAS)</b>	<ul style="list-style-type: none"><li>» CBAS is an outpatient, facility-based program that provides services and supports for older adults and adults with disabilities to restore or maintain their optimal capacity for self-care and delay/prevent institutionalization.</li><li>» California intends to cover this benefit under the Medicaid State Plan, which will increase access to this benefit.</li></ul>	<ul style="list-style-type: none"><li>» <b>IHCPs</b> will continue receiving federal payment if they provide CBAS.</li><li>» <b>AI/AN Medi-Cal members</b> will continue to have access to CBAS if medically necessary.</li></ul>

# Transitioning Section 1115 CalAIM Initiatives (2 of 2)

**As part of the CalAIM 1115 renewal, California plans to move coverage of the following services to other Medi-Cal authorities starting January 1, 2027.**

Initiative	Request	Tribal Impact
<b>Recuperative Care and Short-Term Post Hospitalization Housing (STPHH)</b>	<ul style="list-style-type: none"><li>» Recuperative care is a short-term residential setting where Medi-Cal members can recover from an injury or illness while accessing primary care, behavioral health services, case management, and other supportive social services.</li><li>» Through short-term post hospitalization housing, eligible Medi-Cal members receive ongoing supports to help them recover after exiting an institution.</li><li>» DHCS is planning to create a model for recuperative care that incorporates the levels of care offered under both recuperative care and short-term hospitalization housing, and no longer offer short-term post hospitalization housing as a separate Community Support.</li></ul>	<ul style="list-style-type: none"><li>» <b>IHCPs</b> will continue receiving federal payment for recuperative care services if they provide short term residential care.</li><li>» <b>AI/AN Medi-Cal members</b> will continue to have access to recuperative care services. STPHH will no longer be a separate benefit but will be included under the updated model.</li></ul>

# Sunseting Section 1115 CalAIM Initiatives

**California will not be renewing the following initiatives under the CalAIM Section 1115 demonstration renewal.**

<b>Initiative</b>	<b>Rationale for Not Renewing</b>
<b>Providing Access &amp; Transforming Health (PATH)</b>	PATH gave funding to help community partners build the ability to deliver Enhanced Care Management (ECM), Community Supports, and pre-release services. These services are now available across the state, and PATH has met its goals, so it does not need to be renewed.
<b>Low-Income Pregnant Women</b>	This initiative provides postpartum benefits to women with incomes between 109-138% of the federal poverty level. These services have been moved to the Medi-Cal State Plan, so they no longer need Section 1115 authority.
<b>Designated State Health Programs (DSHP)</b>	DSHP funding supported the PATH initiative. Since PATH has ended, this funding authority is no longer needed and will not be renewed.

## **Tribal Impact**

These initiatives will be sunset and are not expected to impact **AI/AN Medi-Cal members**.

# Preliminary Evaluation Plan



# Preliminary Evaluation Plan

**As part of the CalAIM 1115 renewal application, California included an early plan to evaluate the CalAIM demonstration and measure whether it meets its goals, as required by federal rules. These evaluation questions will be further developed as California works with CMS to create a detailed evaluation plan.**

» **Section 1115 Demonstration Evaluation Requirements:**

- DHCS will contract with independent third parties to conduct evaluations and develop evaluation design plans for CMS review
- New hypotheses will be tested and evaluated in the CalAIM 1115 demonstration renewal

» **Draft Hypotheses:**

- Over the course of the CalAIM demonstration renewal period, DHCS anticipates the proposed CalAIM 1115 initiatives will:
  - Improve coverage, continuity, and access to care
  - Reduce avoidable high-cost utilization
  - Strengthen coordination and integration across systems and implementation partners

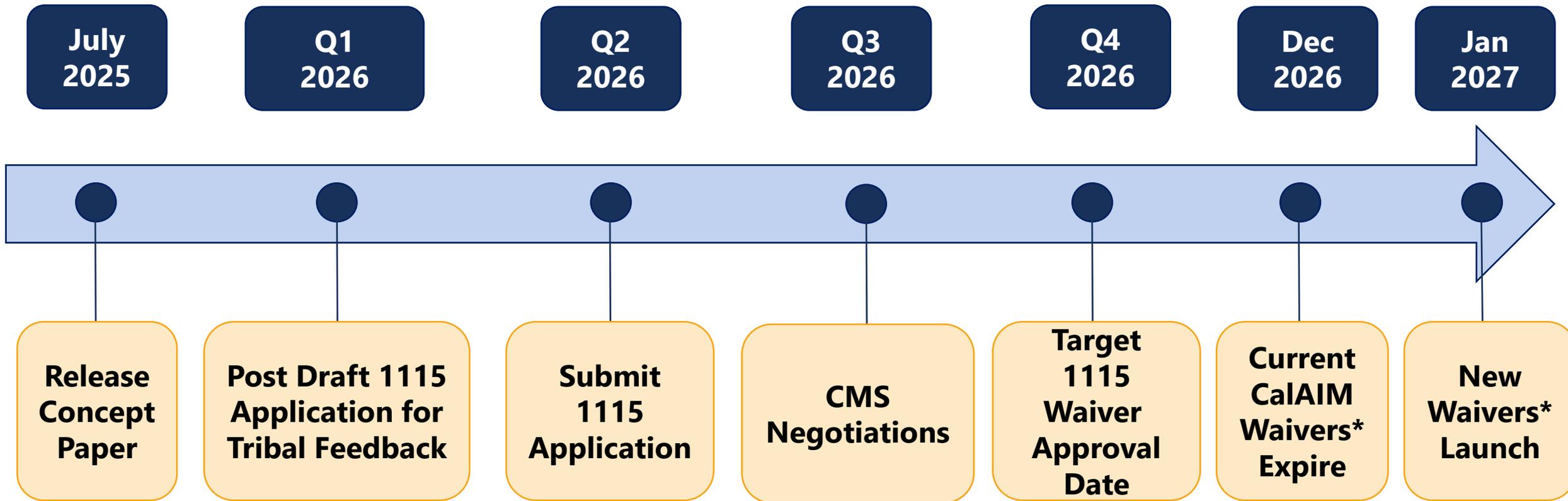
**The proposed hypotheses for evaluation in the CalAIM 1115 demonstration renewal are available in Section 6 of the draft application.**

# Timeline & Tribal Feedback



# Waiver Renewal Timeline

California plans to submit its full 1115 waiver renewal application by the end of Quarter 2 (Q2) 2026. California is committed to working with Tribal partners and stakeholders throughout the design and implementation of the proposed demonstration.



\* DHCS is concurrently pursuing a five-year renewal of the CalAIM Section 1915(b) waiver.

# Key Timelines for Tribal Feedback Period

Milestones	Proposed Timeline <i>(subject to change)</i>
Conduct 30-day Tribal feedback period	Tuesday, February 10 – Thursday, March 12, 2026
DHCS Tribal and Indian Health Program Representatives Meeting <i>(complete)</i>	Monday, February 23, 2026 (2:00 – 3:15pm)
DHCS Tribal and Designees of Indian Health Programs Quarterly Webinar on Proposed Changes to the Medi-Cal Program <i>(today's meeting)</i>	Friday, February 27, 2026 (2:00 – 3:00pm)

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

# Next Steps

Milestones	Proposed Timeline ( <i>subject to change</i> )
Conduct 30-day State public comment period	Tuesday, February 10 – Thursday, March 12, 2026
Public Hearing 1 ( <i>complete</i> )	Wednesday, February 25, 2026 (1:55 – 2:55pm)
Public Hearing 2	Tuesday, March 3, 2026 (11:30am – 12:30pm)
Review public comments received during Tribal and public comment periods and finalize application for CMS submission	Spring 2026
<b>Submit CalAIM 1115 Renewal Application</b>	<b>Late Q2 2026</b>
Negotiations with CMS	Q3 2026

**Find the draft CalAIM 1115 Renewal Application posted on**

**<https://www.dhcs.ca.gov/provgovpart/Pages/CalAIM-1115-and-1915b-Waiver-Renewals.aspx>**

# Tribal Feedback

Thank You

