

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop S2-26-12
Baltimore, Maryland 21244-1850



Center for Medicaid and CHIP Services

June 28, 2012

Toby Douglas
Chief Deputy Director, Health Care Programs
Department of Health Care Services
1501 Capitol Avenue, MS 0000
P.O. Box 997413
Sacramento, CA 99859

Dear Mr. Douglas:

The Centers for Medicare & Medicaid Services (CMS) has approved the State of California's request to amend its Demonstration project authorized under section 1115 of the Social Security Act (the Act) entitled the "Bridge to Health Care Reform (waiver number 11-W-00193/9)," effective as of the date of this approval letter. Specifically, the amended section 1115 Demonstration provides California with the authority to:

1. Increase funding to the Safety Net Care Uncompensated Care Pool for DY 7 by the amount of authorized but unspent funding for the Health Care Coverage Initiative (HCCI) and Designated State Health Programs for DY 6 and reallocate funding from the HCCI to the Safety Net Care Uncompensated Care Pool for DY 7;
2. Establish an HIV Transition Incentive Program within the Delivery System Reform Incentive Pool;
3. Make revisions to budget neutrality to more accurately reflect spending under the demonstration; and
4. Make assorted technical corrections.

CMS approval of this section 1115 Demonstration amendment is subject to the limitations specified in the approved waivers and expenditure authorities. The State may deviate from the Medicaid State plan requirements only to the extent those requirements have been specifically listed as waived or not applicable to the expenditure authorities. All requirements of the Medicaid program as expressed in law, regulation, and policy statement not expressly waived or identified as not applicable shall apply to the Bridge to Health Reform Demonstration. This approval is also conditioned upon continued compliance with the enclosed special terms and conditions (STCs) defining the nature, character, and extent of Federal involvement in this project.

These approvals are conditioned upon written acceptance from the State that it agrees with the amendments, expenditure authorities, and STCs. This written acceptance is needed for our records within 30 days of the date of this letter.

Your project officer is Ms. Alexis E. Gibson. She is available to answer any questions concerning your section 1115 Demonstration. Ms. Gibson's contact information is as follows:

Centers for Medicare & Medicaid Services
Center for Medicaid and CHIP Services
7500 Security Boulevard
Mailstop S2-01-06
Baltimore, MD 21244-1850
Telephone: (410) 786-2813
Facsimile: (410) 786-8534
E-mail: alexis.gibson@cms.hhs.gov

Official communications regarding program matters should be sent simultaneously to Ms. Gibson and to Ms. Gloria Nagle, Associate Regional Administrator for the Division of Medicaid and Children's Health in our San Francisco Regional Office. Ms. Nagle's contact information is as follows:

Ms. Gloria Nagle
Associate Regional Administrator
Division of Medicaid and Children Health Operations
90 Seventh Street, Suite 5-300 (5W)
San Francisco, CA 94103 -6706
Telephone: (415) 744-3568
Facsimile: (415) 744-2933
E-mail: gloria.nagle@cms.hhs.gov

If you have questions regarding this approval, please contact Ms. Victoria A. Wachino, Director, Children and Adults Health Programs Group, Center for Medicaid and CHIP Services, at (410) 786-5647.

Sincerely,

A solid black rectangular box redacting the signature of the sender.

Cindy Mann

Enclosures

cc: Gloria Nagle, Associate Regional Administrator, Region IX
Vikki Wachino, CAHPG
Alexis E. Gibson, CAHPG