Stage 1 Business Analysis

California Department of Technology, SIMM 19A.3 (Ver. 3.0.9, 02/01/2022)

1.1 General Information

1. **Agency or State Entity Name:** **4260 - Health Care Services, Department of**
2. **Proposal Name and Acronym:** **Centers for Medicare and Medicaid Services, Access Final Rule, Payment Transparency and Access Reporting**
3. **Proposal Description:**

   On April 22, 2024, CMS released the Medicaid and CHIP Managed Care Access, Finance, and Quality Final Rule (CMS-2439-F) and the Ensuring Access to Medicaid Services Final Rule (CMS-2442-F). DHCS proposes to streamline efficiency, facilitate transparency, and synthesize reporting by maintaining and standardizing DHCS' programmatic data and decision-support framework for provider payments and rates and access and waitlist times to enable, timely, accessible, high-quality services for Medi-Cal members.

   DHCS proposes to strengthen payment transparency and waitlist tracking processes to ensure that members have timely and appropriate access to care. This effort will streamline the gathering, evaluation, and disclosure of access information across select Medi-Cal services and programs Through these advancements, DHCS seeks to uphold compliance and ensure prompt, top-tier services for Californians, enhancing members' ability to receive timely, quality care and ensure federal requirements are met.
4. **Project Planning Start Date:** **4/1/2025**
5. **Proposed Project Execution Start Date:** **1/1/2026**
6. **S1BA Version Number:** **Version 1**

1.2 Submittal Information

1. **Contact Information**

   Contact Name: Adrianna Alcala-Beshara

   Contact Email: Adrianna.Alcala-Beshara@dhcs.ca.gov

   Contact Phone: 916-345-8629

2. **Submission Type: Choose an item.**

If Withdraw, select Reason: Choose an item.

If Other, specify reason here: Click or tap here to enter text.

Sections Changed, if this is a Submission Update: (List all sections changed.)

Click or tap here to enter text.

Summary of Changes: (Summarize updates made.)

Click or tap here to enter text.

3. **Attach Project Approval Executive Transmittal** to your email submission.

4. **Attach Stage 1 Project Reportability Assessment** to your email submission.

1.3 Business Sponsorship

1. **Executive Champion (Sponsor)**

Title: Chief Deputy Director, California Department of Health Care Services (DHCS)

Name: Tyler Sadwith

Business Program Area: Health Care Programs

Title: Chief Operating Officer for Programs

Name: Chris Riesen

Business Program Area: Program Integration and Operations Support

Title: Deputy Director

Name: Susan Philip

Business Program Area: Health Care Delivery Systems

Title: Deputy Director & Chief Information Officer

Name: Crystal Taylor

Business Program Area: Enterprise Technology Services

Title: Deputy Director

Name: Rafael Davatian

Business Program Area: Health Care Financing

Title: Deputy Director & Chief Data Officer

Name: Linette Scott

Business Program Area: Enterprise Data and Information Management

2. Business Owner

Title: Deputy Director

Name: Susan Philip

Business Program Area: Health Care Delivery Systems

Title: Interim Deputy Director

Name: Yingjia Huang

Business Program Area: Health Care Benefits and Eligibility

Title: Interim Deputy Director & Chief Quality and Medical Officer

Name: Palav Babaria

Business Program Area: Quality and Population Health Management

Title: Interim Deputy Director

Name: Bruce Lim

Business Program Area: Audits and Investigations

Title**:** Chief Deputy Director, California Department of Aging (CDA)

Name**:** Mark Beckley

Business Area: Home and Community Based Services, among others

Title**:** Chief Deputy Director, California Department of Public Health (CDPH)

Name**:** Rita Nguyen

Business Area: Home and Community Based Services, among others

Title**:** Chief Deputy Director, California Department of Development Services (CDDS)

Name**:** Michi Gates

Business Area: Home and Community Based Services, among others

Title**:** Chief Deputy Director, California Department of Social Services (CDSS)

Name**:** Claire Ramsey

Business Area: Home and Community Based Services, among others

3. **Product Owner**

Title: Division Chief

Name: Aditya Voleti

Business Program Area: Fee for Service Rates Development

Title: Division Chief

Name: Xiomara Watkins-Breschi

Business Program Area: Integrated Systems of Care

1.4 Stakeholder Assessment

The Stakeholder Assessment is designed to give the project team an overview of communication channels that the state entity needs to manage throughout the project. More stakeholders may result in increased complexity to a project.

1. **Indicate which of the following are interested in this proposal and/or the outcome of the project. (Select 'Yes' or 'No' for each.)**

State Entity Only: No

Other Departments/State Entities: Yes

Public: Yes

Federal Entities: Yes

Governor's Office: Yes

Legislature: Yes

Media: Yes

Local Entities: Yes

Special Interest Groups: Yes

Other: No

2. Describe how each group marked 'Yes' will be involved in the planning process.

Other State Departments/State Entities

DHCS is proposing to mature or establish the ability to obtain and report required data generated through its and other program operations on behalf of the State. Other State departments, including CDSS, CDPH, DDS, and CDA will be required to provide this information in a format that is mutually acceptable. This will require that they implement the programmatic activities and processes necessary to provide the required data and that they collaborate with DHCS to provide the federally required data elements.

Other Programs within DHCS will be engaged in the planning process as applicable and appropriate. These Programs are likely to be consulted during this project to better understand the potential enterprise needs.

CalHHS Agency will be involved by reviewing planning efforts and related artifacts and will work with the department and with the California Department of Technology to align planning requirements with project risk. Additionally, to the extent that the work being proposed represents a Strategic Capability for CalHHS, CalHHS will engage in the planning process to understand the technical approaches that might be leveraged or enhanced by other CalHHS efforts.

These other entities will be expected to participate in governance activities. This will include a DHCS sponsored Project Steering Committee (PSC) which will develop and implement a governance plan, ensuring collaboration and support among state departments and involved stakeholders in the planning process. The PSC will manage a communication plan, emphasizing stakeholder engagement and structured outreach. As appropriate, communications will be reviewed and approved by the PSC and sent to CMS, CalHHS Agency, the governor's office, and the legislature.

The Public
The Public will benefit from the outcome of this work but will not participate directly in the project planning effort.

Governor's Office
The Governor's Office may be interested in this project to the extent that it results in California's compliance with Federal Law. The Governor's Office will not be directly involved in the Project planning work.

Legislature
DHCS has submitted a budget proposal for this effort; approval of that proposal will provide DHCS with the necessary funding for the project. The Legislature will not be directly involved in the Project planning work.

Media
The Media will not be directly involved in the Project planning work, nor is it likely to interested in the nature of the rule or the State's ability to achieve timely compliance.

Federal Entities
The Centers for Medicare and Medicaid Services (CMS) established the Final Rule and will monitor readiness and compliance. They will provide matching funding to support this project and will monitor progress accordingly.

Local Entities
Local entities provide HCBS services and may be required to provide data needed to achieve compliance. They will likely do so through the specific programs that they support, but there is the potentially a need for them to submit data in a specific format in support of this project's objectives.

Special Interest Groups
Special Interest groups are not likely to be directly involved in the Project planning work, but they may be interested in both the nature of the rule and the State's ability to achieve timely compliance.

1.5 Business Program

1. Business Program Name:

A. Health Care Delivery Systems (HCDS); B. Quality Health and Population Management (QPHM), C. Enterprise Data Information Management (EDIM); D. Health Care Financing (HCF); E. California Department of Aging's (CDA) Multipurpose Senior Services Program (MSSP) Waiver and the Community Based Adult Services (CBAS) Program; F. California Department of Developmental Services' (DDS) Self Determination Program (SDP) Waiver, the HCBS Waiver for Californians with Developmental Disabilities (HCBS-DD), and the HCBS-DD State Plan Option; G. California Department of Social Services (CDSS) In-Home Support Services (IHSS); H. California Department of Public Health (CDPH) Medi-Cal Waiver Program (MCWP).

2. Program Background and Context:

The Department of Health Care Services (DHCS) administers the Medi-Cal program, which provides essential health care services to approximately 15 million Californians. The Centers for Medicare & Medicaid Services (CMS) enacted the Ensuring Access to Medicaid Services Final Rule (CMS-2442-F).
The CMS Access Final Rule mandates separate reporting on self-directed and facility-based services. By July 9, 2027, DHCS must publish a Readiness Report on direct care worker compensation data collection, outlining the state's preparedness to annually report, starting July 9, 2028, the percentage of Medi-Cal HCBS payments allocated to direct care worker compensation, with a goal that HCBS providers reach 80% by July 9, 2030. Additionally, by July 9, 2027, DHCS must complete a comparative Payment Rate Analysis for Primary Care, Maternity, and Behavioral Health.

The Access Final Rule requires states that limit the size of their section 1915(c) waiver programs and maintain waitlists must annually describe how they manage these lists (how the list is prioritized, and individuals are enrolled). Maintaining and standardizing DHCS' programmatic data to track the wait times allows DHCS to monitor and ensure timely delivery of quality service.

The Ensuring Access to Medicaid Services Final Rule (CMS-2442-F) is codified under 42 CFR Part 431, 438, 441, and 447 and addresses access to Medicaid services across both fee-for-service (FFS) and managed care delivery systems. The rule aims to improve accountability, transparency, and member engagement by streamlining and standardizing data aggregation and monitoring. The rule also renames and expands the scope of requirements for advisory groups. At DHCS, Health Care Delivery Systems, Enterprise Data Information Management, Quality Population Health Management, Health Care Benefits Eligibility, and Health Care Financing oversee various areas to comprise the main provision areas impacted by the new Final Rules.
Health Care Delivery Systems (HCDS): This portfolio encompasses the Integrated Systems of Care Division (ISCD), Medi-Cal Quality & Monitoring Division (MCQMD), and Managed Care Operations Division. MCQMD focus on ensuring that Medi-Cal members receive comprehensive and coordinated care through managed care and other medical plans. MCOD oversees the contracts with managed care organizations (MCOs) which provide primary health medical services and ensures compliance with state and federal regulations. ISCD administers programs serving high risk Medi-Cal members requiring specialized services through counties, HCBS community-based organizations, and Program of All-Inclusive Care for the Elderly (PACE) organizations. HCDS is involved in ensuring that access to HCBS, primary care, maternity, certain behavioral health services are available, and waiver waitlists are monitored.

Quality Population Health Management (QPHM): This portfolio includes the Population Health Management Division (PHMD) and the Quality Health and Equity Division (QHED). QPHM is responsible for monitoring and improving the quality of care provided to Medi-Cal members. It develops and implements quality improvement initiatives, conducts performance evaluations, and works to address health disparities among Medi-Cal populations. QPHM monitors access to member services from a quality-of-care perspective.

Health Care Financing (HCF): This portfolio includes the Fee-For-Service Rates Development Division, Local Government Financing Division, and the Capitated Rates Development Division. HCF sets financing policy for the Medi-Cal program, including fee-for-service, managed care, dental, county- and school-based services, and safety net provider programs. It conducts financial and compliance reviews and audits of Medi-Cal and other DHCS programs to ensure payments to providers are valid, accurate, and in compliance with governing laws and regulations. For these rules HCF would be heavily involved in the rate analyses and publications.

The Enterprise Data and Information Management (EDIM) portfolio Data Analytics Division, Program Data Reporting Division. EDIM sets policy for the management, quality, and integration of data across the organization. EDIM's focus areas include data governance, data reporting, and data quality. EDIM enhances data-driven decision-making, supporting business intelligence to foster a culture of data excellence, which could be applied to meet the reporting requirements under the Final Rule.

This portfolio reflects the California Department of Health Care Services (DHCS) efforts to implement payment transparency and access waitlist improvements under the CMS Access Final Rule for Medi-Cal. DHCS focuses on publicly disclosing provider payment rates, reporting direct care worker compensation, and maintaining transparent rate-setting processes. DHCS also collaboratively works to monitor and report waitlist data, including wait times and service initiation delays, to enhance access, ensure accountability, and address disparities for Medi-Cal members.

These areas work collaboratively to ensure that Medi-Cal members have access to high-quality, affordable health care services.

External Departments' operations are also impacted by the new federal requirements. California Department of Aging's (CDA) current operations including the current administration of the Multipurpose Senior Services Program (MSSP) Waiver and the Community Based Adult Services (CBAS) Program. California Department of Developmental Services' (DDS) current operations including the administration of the Self Determination Program (SDP) Waiver, the HCBS Waiver for Californians with Developmental Disabilities (HCBS-DD), and the HCBS-DD State Plan Option. California Department of Social Services (CDSS)' operations including the administration of the In-Home Support Services (IHSS). California Department of Public Health (CDPH) operations including the Medi-Cal Waiver Program (MCWP). Notably these programs also have their own processes – what will be important for this effort is the ability to streamline the collection of payment and waitlist data for all into a centralized process for reporting.

DHCS as a state department does not have any current processes for receiving the required reports outside of a secure file portal, negating any synergistic opportunities to gather reports. This process does not enable data sharing to better coordinate participant care, nor does it allow for timely data collection, sorting and review to ensure state and federal requirements are met without impacts to staff time and resources at the local and state level.
Due to increased CMS scrutiny, federal regulators are reviewing statutory requirements and enforcing stricter interpretations of regulations related to payment transparency and waitlist access to meet Medi-Cal member needs.

3. How will this proposed project impact the product or services supported by the state entity?

Overall, the final rule implementation aims to achieve enhancement in the high-quality healthcare system for Medi-Cal members, addressing both immediate healthcare needs and broader social determinants of health. DHCS will achieve improved monitoring of program effectiveness, supporting public transparency and ensuring programs meet the needs of participants efficiently and effectively. Emphasis on Medi-Cal payment transparency and wait list and access reporting will be an integral part of this initiative. DHCS proposes to support the state entity(ies) in the following key areas**:**

1. **Enhanced Service Quality**: Improved payment transparency and waitlist access will elevate care for Medi-Cal members in non-managed care settings. This effort increases oversight of payment rates, ensuring they are equitable and competitive, and shortens waitlists to deliver timely, high-quality services.
2. **Addressing Social Needs**: Enhanced payment transparency and waitlist reporting strengthen DHCS's ability to address social determinants of health, improving outcomes. This approach ensures fair payment distribution to expand provider networks and reduces waitlists, cutting long-term costs by preventing health issues.

By prioritizing payment transparency and reporting wait list and access times, DHCS will ensure the timely delivery of high-quality services while maintaining compliance with federal regulations. Strengthening these areas will enhance the safety and quality of care for Medi-Cal members.

1.6 Project Justification

1. Strategic Business Alignment

Enterprise Architect

Title: IT Manager II

Name: Andrew Nunes

Strategic Plan Last Updated? 7/25/2024

Strategic Business Goal: Goal 1: Put people first and design programs and services for whole person care in the community.

Alignment: The goals of these final rules align as they are member-centric and are designed to deliver the best outcomes and services for members through improved payment transparency and waitlist/access reporting.

Strategic Business Goal: Goal 2: Increase meaningful access – Ensure individuals get care when, where, and how they need it by strengthening health care coverage, benefits, and provider and service capacity.

Alignment: The goals of these final rules align as they are member-centric and are designed to improve service through member waitlist/access reporting.

Strategic Business Goal: Goal 5: Strengthen operations – Enhance our organizational structures, policies, and processes to improve program administration.

Alignment: This effort aims to significantly boost operational efficiency and effectiveness by refining organizational frameworks, streamlining processes, and leveraging existing resources. These improvements will not only enhance the overall quality and reliability of program administration but also ensure a more seamless and efficient experience for all stakeholders.

Strategic Business Goal: Goal 6: Leverage data to improve outcomes.

Alignment: Through data, this effort aims to enhance decision-making processes, identify patterns and trends, and drive continuous improvement across all facets of operations. Leveraging robust data analytics and insights will lead to better-informed strategies, optimized resource allocation, and ultimately, improved outcomes for both individuals and the organization as a whole, using data to improve outcomes for our members.

Mandate(s): Federal

Code	Regulation	Effective Date
42 CFR 447.203(b)(1)	Payment rate transparency. The State agency is required to publish all Medicaid fee-for-service fee schedule payment rates on a website that is accessible to the general public.	July 1, 2026
42 CFR 447.203(b)(2) to (4)	The State agency is required to develop and publish a comparative payment rate analysis of Medicaid fee-for-service fee schedule payment rates for each of the categories of services in paragraphs (b)(2)(i) through (iii) of this section. If the rates vary, the State must separately identify the payment rates by population (pediatric and adult), provider type, and geographical location, as applicable. The State agency is further required to develop and publish a payment rate disclosure of the average hourly Medicaid fee-for-service fee schedule payment rates for each of the categories of services in paragraph (b)(2)(iv) of this section, as specified in paragraph (b)(3) of this section. If the rates vary, the State must separately identify the payment rates by population (pediatric and adult), provider type, geographical location, and whether the payment rate includes facility-related costs, as applicable. (i) Primary care services. (ii) Obstetrical and gynecological services. (iii) Outpatient mental health and substance use disorder services. (iv) Personal care, home health aide, homemaker, and habilitation services, as specified in § 440.180(b)(2) through (4) and (6), provided by individual providers and provider agencies.	July 1, 2026
42 CFR 441.311(e)	Mandates states to report annually on the percentage of Medicaid payments for homemaker, home health aide, personal care, and habilitation services that go to direct care worker compensation. Reporting begins four years after the rule's effective date.	July 9, 2028

42 CFR 441.313	Requires states to maintain a public website with HCBS payment rates and quality data, meeting accessibility standards (e.g., for people with disabilities). This applies to Section 1915(c), (i), (j), and (k) authorities.	July 9, 2027
42 CFR 441.302(k)(2)	HCBS payment adequacy. Assurance that payment rates are adequate to ensure a sufficient direct care workforce to meet the needs of beneficiaries and provide access to services in the amount, duration, and scope specified in beneficiaries' person-centered service plans.	July 9, 2028
42 CFR 441.311(d)(2)(i)	Requires states with enrollment caps on Section 1915(c) waivers to report annually on waitlist management, including the number of individuals on the waitlist, average wait times, and whether/how eligibility screening or re-screening occurs.	July 9, 2027
42 CFR 441.311(d)(1)	A description of how the State maintains the list of individuals who are waiting to enroll in the waiver program, if the State has a limit on the size of the waiver program, as described in § 441.303(f)(6), and maintains a list of individuals who are waiting to enroll in the waiver program.	July 9, 2027

2. Business Driver(s)

Financial Benefit: No

Increased Revenue: No

Cost Savings: No

Cost Avoidance: Yes

Cost Recovery: No

Will the state incur a financial penalty or sanction if this proposal is not implemented? Yes

If the answer to the above question is “Yes,” please explain:

If states fail to implement the federal regulations outlined in the Managed Care Final Rule and the Access Final Rule, they can face several consequences. These are generally outlined in

Title 42 CFR Part 430 (Medicaid Program) and Title 42 CFR Part 438 (Medicaid Managed Care) and include but are not limited to the following adverse consequences:

1. Sanctions, including the withholding of Federal Funds: States may face sanctions, including penalties or restrictions on their ability to participate in federal programs. CMS can withhold federal funds from states that do not comply with the regulations. CMS may even cancel existing waivers. This can impact the state's ability to fund Medicaid programs and services.

Relevant Regulations:

1. 42 CFR § 430.352. Reduced Federal Support: Non-compliance can lead to reduced federal support and assistance, making it more challenging for states to meet the needs of their Medicaid members.
2. 42 CFR § 438.70: Mandates the implementation of a quality rating system for Medicaid managed care plans. Non-compliance can result in corrective action plans and potential financial penalties.
3. 42 CFR § 438.66: Specifically addresses provider payment standards and the consequences of non-compliance, which can include financial penalties and corrective action requirements.

Improvement

Better Services to the People of California: Yes

Efficiencies to Program Operations: Yes

Improved Equity, Diversity, and/or Inclusivity: Yes

Improved Health and/or Human Safety: Yes

Improved Information Security: Yes

Improved Business Continuity: Yes

Improved Technology Recovery: No

Technology Refresh: No

Technology End of Life: No

1.7 Business Outcomes Desired

Executive Summary of the Business Problem or Opportunity:

Problem: The California Department of Health Care Services (DHCS) must comply with new federal rules under the CMS Access Final Rule (CMS-2442-F), requiring payment transparency and access waitlist reporting for Medi-Cal. Current processes fall short of these mandates, risking non-compliance and potential penalties impacting Medi-Cal funding for 15 million Californians.

Opportunity: DHCS can enhance payment transparency and waitlist reporting to improve access and care quality for Medi-Cal members, particularly in Home and Community-Based Services (HCBS). This presents an opportunity to:

1. **Improve Healthcare Delivery:** Increase visibility into payment rates and ensure competitive compensation for direct care workers, targeting 80% of HCBS payments by July 2030 per 42 CFR 441.302(k). This strengthens provider networks, enhancing access to high-quality, safe, and effective care across medical, dental, behavioral health, and long-term services.
2. **Ensure Timely Access and Reporting:** Track and report wait times and service initiation by July 2027, per 42 CFR 441.311(d). Timely waitlist data ensures members receive prompt care, reducing delays and improving health outcomes.
3. **Comprehensive Payment and Access Oversight:** Standardize payment and waitlist data collection by July 2026 and July 2027 (42 CFR 447.203(b) and 441.311(d)(2)(i)). This provides regulators with a clear view of funding allocation and access barriers, ensuring equitable resource distribution and minimizing service gaps.
4. **Enhance Transparency and Engagement:** Publish payment rates and readiness reports (e.g., by July 2027 for 441.311(e)). This empowers members with information and a voice in their care, boosting building trust and bolstering the State's transparency and accountability.
5. **Boost Compliance:** Meet federal deadlines (e.g., July 2028 for worker compensation reporting, 42 CFR 441.311(e)), safeguard Medi-Cal's federal funding, and maintain quality care for members. Compliance secures ongoing support for integrated healthcare services.

Focusing on these process improvements will help DHCS continue overseeing the delivery of excellent healthcare services while staying compliant with federal regulations.

Objective ID: 1

Objective: In accordance with the CMS Final Access rule, establish, monitor, and publish, annually, HCBS provider payment rates that are consistent with efficiency, economy, and quality of care.

Metric: Percentage of CMS Payment Transparency requirements for annual review and publication that are met by DHCS.

Baseline: 0% as this data is not currently published.

Target Result: Publication of all required HCBS provider payment rates, compliant with first mandatory reporting date.

Objective ID: 2

Objective: Inform the remediation of provider rates that support less than 80% payment allocation to direct patient services

Metric: Ability to analyze and understand provider payments cost elements

Baseline: 0% as DHCS does not have the specific information needed to conduct rate allocation analyses.

Target Result: In accordance with CMS established timelines (currently July 1, 2026) the State will demonstrate its compliant ability to report compliance with this provision.

Objective ID: 3

Objective: Effectively evaluate and document the availability and accessibility of Medicaid services through the analyses of waitlists and access timeliness.

Metric: Percentage of Medicaid services evaluated for availability and accessibility through analysis of waitlists and access timeliness.

Baseline: 0% as the current resources do not have the data elements needed.

Target Result: As required by Federal law, conduct comprehensive evaluations covering 100% of Medicaid services provided through HCBS provided through waivers not later than July 7, 2027.

TIP: Objectives should identify WHAT needs to be achieved or solved. Each objective should identify HOW the problem statement can be solved and must have a target result that is specific, measurable, attainable, realistic, and time-bound. Objective must cover the specific. Metric and Baseline must detail how the objective is measurable. Target Result needs to support the attainable, realistic, and time-bound requirements.

1.8 Project Management

1. Project Management Risk Score: 0.6

   Follow the instructions in Statewide Information Management Manual (SIMM) Section 45 Appendix B Project Management Risk Assessment Preparation Instructions.

   Attach a completed Statewide Information Management Manual (SIMM) Section 45 Appendix A Project Management Risk Assessment Template to the email submission.

2. Project Approval Lifecycle Completion and Project Execution Capacity Assessment

   Does the proposal development or project execution anticipate sharing resources (state staff, vendors, consultants, or financial) with other priorities within the Agency/state entity (projects, PALs, or programmatic/technology workload)?

   Answer: Yes

   Does the Agency/state entity anticipate this proposal will result in the creation of new business processes or changes to existing business processes?

   Answer (No, New, Existing, or Both)**:** Both New and Existing Processes

1.9 Initial Complexity Assessment

1. **Complexity Assessment (Business Score):** 2.4

   Follow the instructions in the Statewide Information Management Manual (SIMM) Section 45 Appendix D Complexity Assessment Instructions.

   Attach a completed Statewide Information Management Manual (SIMM) Section 45 Appendix C Complexity Assessment Template to the email submission.

NOTE: Business complexity is initially completed in PAL Stage 1. Technical complexity is initially completed in PAL Stage 2.

2. **Noncompliance Issues:** Indicate if your current operations include noncompliance issues and provide a narrative explaining how the business process is non-compliant.

   Programmatic regulations: Yes

   HIPAA/CIIS/FTI/PII/PCI: No

   Security: No

   ADA: No

   Other: No

   Not Applicable: No

   Noncompliance Description:

   The work effort is necessary to maintain federal compliance that is required for federal funding for California's Medicaid program (Medi-Cal).

3. **Additional Assessment Criteria**

   If there is an existing Privacy Threshold Assessment/Privacy Information Assessment, include it as an attachment to your email submission.

   How many locations and total users is the project anticipated to affect?

   Number of locations: Statewide

   Estimated Number of Transactions/Business Events (per cycle): TBD

   Approximate number of internal end-users: TBD

   Approximate number of external end-users: TBD

1.10 Funding

Planning

1. Does the Agency/state entity anticipate requesting additional resources through a budget action to ***complete planning*** through the project approval lifecycle framework? Yes

   If Yes, when will a budget action be submitted to your Agency/DOF for planning dollars?

   Spring Finance BCP for 2025-26 funds

2. Please provide the Funding Source(s) and dates funds for planning will be made available:

   DHCS is requesting funding, contracted services, and positions to implement the requirements of the Final Rules for Access and Managed Care. It is anticipated that DHCS will be able to draw down substantial amounts of federal funding for this effort in addition to the state general fund being requested. The funding shares would include up to 90 percent federal funding and 10 percent general fund toward the expenses of this project. The costs include any necessary

infrastructure modifications, and interfaces to work with contracted services. Additionally, DHCS requests ongoing funding and positions to maintain the program. General Fund = 25% / Federal Fund = 75%, FY 2025-26 through FY 2030-31 and ongoing.

Project Implementation Funding

Has the funding source(s) been identified for ***project implementation***? Yes

If known, please provide the Funding Source(s) and dates funds for implementation will be made available:

General Fund = 25% / Federal Fund = 75%, FY 2025-26 to FY 2030-31 and ongoing.

Will a budget action be submitted to your Agency/DOF? Yes

If "Yes" is selected, specify when this BCP will be submitted: TBD

1. Please provide a rough order of magnitude (ROM) estimate as to the total cost of the project: Between $10 Million and $50 Million

End of agency/state entity document.

Please ensure ADA compliance before submitting this document to CDT.

When ready, submit Stage 1 and all attachments in an email to ProjectOversight@state.ca.gov.

Department of Technology Use Only

Original “New Submission” Date: 05/21/2025.

Form Received Date: 05/21/2025.

Form Accepted Date: 05/21/2025.

Form Status: Complete.

Form Status Date: 05/21/2025.

Form Disposition: Approved.

If Other, specify: Click or tap here to enter text.

Form Disposition Date: 05/21/2025.

Department of Technology Project Number (0000-000): 4260-253