



MEDICAID SECTION 1115 WAIVER: CALIFORNIA BRIDGE TO REFORM DEMONSTRATION

SAFETY NET CARE POOL

The existing structure of the Safety Net Care Pool (SNCP) is continued under the new waiver and continues to be based on certified public expenditures (CPEs).

The SNCP includes \$7.1 billion over five years. The bulk of the money in the pool will be for reimbursing public hospitals for uncompensated care costs. The state will be able to access up to \$400 million annually for designated state programs.

Components of the SNCP

- **State Programs.** The state may claim up to \$400 million in federal match for the following programs:
 - a) Breast and Cervical Cancer Treatment Program
 - b) Medically Indigent Adults/Long Term Care (MIA/LTC) Program
 - c) California Children's Services Program, state-only
 - d) Genetically Handicapped Persons Program (GHPP)
 - e) Expanded Access to Primary Care
 - f) AIDS Drug Assistance Program (ADAP)
 - g) Department of Developmental Services (DDS)
 - h) County Mental Health Services
 - i) Workforce Development programs, including
 - 1) Song Brown Health Care Workforce Training,
 - 2) Health Professions Education Foundation Loan Repayment
 - 3) Mental Health Loan Assumption
 - 4) Training programs for medical professionals at California Community Colleges, California State Universities and the University of California.

- **Uncompensated Care Pool.** The SNCP provides funds for uncompensated care provided to individuals with no source of third party coverage for the services they received by hospitals or other providers. The following chart identifies approximately how much will be available for uncompensated care:

Demonstration Year 6	\$415 million
Demonstration Year 7	\$415 million
Demonstration Year 8	\$380 million
Demonstration Year 9	\$300 million
Demonstration Year 10	\$235 million

- **Low Income Health Plan: Health Care Coverage Initiative.** California may access \$180 million per year in Demonstration Years 6-8 and \$90 million in Demonstration Year 9 on expenditures related to coverage expansions for persons with incomes between 134-200 percent FPL. Enrollees currently in existing Coverage Initiatives (CIs) who have incomes between 134 – 200 percent FPL are anticipated to be grandfathered into coverage. For any funding not used for grandfathered enrollees or programs covering persons between 134 – 200 percent FPL, it may be possible for the \$180 million to be rolled over to the SNCP for uncompensated uninsured costs or to increase the Delivery System Reform Incentive Pool, subject to CMS approval.

- **Delivery System Reform Incentive Pool.** The waiver includes the opportunity for public hospitals to receive up to \$3.3 billion over five years through the Delivery System Reform Incentive Pool (DSRIP). This pool is a subset of the Safety Net Care Pool. The DSRIP is intended to support California’s public hospitals’ efforts in enhancing the quality of care and the health of the patients and families they serve. Individual public hospital systems will submit proposals for state and federal approval that are focused on improving the experience of care, improving the health of populations, and reducing per capita costs of health care.