

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



JENNIFER KENT DIRECTOR EDMUND G. BROWN JR. GOVERNOR

June 20, 2018

The Honorable Seema Verma Administrator Centers for Medicare & Medicaid Services U.S. Department of Health and Human Services Hubert H. Humphrey Building, Room 445–G 200 Independence Avenue, SW Washington, DC 20201

REQUEST TO EXTEND AUTHORITY FOR THE CAL MEDICONNECT DEMONSTRATION THROUGH DECEMBER 31, 2020

Dear Ms. Verma:

The Department of Health Care Services (DHCS) writes to request formal extension of its current duals demonstration project pursuant to Section 1115A of the Social Security Act (known as "Cal MediConnect") through December 31, 2020. This request is intended to align the end date for Cal MediConnect with that of related Medi-Cal managed care authorities contained in California's current Section 1115 demonstration entitled "Medi-Cal 2020" (no. 11-W-00193/9).

Cal MediConnect was initially authorized pursuant to the Memorandum of Understanding (MOU) between the State and the Centers for Medicare and Medicaid Services (CMS) for a time period beginning no sooner than October 1, 2013 and until December 31, 2016, unless continued pursuant to section III.K of the MOU. The demonstration has been successfully implemented in seven California counties providing coordinated benefits to over 110,000 beneficiaries dually eligible for Medi-Cal and Medicare services (as of May 2018). Based on agreement with CMS, and in order to facilitate a meaningful evaluation of the project, DHCS continued the Cal MediConnect program in calendar years 2017 and 2018 pursuant to our Letter of Intent dated August 26, 2015 and through approved contracts with Participating Plans in demonstration counties.

> Director's Office 1501 Capitol Avenue, MS 0000 P.O. Box 997413, Sacramento, CA, 95899-7413 (916) 440-7400 phone • (916) 440-7404 fax Internet Address: <u>www.dhcs.ca.gov</u>

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Consistent with section III.K of the MOU and subsections (b)(3) and (c) of Section 1115A, DHCS is prepared to substantiate that an extension of Cal MediConnect is expected to continue to improve the quality of care without increasing title XIX spending, based on currently available information from our evaluation activities. Aside from the extension of time, DHCS is not proposing any other material changes to the approved demonstration model in the MOU and the approved Cal MediConnect contracts with Participating Plans.

DHCS looks forward to our continued partnership in this important area. We would appreciate an opportunity to discuss next steps for an extension, including any necessary stakeholder engagement activities, at your earliest convenience. For scheduling or any questions related to this request, please contact Sarah Brooks, sarah.brooks@dhcs.ca.gov.

Sincerely, Mari Cantwell Heal h Care Programs State Medicaid Director California Department of Health Care Services

CC: Tim Engelhardt, Director, CMS Medicare-Medicaid Coordination Office