



## County Administrative Office Governmental & Legislative Affairs

**Josh Candelaria**  
Governmental & Legislative  
Affairs Director

May 8, 2015

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

Subject: California's Section 1115 Medicaid Waiver

Dear Administrator Slavitt:

On behalf of San Bernardino County, we are writing in support of California's 2020 Waiver Renewal Proposal. As you know, more than 12 million low-income Californians and 324,593 County residents rely on Medicaid (Medi-Cal) on monthly basis for their health coverage, but we know coverage is only the first step. Significant payment and delivery system reform are also needed to advance patients' care experience, improve the health of populations, and reduce costs. For these reasons, we urge CMS to approve the renewal of the California's 1115 Medicaid Waiver.

San Bernardino County's Human Services and Public Health Care Systems comprised of the Department of Public Health (DPH), Department of Behavioral Health (DBH) and Arrowhead Regional Medical Center (ARMC) provide acute hospital care, outpatient primary care, specialty public health services as well as, Specialty Mental Health Services (SMHS), including inpatient, outpatient behavioral health and substance use disorder treatment services.

The current "Bridge to Reform" Waiver has been critical to the state's early success with expanding coverage under the Affordable Care Act. Through ArrowCare, San Bernardino County's Low Income Health Plan, the County provided medical coverage to over 55,000 County residents between January 1, 2012 and December 31, 2013, with over 38,000 transitions to Medi-Cal on January 1, 2014.

The Bridge to Reform Waiver also enabled ARMC and other public healthcare systems to lead the nation in delivery system transformation, through the country's first of its kind pay-for-performance incentive program, the Delivery System Reform Incentive Payment (DSRIP) program. The DSRIP launched ARMC on an ambitious journey to transform to a more integrated cost effective and patient-centered system of care. ARMC successfully implemented a total of 244 milestones over the five-year plan which covers DSRIP categories one through four. These included an increase in Primary Care Capacity, Mammography Screenings and Sepsis Bundle Compliance. ARMC also achieved a decrease in Specialty Care Waiting Time for Gastroenterology, Average Visit Cycle-Time, Central Line- Associated Bloodstream Infection (CLABSI) Rate, and Hospital- Acquired Pressure Ulcer Prevention (HAPU) Rate.

The next 1115 Medicaid Waiver offers California a historic opportunity to test payment and delivery system reforms that can help both the state and federal government achieve success. A renewed Waiver is needed in 2015 in order to best leverage California's coverage expansion with significant payment reforms and delivery system improvements that will help patients utilize their coverage in cost-effective, patient-centered settings.

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The following are specific examples for San Bernardino County's support to renew the 1115 Medicaid Waiver:

**1. A Public Safety Net Transformation and Improvement Program that Rewards Continued Improvement, Health and Value**

The current DSRIP has helped Arrowhead Regional Medical Center, and its partners lay a sturdy and stable groundwork for our delivery system improvement efforts. The next five years are critical to more fully transform the health care system so everyone is provided with timely access to high-quality, and effective care. The state's inclusion of a Public Safety Net Transformation and Improvement Program will allow San Bernardino County to continue health care improvements with an emphasis on population health management and the expansion of primary health care centers and whole person care.

**2. Public Safety Net System Global Payment for the Remaining Uninsured.**

We strongly support the state's proposed Public Safety Net System Global Payment for the Remaining Uninsured, which would reform uncompensated care payments to public health care systems, to support access to more cost-effective care for the remaining uninsured. Such a pilot would create incentives for ARMC to redirect funds to lower-cost and more patient-friendly outpatient and primary care settings, and utilize alternate modalities that make health care more convenient for the patient.

**3. Regional Integrated Whole Person Care Pilots**

Regional Integrated Whole Person Care pilots would provide comprehensive services to high-risk Medi-Cal beneficiaries, seeking to support each "whole person" through the integration of physical and behavioral health services, along with robust care coordination with social, housing, vocational training and other services that are critical to comprehensively addressing the needs and care of high-risk patients. It would allow for higher value use of limited resources, contain costs, and coordinate care beyond traditional health services.

**4. A Federal Investment that Supports California's 2020 vision**

The "Bridge to Reform" Waiver was critical in California's efforts to implement the Affordable Care Act. However, much more work is needed to build upon this foundation and ensure that the Affordable Care Act can be sustained for the long-term. We believe that the innovative payment and delivery system reforms mentioned above will help us achieve our vision of becoming truly integrated, cost-effective models of care. Accomplishing this goal will require a renewed investment at the same level, and will allow California's Medi-Cal population the opportunity for improved health, not just coverage.

A renewed Waiver with these elements will improve the health care services – and as a result, the overall health – of the Medi-Cal and remaining uninsured populations in California.

For these reasons, we strongly support California's proposal for a renewed Section 1115 Waiver. If you have any questions, please contact Josh Candelaria, Director of Governmental and Legislative Affairs at (909) 387-4821 or [jcandelaria@sbcounty.gov](mailto:jcandelaria@sbcounty.gov).

Sincerely,



JAMES RAMOS  
Board of Supervisors Chairman  
Third District Supervisor  
County of San Bernardino