DHCS
CALIFORNIA DEPARTMENT OF HEALTH CARE SERVICES

CALIFORNIA'S CALAIM 1115 RENEWAL: CONTINUING MEDI-CAL TRANSFORMATION

On May 11, the Department of Health Care Services (DHCS) submitted a five-year renewal request to continue the California Advancing and Innovating Medi-Cal (CalAIM) Section 1115 demonstration to the Centers for Medicare & Medicaid Services. The renewal continues the State's efforts to deliver more coordinated, person-centered, value-based care. It builds on the successes of CalAIM by continuing existing initiatives, introduces targeted new supports, and transitions certain services to longer-term Medi-Cal authorities. A renewal of the CalAIM 1915(b) waiver, which authorizes California's managed care delivery systems, will be submitted this summer.

Continuing Key Initiatives

- **Reentry services** for justice-involved individuals up to 90 days prior to release
- **Substance use disorder (SUD) treatment services** for members receiving short-term residential SUD treatment in facilities with more than 16 beds (institutions for mental diseases, or IMDs) in the Drug Medi-Cal Organized Delivery System (DMC-ODS)
- **County option to provide additional outpatient SUD services**
- **Contingency management** for evidence-based stimulant use disorder treatment
- **Culturally responsive treatment provided by Indian Health Care Providers**
- **Chiropractic services furnished by Tribal providers**
- **Global Payment Program** supporting designated public hospitals serving uninsured patients
- **Coverage for young adults under 26 formerly in foster care in another state**
- **Modification of the asset test for select federally defined disabled adults**
- **Medi-Cal "Matching Plan Policy" for dual eligible members** to align their Medicaid plan with their Medicare Advantage plan choice where possible
- **Authorization of County-Organized Health System and Single Plan models** in specified counties

Proposed New Initiatives

- **Employment Supports** to help eligible individuals meet the work and community engagement reporting requirements established under H.R. 1
- **BridgeCare Pilots** for local entities to provide targeted home and community-based services and caregiver supports so that low-income Medicare members with incomes above Medi-Cal limits can safely remain at home, saving federal and state dollars

Proposed Transitioning Initiatives

- **Recuperative Care** will transition to managed care In Lieu of Services authority, consistent with other Community Supports; care offered under Short-Term Post Hospitalization Housing will be incorporated into the updated Recuperative Care model
- **Community-Based Adult Services** for older adults and adults with disabilities will transition to 1915(i) State Plan authority

Waiver Renewal Timeline

July 2025	February 2026	May 2026	Summer 2026	Q4 2026	December 2026	January 2027
Release Concept Paper	Post Draft 1115 Application for Public Comment	Submit 1115 Application	Submit 1915(b) Renewal Request	Target 1115 and 1915(b) Waivers Approval Date	Current CalAIM Waivers Expire	New Waivers Launch ★