



Lessons from California

Medi-Cal's 1115 Waiver Approved until 2020 January 2016

THE ISSUE:

California's [Bridge to Health Reform 1115 Waiver](#), approved in 2010, was a significant tool in the successful launch of health reform overall, and particularly in the Medi-Cal expansion in 2014. That waiver was set to expire in 2015. On December 30, 2015, the federal Centers for Medicaid and Medicare Services (CMS) [approved](#) the next iteration of California's 1115 Waiver Renewal, called [Medi-Cal 2020](#). Medi-Cal 2020, another five-year waiver, is intended to transform the way Medi-Cal provides services to the 12.8 million beneficiaries, and improve quality of care, access, and efficiency, while bringing the state more than \$6.2 billion in new federal funds. As part of the deal with the state, CMS set forth [special terms and conditions \(STCs\)](#) for *Medi-Cal 2020* that must be met in order for California to access these federal funds. The waiver establishes four new programs intended to shift the focus away from hospital-based and inpatient care and toward outpatient, primary, and preventative value-based care.

ADDITIONAL RESOURCES

[State's 1115 Waiver
Submission](#)

[Waiver Authorities](#)

[Expenditure Authorities](#)

[Stakeholder Input
Letters](#)

STRATEGY AND ACTIONS:

NHeLP participates on the DHCS [Stakeholder Advisory Committee](#) and, with other health advocates, has [pushed the state for more details](#) in its early [waiver proposal](#) and continues to advocate for meaningful change and accountability. Nearly one in three Californians are enrolled in the Medi-Cal program. The majority of those individuals are enrolled in Medi-Cal managed care plans. Millions still remain uninsured.

Medi-Cal 2020 aims to improve care for the state's Medi-Cal and remaining uninsured through four programs:

- **Public hospital Redesign and Incentives in Medi-Cal (PRIME)**, a pay-for-performance delivery system transformation and alignment program (building on the success of the state's Delivery System Reform Incentive Program (DSRIP), the first of its kind in the nation);
- **Global Payment Program**, an innovative payment reform program for services to the uninsured in California's public hospital system;
- **Whole Person Care**, a pilot program to provide more integrated care to the highest-risk and most vulnerable patients;
- **Dental Transformation Initiative**, an incentive program to increase the frequency and quality of dental care provided to children through payments to Medi-Cal dental providers who meet certain requirements and benchmarks in critical focus areas such as preventive services and continuity of care.

The waiver also continues several programs from the 2010 Bridge to Reform waiver. The waiver agreement also requires independent assessments of access to care in Medi-Cal managed care, uncompensated care for patients who remain uninsured, and hospital financing, as outlined in the STCs.

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