

**DEPARTMENT OF HEALTH & HUMAN SERVICES**

Centers for Medicare & Medicaid Services  
1301 Young Street, Suite 900  
Dallas, Texas 75202



Medicaid and CHIP Operations Group

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May 26, 2020

Our Reference: CA Package 76- Two-Plan Approval Letter

Jacey Cooper, Chief Deputy Director and State Medicaid Director  
California Department of Health Care Services  
P.O. Box 997413, MS 0000  
Sacramento, CA 95899-7413

Dear Ms. Cooper:

The Centers for Medicare & Medicaid Services (CMS) has completed review of the MCO Medicaid-only amendments to your CA Package 76- Two-Plan Model. This approval is effective for the rating period of January 1, 2017 through June 30, 2017. The amendments were submitted to CMS on September 28, 2018 and include rates that are revised to include HQAF for the period of January 1, 2017 through June 30, 2017. The following contract amendments are approved:

**Two-Plan Commercial:**

**Contractor**

- Health Net Community Solutions Inc.
- Health Net Community Solutions Inc.
- Molina Healthcare of California Partner Plan, Inc.
- Anthem Blue Cross –Tri County
- Anthem Blue Cross – Central Valley

**Contract # Amendment**

03-76182 **CO38**  
12-89334 **CO19**  
06-55498 **CO32**  
10-87049 **CO20**  
03-76184 **CO36**

**Two-Plan Local Initiative:**

**Contractor**

- Alameda Alliance for Health
- Contra Costa Health Plan
- LA Care Health Plan
- Inland Empire Health Plan
- Health Plan of San Joaquin
- Kern Family Health Care
- Calviva Health
- Santa Clara Family Health Plan
- San Francisco Health Plan
- Anthem Blue Cross -Tulare

**Contract # Amendment**

04-35399 **CO36**  
04-36067 **CO33**  
04-36069 **CO32**  
04-35765 **CO32**  
04-35401 **CO34**  
03-76165 **CO34**  
10-87050 **CO19**  
04-35398 **CO35**  
04-35400 **CO33**  
04-36068 **CO31**

The following reviews were completed using the *2017 Medicaid Managed Care Rate Development Guide*, which provided the states with CMS' expectations and guidance on developing capitation rates in accordance with 42 Code of Federal Regulations (CFR) 438.4. The

capitation rates and the State's response to questions regarding the rate setting documentation were reviewed by the CMS Office of the Actuary (OACT):


- California's Two-Plan Model Capitation Rate Ranges Amendment for January 1, 2017 through June 30, 2017.
- California's Coordinated Care Initiative (CCI) program for Medi-Cal Only and Partial Dual-Eligibles for January 1, 2017 through June 30, 2017.
- California Affordable Care Act (ACA) Expansion population covered under the Two-Plan Model for January 1, 2017 through June 30, 2017.

CMS approval/validation pertains to the contract action(s) identified in this letter and does not apply to other contract actions currently under CMS review or not yet submitted to CMS. This approval letter confirms state compliance with provisions of the May 6, 2016 managed care final rule only to the extent that final rule provisions are specifically articulated in the contract action(s) identified in this letter.

This contract is subject to the managed care requirements in 42 Code of Federal Regulations (CFR) 438 Subpart A through K. It is CMS' expectation that any subsequent versions of this contract submitted for review will be reflective of benefits and services currently approved by CMS. Contract versions submitted for reviews that are not reflective of current benefits and services will not be approved.

We always appreciate your staff's assistance and we look forward to working with you again. If you have any questions, please contact Stephanie Sale at (214) 767-4419.

Sincerely,



Bill Brooks  
Director  
Division of Managed Care Operations

cc: Stephanie Sale, DMCO  
Rick Dawson, DMCO