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Department of Health Care Services



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February 14, 2017

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**CALIFORNIA MEDI-CAL 2020 DEMONSTRATION (NO. 11-W-00193/9)
AMENDMENT REQUEST FOR THE MEDI-CAL ACCESS PROGRAM TRANSITION
TO THE MEDI-CAL MANAGED CARE DELIVERY SYSTEM**

Dear Ms. Garner, Ms. Phelps, 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 Waiver entitled, "Medi-Cal 2020 Demonstration" (Demonstration Waiver) pursuant to STC paragraph 7.

This proposed amendment would allow the Department of Health Care Services (DHCS) to add the Medi-Cal Access Program (MCAP) population to the Medi-Cal Managed Care (MMC) delivery system. DHCS is requesting this Demonstration Waiver amendment have an effective date of July 1, 2017.

MCAP's transition to MMC delivery will mirror the benefits of Medi-Cal full-scope pregnancy coverage, which includes dental services. DHCS is prepared to collaborate with the Centers for Medicare and Medicaid Services (CMS) in order to secure prompt approval of this amendment, requested to be May 1, 2017, in order to ensure the smooth and timely transition of MCAP subscribers to MMC.

Background

MCAP provides comprehensive coverage to pregnant women with incomes above 213 percent up to and including 322 percent of the federal poverty level. Eligibility for MCAP includes a premium payment which is 1.5 percent of their modified adjusted gross income. MCAP was previously under the Managed Risk Medical Insurance Board; it transitioned to DHCS in 2014. Since then, DHCS has maintained the existing MCAP health plan delivery system to minimize care disruption for enrolled subscribers.

Impact to Services

With applications for MCAP now included in the California Healthcare Eligibility, Enrollment, and Retention System – and with the aim of efficiently providing comprehensive, coordinated care to women covered by MCAP – the primary focus of this plan is to transition MCAP enrollees into MMC. All new MCAP enrollees will be enrolled starting July 1, 2017, into a MMC plan operating in their county of residence.

To minimize care disruption, women enrolled into MCAP prior to July 1, 2017, will remain in their assigned MCAP health plan if they were enrolled prior to October 1, 2016 and in the Fee-For-Service delivery system if enrolled on or after October 1, 2016. All MCAP women stay in the health delivery system that they were enrolled until the end of the month of the 60th day following the end of their pregnancy. There will be no changes in the manner in which premiums are billed and collected.

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 authority to operate under these waivers to extend 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:

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Public Notice and Processing:

On December 13, 2016, DHCS provided public notice for this proposed amendment through a notice emailed to the DHCS General Stakeholders distribution list, which includes approximately 4,500 individuals, who have joined the list to receive significant Medi-Cal updates. This notice included a background of the program and the impact to services. A copy of the Medi-Cal 2020 News Stakeholder Notice is attached.

Tribal Notice:

On December 5, 2016, CMS accepted the state's written rationale for no tribal consultation or publication. A copy of the "No Notice Summary Request" is attached.

Budget Neutrality

This proposed amendment will not impact the Demonstration budget neutrality.

Evaluation Design

MCAP transition to MMC will not impact the Demonstration's Waivers's evaluation efforts. Evaluations for pregnant women receiving services from Medi-Cal are completed by the External Quality Review Organization, which is currently under contract with DHCS for quality monitoring of Medi-Cal's health delivery system.

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 Waiver amendment. If you have any questions, please contact Angeli Lee, by email at Angeli.Lee@dhcs.ca.gov or by phone at (916) 324-0184.



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Chief Deputy Director
Health Care Programs
State Medicaid Director

Enclosures:

Medi-Cal 2020 Newsletter 12-13-16
CMS No Notice Summary Request - MCAP

Lee, Angeli (EXEC-DIR)@DHCS

From: DHCS Director (DIR)@DHCS <DHCSDirector@DHCS.CA.GOV>
Sent: Tuesday, December 13, 2016 1:55 PM
To: DHCSSTAKEHOLDERS@MAILLIST.DHS.CA.GOV
Subject: Medi-Cal 2020 News



Medi-Cal 2020 News



News and notes about California's Medicaid demonstration programs

December 13, 2016

Waiver Amendments

CMS Approves Medi-Cal 2020 Waiver Amendments

On December 8, 2016, the Centers for Medicare & Medicaid Services (CMS) approved two amendments to the Special Terms and Conditions of California's Medi-Cal 2020 Waiver. These amendments expand the Whole Person Care (WPC) pilots to allow certain tribal groups to lead projects, and change payment methodologies for part of the Dental Transformation Initiative (DTI).

One amendment authorizes the Department of Health Care Services (DHCS) to include Federally Recognized Tribes and Tribal Health Programs as lead entities for the WPC pilots. The other allows DHCS to modify the payment methodology for Domain 1 of the DTI, which targets increases in preventive dental services for California children. The amendments are effective as of December 8, 2016 through December 31, 2020.

The WPC amendment allows Federally Recognized Tribes and Tribal Health Programs to act in a lead entity role in the design, application, and operation of a WPC pilot program. The addition of these entities promotes the intent and goals of the WPC program to coordinate health, behavioral health, and social services in a patient-centered manner to improve beneficiary health and well-being.

The DTI amendment modifies the methodology for determining baseline metrics for incentive payments and provides payments for a revised threshold of annual increases in dental preventive services provided to children. This amendment supports the DTI program's aim to increase use of preventive services for children in Medi-Cal.

The approval documents will be posted to the [Medi-Cal 2020 website](#) by Friday, December 16. More information also is available on the [WPC webpage](#) and the [DTI webpage](#).

Miscellaneous

DHCS Proposes Waiver Change to Add Medi-Cal Access Program to Managed Care

The Department of Health Care Services (DHCS) is seeking to amend the Special Terms and Conditions (STCs) of the Medi-Cal 2020 waiver to add the Medi-Cal Access Program (MCAP) population to the Medi-Cal Managed Care (MMC) delivery system, effective July 1, 2017.

MCAP provides low-cost health insurance coverage to uninsured pregnant women with income at 213%-322% of the Federal Poverty Level; qualifying women with private insurance that requires a separate deductible or co-payment of \$500 or more for maternity coverage also are eligible. MCAP coverage ends the last day of the month in which the 60th day following the end of the pregnancy occurs.

MCAP was previously a program under the Managed Risk Medical Insurance Board; it transitioned to DHCS in 2014. Since then, DHCS has maintained the existing MCAP health plan delivery system to minimize care disruption.

With applications for MCAP now included in the California Health Eligibility, Enrollment and Retention System (CalHEERS) – and with the aim of efficiently providing comprehensive, coordinated care to women covered by MCAP – DHCS intends to transition MCAP enrollees into the MMC delivery system. All new MCAP enrollees would be enrolled starting July 1, 2017 into a Medi-Cal managed care plan operating in their county of residence.

To minimize care disruption, women enrolled into MCAP prior to July 1, 2017 will continue to receive care under the Medi-Cal Fee-for-Service delivery system. There would be no changes in the manner in which premiums are billed and collected.

Additional information is available on the [MCAP website](#). If you have any questions or comments, please email us at 1115Waiver@dhcs.ca.gov.

The Department of Health Care Services (DHCS) is formally requesting CMS approval to not complete the tribal/designee notification process for the following 1115 Waiver Request:

Waiver Request and Title	Background of Proposal	Justification
<p>Request for 1115 Waiver:</p> <p>Medi Cal Access Program (MCAP) to Medi-Cal Managed Care (MMC) Delivery System</p>	<p>The Department of Health Care Services (DHCS) is seeking approval to add the MCAP population to Medi-Cal Managed Care (MMC) delivery system, effective July 1, 2017. Beginning July 1, 2017, all new MCAP enrollees will be enrolled into a Medi-Cal managed care plan in accordance with their county of residence (with Aid Code 0E).</p> <p>MCAP was transitioned from the Managed Risk Medical Insurance Board to DHCS in 2014. In order to minimize care disruption, DHCS maintained the existing MCAP health plan delivery system, which is different from the traditional Medi-Cal health plan delivery system. With the integration of MCAP into CalHEERS, and in order to achieve program efficiencies and better serve enrollees in MCAP, DHCS will now be transitioning these pregnant women into the MMC delivery system.</p> <p>The primary focus of this transition plan is to maintain continuity of care for MCAP enrollees (all MCAP pregnant women will remain in their assigned health plan and delivery system until the end of the month of the 60th day following the end of their pregnancy) and to provide dental services to all MCAP subscribers. There will be no changes in the manner in which premiums are billed and collected.</p>	<p>DHCS does not believe that a tribal/designee notice is required because the provisions do not impact rates reimbursed to Indian Health programs.</p> <p>Further, 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>.</p> <p>As such, this proposal has no impact on the individual beneficiary as required by the state plan nor does it change existing CHIP protections. It does not restrict eligibility or reduce or restrict access to covered services.</p>