March 23, 2020

RE: Request for Section 1115 Medicaid Waiver Extension

Dear Members of the California Congressional Delegation,

On behalf of the California State Association of Counties (CSAC), the County Welfare Directors Association of California (CWDA), the County Health Executives Association of California (CHEAC), the County Behavioral Health Directors Association of California (CBHDA), and the California Association of Public Hospitals and Health Systems (CAPH), we are writing today to signal a strong need for Congressional support in our request for an extension of the Section 1115 Medicaid waiver set to expire this year, including California’s 1115 demonstration that expires December 31, 2020.

Our members are diverting nearly all resources to meet the challenge of the COVID-19 pandemic. As this crisis grows in scale, our associations recognize the extreme impact on our members’ ability to continue to engage and respond to ongoing federal, state and local discussions about system redesign after the current 1115 ends in an insightful and meaningful way. While our current focus must remain on the health and safety of our communities during this global pandemic, we urge you to require that CMS extend expiring Section 1115 Medicaid waivers for states that request it.

California’s Section 1115 Medicaid waivers have provided the opportunity to use federal Medicaid funds in innovative ways geared toward the needs of millions of Californians. In recent years, the waiver has been the foundation for innovation in California’s health care delivery system. The investments have been used for efforts to address social determinates of health and care coordination for our most vulnerable individuals. California has distinctive county initiatives such as the Whole Person Care Pilots, which coordinate primary care, behavioral health and social services delivering a wide range of wraparound services for California’s Medi-Cal recipients; Public Hospital Redesign and Incentives in Medi-Cal (PRIME); and the Drug Medi-Cal Organized Delivery System (DMC-ODS). Medicaid demonstration waivers have permitted states and local governments to build infrastructure and extend coverage and benefits to individuals most in need, including those living without a home.

In 2018 Centers for Medicare & Medicaid Services issued new guidance that required California to rethink how we have typically utilized the Section 1115 Medicaid waiver. Our organizations have been working closely with the State in preparation to transition a number of key components from the 1115 waiver that expires at the end of 2020 and create new approaches to care. Now it is clear that the coronavirus emergency will disrupt much of this process, while at the same time, the future of our upcoming 2020-21 state budget, where many of these policies would have made their way through a stakeholder process. This transition requires consistent engagement and consultation between our intergovernmental partners, engagement that is now focused on responding to the current public health emergency.
Our members face massive challenges as a result of this global COVID-19 pandemic, and we applaud the thoughtful response Congressional leaders have provided thus far. The quick action by Congress will undoubtedly assist with the frontline response our members are providing. In addition to the financial investments, we urge action that allows states and local governments to focus on addressing immediate COVID-19 concerns, ensuring any additional policy recommendations receive the proper considerations they require. We respectfully ask Congress to step in during these dire circumstances to give States an opportunity to extend expiring Section 1115 Medicaid waivers for at least one-year.

Respectfully,

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