



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, Critical Incident Management
3. **Proposal Description:** (Provide a brief description of your proposal in 500 characters or less.)

On April 22, 2024, CMS released the Ensuring Access to Medicaid Services Final Rule (“Access 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 that allows DHCS to ensure critical incident reporting and management for Home and Community Based Services (HCBS).

DHCS proposes to enhance critical incident management processes and solutions to ensure compliance with the Access Final Rule. This initiative will streamline the reporting, investigation, and/or management of incidents across various HCBS programs. By improving these processes, DHCS aims to maintain compliance and provide timely, high-quality services to Californians.

4. **Proposed Project Execution Start Date:** January 1, 2026
5. **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: **New Submission**

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.)

[N/A](#)

Summary of Changes: (Summarize updates made.)

[N/A](#)

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

TIP: Copy and paste or click the + button in the lower right corner on any section to add additional Executive Champions, Business Owners, or Product Owners with their related Business Program Areas as needed

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 & Chief Data Officer

Name: Linette Scott

Business Program Area: Enterprise Data and Information Management

2. Business Owner

Please note, all are DHCS staff unless referenced otherwise

Title: Deputy Director

Name: Susan Philip

Business Program Area: Health Care Delivery Systems

Title: Deputy Director & Chief Quality and Medical Officer

Name: Palav Babaria

Business Program Area: Quality and Population Health Management

Title: 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: Assistant Deputy Director

Name: Joseph Billingsley

Business Program Area: Health Care Delivery Systems

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.

4. 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

5. 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 be 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 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. Audits and Investigations (A&I), 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:** Provide a brief overview of the entity's business program(s) current operations.

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 Ensuring Access to Medicaid Services Final Rule (CMS-2442-F) is codified to addresses access to Medicaid services. For Incident Management Systems, specifically, 42 CFR §§ 441.302(a)(6), 441.464(e), 441.570(e), 441.745(a)(1)(v), 441.745(b)(1)(i), 441.311(b)(1) and (2), 441.474(c), 441.580(i), and 441.745(a)(1)(vii)) aims to improve accountability, transparency, and member engagement by improving the reporting requirements and monitoring for critical incidents to improve member safety and the quality of services members receive.

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: 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. The waiver programs referenced as required for incident management is predominately overseen and monitored by the HCDS portfolio divisions and will use the information to monitor, analyze and report on incidents.

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 incidents from a quality-of-care perspective.

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. EDIM are the data stewards for incident reporting.

The Audits and Investigations (A&I) portfolio is committed to ensuring compliance with regulatory standard. This portfolio focuses on conducting compliance audits, investigating data integrity, assessing risks, detecting and investigating fraud, and enforcing policies. Audits and Investigations play a crucial role in comprehensive risk assessments and compliance. A&I is involved in the quality reviews and reviews that are related to the incident management process.

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). Specific impacts from the federal regulations include the electronic Statewide Critical Incident Management System (42 CFR §441.302(a)(6)).

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 and incident reports. This process does not enable data sharing amongst MSSPs and contracted Managed Care Plans (MCPs) 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 heightened scrutiny imposed by CMS, the federal regulators are reviewing statutory requirements and enforcing more stringent interpretations of the regulations relating to incident reporting and management to meet Medi-Cal member needs.

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

Overall, the incident management initiative seeks to enhance the high-quality healthcare system for Medi-Cal members, addressing both immediate healthcare needs and broader social determinants of health. DHCS will require that critical incidents at minimum must include: Verbal, physical, sexual, psychological, or emotional abuse; Neglect; Exploitation including financial exploitation; Misuse or unauthorized use of restrictive interventions or seclusion; A medication error resulting in a telephone call to, or a consultation with, a poison control center, an emergency department visit, an urgent care visit, a hospitalization, or death; or An unexplained or unanticipated death, including but not limited to a death caused by abuse or neglect. DHCS will maintain an electronic incident management process to identify report, triage, investigate, resolve, track, and trend critical incident. DHCS will require providers to report to the state, within state-established timeframes and procedures, any critical incident that occurs during the delivery of services or as a result of the failure to deliver services. Further, DHCS will use and to the extent possible incorporate other data sources (e.g., claims, Medicaid Fraud Control Unit, Child and Adult Protective Services, law enforcement) to the extent permissible under state law to identify critical incidents that are unreported by providers and occur during the delivery of services or as a result of the failure to deliver services. DHCS will separately investigate critical incidents if the investigative agency fails to report the resolution of an investigation within state-specified timeframes. And lastly, will establish a standardized annual reporting and set a 90% minimum performance level as to whether the following occur within DHCS-specified timeframes: Critical incident investigations are initiated; Critical incidents are investigated and resolved; and Corrective actions related to critical incidents are completed.

DHCS submits the proposed project would impact the services supported by DHCS in the following ways:

1. **Enhanced Service Quality:** Improve monitoring and interventions necessary for home and community-based care, focusing on critical incident management. This ensures members receive high-quality, safe, and effective services, with a robust process in place to handle and resolve incidents promptly.
2. **Addressing Social Needs:** Enhance standards to address social determinants of health within the context of critical incident management. This approach aims to improve health

outcomes and reduce long-term healthcare costs by preventing serious health issues through effective incident management.

By focusing on these areas, DHCS will ensure the delivery of timely, high-quality services while maintaining compliance with federal regulations. The emphasis on critical incident management will enhance the overall safety and quality of care for Medi-Cal members.

TIP: Copy and paste or click the + button in the lower right corner to add Business Programs, with background and context and impact descriptions as needed.

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 monitoring and outcomes through improved incident management processes.

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 incident report process is member centric and are designed to strengthen health care service delivery for the quality of services a member receives.

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

Alignment: This effort aims to significantly boost operational efficiency and effectiveness by refining organizational frameworks, streamlining processes. 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 involved.

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.

TIP: Copy and paste or click the + button in the lower right corner to add Strategic Business Goals and Alignments as needed.

Mandate(s): [Federal](#)

Bill Number/Code, if applicable:

Ensuring Access to Medicaid Services Final Rule (CMS-2442-F):

- [42 CFR Part 447](#): This part addresses the requirements for ensuring access to Medicaid services, including provisions for fee-for-service (FFS) and managed care delivery systems, as well as home- and community-based services (HCBS).

Add the Bill language that includes system-relevant requirements:

Access Final Rule ([42 CFR Part 431, 438, 441, and 447](#))

Code	Requirement	Date Required
42 CFR 441.302 -- State assurances.	Requires states to define critical incidents to include, at a minimum: • Verbal, physical, sexual, psychological, or emotional abuse; • Neglect; • Exploitation including financial exploitation; • Misuse or unauthorized use of restrictive interventions or seclusion; • A medication error resulting in a telephone call to, or a consultation with, a poison control center, an emergency department visit, an urgent care visit, a hospitalization, or death; or • An unexplained or unanticipated death, including but not limited to a death caused by abuse or neglect <u>Allows federal agency to deny and cancel waivers if there's a finding of non-compliance</u>	Beginning July 9, 2027
42 CFR 441.302(a)(6)(i)(B)	Requires states to operate and maintain an electronic incident management system to identify report, triage, investigate, resolve, track, and trend critical incidents	Beginning July 9, 2029
42 CFR 441.302(a)(6)(i)(C)	Requires providers to report to the state, within state-established timeframes and procedures, any critical incident that occurs during the delivery of services or as a result of the failure to deliver services	Beginning July 9, 2027
42 CFR 441.302(a)(6)(i)(D)	Requires states to use other data sources (e.g., claims, Medicaid Fraud Control Unit, Child and Adult Protective Services, law enforcement) to the extent permissible under state law to identify critical incidents that are unreported by providers and occur during the delivery of services or as a result of the failure to deliver service	Beginning July 9, 2027
42 CFR 441.302(a)(6)(i)(E)	Requires states to ensure there is information sharing about the status and resolution of investigations between the state and the entities responsible for investigating critical incidents if the state refers critical incidents to other entities for investigation	Beginning July 9, 2027

42 CFR 441.302(a)(6)(i)(F)	Requires states to separately investigate critical incidents if the investigative agency fails to report the resolution of an investigation within state-specified timeframe	Beginning July 9, 2027
42 CFR 441.302(a)(6)(i)(G)	Establishes standardized annual reporting requirements and sets a 90% minimum performance level for states related to whether the following occur within state-specified timeframes: • Critical incident investigations are initiated; • Critical incidents are investigated and resolved; and • Corrective actions related to critical incidents are completed	Beginning July 9, 2027
42 CFR 441.311(b)(1)(i)	Requires states to report on an incident management system assessment every 24 months (may be reduced to every 60 months for states that meet incident management system requirements)	Beginning July 9, 2029

TIP: Copy and paste or click the + button in the lower right corner to add Bill Numbers/Codes and relevant language as needed.

2. Business Driver(s)

Financial Benefit: No

Increased Revenue: No

Cost Savings: No

Cost Avoidance: No

Cost Recovery: No

Sanctions. 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. Most incident management must be implemented by July 9, 2027. While the actual incident management system is not specifically required until 2029, given the vastness of the program, DHCS does not believe it can reasonably become compliant as required in 2027 without a viable technology solution for the July 9, 2027 federal compliance deadlines. These are 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. This can impact the state's ability to fund Medicaid programs and services.
 - Relevant Regulation: 42 CFR § 430.35

2. 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. The CFR regulations allow for waiver cancellation or denial to occur if the Access final Rule requirements are not met timely.
 - Relevant regulation: 42 CFR 441.302

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 requiring regular reporting on critical incidents in healthcare programs. Currently, DHCS's processes do not fully meet these requirements, risking federal non-compliance and potential loss of Medi-Cal funding.

Opportunity: DHCS can improve its processes for handling and reporting critical incidents to improve the safety for Medi-Cal members and timeliness of necessary interventions to ensure safe and secure healthcare settings within the Medi-Cal system. This presents an opportunity to:

1. **Improve Healthcare Delivery:** Ensure timely and effective responses to incidents, enhancing the overall quality of care for Medi-Cal members. Ensure the ability to monitor, enforce, and report efforts to achieve 90% compliance with DHCS-established standards related to timely initiation, investigation and resolution of critical incidents for HCBS programs. CMS/DHCS aims to enhance the quality and safety of healthcare services by ensuring that critical incidents are promptly and effectively addressed. Medi-Cal members will receive more timely and effective interventions and monitoring, improving their overall health outcomes by mitigating their exposure to dangerous or harmful situations.

2. **Ensure Timely Incident Reporting:** Enforce state-established timeframes for reporting critical incidents. With timely incident reporting members are able to timely receive interventions necessary for a safe and healthy healthcare environment.
3. **Comprehensive Incident Identification and Data Management:** Utilize multiple data sources to identify unreported incidents. Develop uniform methods for collecting and analyzing incident data to support informed decision-making. With this, regulators have a much more comprehensive view to ensure member safety and mitigate the chances of underreporting for critical incidents. Comprehensive data sources ensures that no critical incident goes unreported, enhancing overall member safety.
4. **Effective Information Sharing:** Ensure collaboration with reporting and investigative entities and proper resolution tracking. This again improves member outcomes to ensure investigative entities work together to improve member safety and monitoring.
5. **Boost Compliance:** Meet federal requirements, safeguard Medi-Cal funding, and maintain the trust of stakeholders. Compliance with federal requirements ensures the continued availability of Medi-Cal funding, supporting the delivery of high-quality healthcare services for members.

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: Expand ability to monitor and electronically report on critical **HCBS** incidents to increase the potential to improve member safety and care.

Metric: Electronic Incident management and reporting in compliance with Federal Regulations

Baseline: Not applicable – no prior programmatic requirement

Target Result: Demonstrated ability to electronically collect and report upon incidents for all impacted HCBS programs across CalHHS not later than 9 July, 2029 unless otherwise modified by the Centers for Medicare and Medicaid Services

Objective ID: 2

Objective: Expand reporting of critical **HCBS** incidents to increase potential to improve safety and care.

Metric: Use of expanded sources that can inform HCBS incidents and subsequent actions.

Baseline: The State currently sources HCBS incidents for select provider instances from the California Department of Justice.

Target Result: Not later than 9 July 2027, capture and report incidents obtained through 2 or more sources above baseline.

TIP: Copy and paste or click the + button in the lower right corner to add Objectives as needed. Please number for reference.

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:

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):

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: **Choose Yes or 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?

TBD 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 2030-2031 and ongoing.

Project Implementation Funding

1. 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 2025-2026 to FY 2030-2031 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

2. 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: [Completed](#).

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): [4260-252](#).