

[emailed to 1115Waiver@dhcs.ca.gov]

February, 11 2024

Department of Health Care Services
Director's Office
Attn: Lindy Harrington and René Mollow
P.O. Box 997413, MS 0000
Sacramento, California 95899-7413

RE: Comments on CalAIM Section 1115 Continuous Coverage for Children Application

Dear René Mollow and Lindy Harrington,

We – the undersigned organizations– are pleased to see and enthusiastically support the [Medi-Cal's CalAIM 1115 waiver demonstration amendment request](#) to provide multi-year continuous Medi-Cal enrollment (MYCE) for young children. Medi-Cal is the primary source of health care coverage for children in California and almost three-fourths of Medi-Cal children are children of color. This proposed continuous coverage protection is a powerful health equity strategy: enrollees of color are more likely to face disruptions in their coverage and ensuring stable access to Medi-Cal coverage during the first years of life is paramount to promoting healthy childhood development and setting a child on a path to thrive. Our organizations urge DHCS to continue pressing forward on necessary steps to ensure timely implementation of MYCE as we await the state's determination of available General Fund resources.

We have the following comments on the proposed amendment to the California Advancing and Innovating Medi-Cal (CalAIM) Section 1115 demonstration related to continuous coverage for children.

1. **We strongly urge the Department to submit this waiver amendment request as soon as possible after the public comment period.** With this waiver amendment request, California will hopefully be joining other states - like Washington and Oregon - that have already successfully obtained federal approval for their continuous coverage protection policies for young children and are implementing them.
2. **The waiver amendment request should explicitly state that MYCE eliminates the need for annual renewal.** This waiver amendment request will advance the objective of making the Medi-Cal program work better for families by removing procedural hurdles that impact continued enrollment. While likely intended, it is worth explicitly clarifying in the waiver amendment request that the proposed continuous coverage protection eliminates annual renewal forms and determinations for children before the age of five. It does not just apply to changes in circumstances or interim periodic reviews, but also during annual renewal when almost all eligible children churn.
3. While we understand that this proposal amends an existing waiver demonstration, which is set to end in two years, **we expect DHCS will seek a new waiver or a continuing waiver beyond the two years so that it has a longer period of evaluation and opportunity to demonstrate its**

impact. Although MYCE will likely immediately reduce churn and gaps in coverage for children, as demonstrated during COVID-19 pandemic continuous coverage, it may take longer than two years to realize other impacts as defined in the waiver amendment: improved access to physical and behavioral health care and improved health outcomes for young children.

4. **For those in the process of completing their renewal forms when the policy goes into effect, their continuous coverage will take effect immediately and will not be subject to the upcoming redetermination deadline.** This clarification is aligned with the intent of the Department’s waiver amendment request but it is worth explicitly clarifying how these situations are handled at the start date.
5. **We recommend that the roll out of this policy include an outreach campaign to families** to let them know about this new protection available to their children, including who it applies to and who it does not and how that will impact their regular coverage and renewal process.

Ensuring timely implementation of MYCE is more important now than ever. California is conducting Medi-Cal redeterminations and children are once again facing gaps in coverage. Almost 250,000 children were dropped from Medi-Cal from June through November annual renewals. Most frustratingly, it is federally projected that [three-fourths of children](#) losing coverage during this “unwinding” period remain eligible. Disturbingly, this disenrollment ratio of those still eligible may be even higher in California. Despite the laudable increase in the automatic renewal rate (66%), [the percentage of Medi-Cal’s disenrollments due to procedural reasons remains persistently high \(81%\).](#)

In recent [focus groups](#), families expressed working hard to keep their insurance and how a loss in coverage is stressful even for a short period of time, resulting in delayed or forgone care and large out-of-pocket costs. Most focus group families found out their child lost coverage when they were seeking care, creating “nightmare” situations when at an emergency room or seeking life-sustaining medication. These are the realities families experience with losing Medi-Cal coverage.

We know the MYCE policy will have powerful impacts. During the federal COVID-19 public health emergency (PHE), stable access to Medi-Cal was guaranteed and the percentage of young Medi-Cal children who experienced a gap in coverage [dropped from 9% to 2%](#). On a broader scale, the *uninsured rate* (3.2%) during this time for all California children [dropped by 11%](#). Continuous coverage not only protected children from becoming uninsured — it reduced the uninsurance rate...during a pandemic!

We greatly appreciate the Department’s commitment to implementing this policy protection and to advancing this health equity strategy. Thank you for your time and consideration. We look forward to partnering in California's continued dedication to the health and prosperity of our youngest residents.

Sincerely,

Maternal and Child Health Access
The Children’s Partnership
Western Center on Law and Poverty
March of Dimes

First 5 Association of California
Children Now