



May 7, 2015

Andy Slavitt, Administrator  
Centers for Medicare & Medicaid Services  
U.S. Department of Health & Human Services  
Room 445-G, Hubert H. Humphrey Building  
200 Independence Avenue SW  
Washington, D.C. 20201

**Subject: Renewal of California's Five-Year Section 1115 Waiver: Medi-Cal 2020**

Dear Administrator Slavitt:

Palo Verde Hospital is pleased to support the application recently submitted by California for the 5-year Section 1115 Medi-Cal Waiver, Medi-Cal 2020.

California proposes to build on the successes of the 2010 waiver, The Bridge to Reform, with a goal of expanding and improving the Medi-Cal program through delivery and payment system transformation. These improvements, include strengthening access to primary care; avoiding unnecessary hospitalizations, implementing integrated health care delivery systems and providing incentives for meeting the Triple Aim.

The Medi-Cal 2020 proposal allows for continued delivery system transformation in California, and expands the program to more areas of the state by including public district/municipal hospitals. Palo Verde Hospital is eager to participate in the proposed system transformation, which will allow public district/municipal hospitals to bridge the gap between traditional health care and the health care system of the future based on each community's needs.

Palo Verde Hospital agrees with all stakeholders that health care systems must evolve to better meet the needs of patients, our communities, payers and other providers.

California's 2010 Section 1115 waiver was essential in supporting California's successful implementation of the Affordable Care Act (ACA). The Centers for Medicare & Medicaid Services' (CMS) approval of the Medi-Cal 2020 waiver is critical as allows the state's non-designated public hospitals, such as Palo Verde Hospital, which serve many low-income Californians and due to challenges related to location and other issues, need the assistance to appropriately begin the transformation process to better meet the needs of patients and residents.

We strongly support the approval of California's Medi-Cal 2020 proposal and we look forward to working stakeholders on its implementation. We also appreciate the California Department of Health Care Services' ongoing commitment and efforts to the Medi-Cal program to the benefit of all Californians.

Sincerely,

Sandra Anaya, CEO

cc: Diana Dooley, Secretary, California Health and Human Services Agency  
Jennifer Kent, Director, California Department of Health Care Services  
Mari Cantwell, Chief Deputy Director, Health Care Programs, California Department of Health Care Services