



JENNIFER KENT
DIRECTOR

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



EDMUND G. BROWN JR.
GOVERNOR

March 7, 2017

Ms. Angela Garner, Director
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Baltimore, MD 21244-1850

Ms. Sandra Phelps
Project Officer
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Ms. Henrietta Sam-Louie
Associate Regional Administrator
Division of Medicaid and Children's Health Operations
Centers for Medicare and Medicaid Services
San Francisco Regional Office
90 Seventh Street, Suite 5-300 (5W)
San Francisco, CA 94103-6707

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

**CALIFORNIA MEDI-CAL 2020 DEMONSTRATION (NO. 11-W-00193/9)
AMENDMENT REQUEST FOR WHOLE PERSON CARE PILOT PROGRAM TO ROLL
OVER UNALLOCATED FUNDING**

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 STCs paragraph 7.

This proposed technical amendment would allow the Department of Health Care Services (DHCS), to accept applications and designate a city to be a Lead Entity.

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The State is requesting that this Demonstration Waiver amendment have an effective date of July 1, 2017, to allow the State to award the PY1 unallocated funding to Whole Person Care (WPC) pilots and accept a city as a Lead Entity. 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 WPC pilot, authorized under the Medi-Cal Section 1115(a) waiver, entitled *California Medi-Cal 2020 Demonstration*, provides \$3 billion total computable in aggregate over five years. Through more efficient and effective use of resources, the WPC pilot provides an opportunity to test locally-based initiatives that coordinate physical health, behavioral health, and social services for Medi-Cal beneficiaries who are high users of multiple health care systems with poor health outcomes.

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:

Public Notice and Processing

In early March 2017, DHCS will provide 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.

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Tribal Notice:

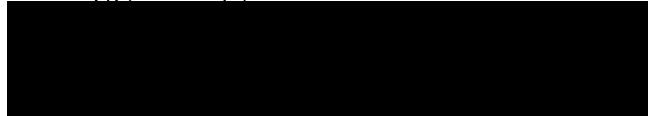
On February 27 and 28, 2017, CMS accepted the state's written rationale for no tribal consultation or publication. A copy of the two "No Notice Summary Requests" are attached.

Budget Neutrality

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

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 Sarah Brooks, Deputy Director of Health Care Delivery Systems at sarah.brooks@dhcs.ca.gov.

Sincerely,

A large black rectangular redaction box covers the signature area.

Mari Cantwell
Chief Deputy Director
Health Care Programs

Enclosures:

Proposed Revisions to WPC STCs
No Notice Summary Request #1
No Notice Summary Request #2

cc: Ms. Sarah Brooks, Deputy Director
Health Care Delivery Systems, MS 4050
Department of Health Care Services
Sarah.brooks@dhcs.ca.gov