



CenCal Health Strategic Plan

2026 - 2030



“CenCal is a leader in fostering community partnerships and recognizing that through integration we are more successful in achieving quality outcomes for Medi-Cal members. The fierce need for this community engagement is more important than ever before and CenCal’s Strategic Plan Framework prioritizes this collaboration.”

— Michelle Baass
Director, California
Department of Health
Care Services



MESSAGE FROM OUR BOARD CHAIR



On behalf of the Board of Directors, I am proud to introduce the 2026-2030 CenCal Health Strategic Plan. We believe that our most significant resource lies in the partnerships we cultivate — both with our medical community and with our regional partners. Together, we proudly serve 1 in 4 residents in San Luis Obispo

County and 1 in 3 residents in Santa Barbara County through a model that is locally governed and directly accountable to the communities we serve. As I reflect on the positive impact of transformational initiatives over the past three years like California’s Advancing and Innovating Medi-Cal (CalAIM) and the launch of the new CenCal CareConnect program, I am heartened by the progress we have made and the priorities we are setting. As a nationally accredited health plan, we look forward to elevating quality for our members, supporting our provider partners during this dynamic time, integrating for better outcomes, and advancing affordable access for all. During the many years serving on the governing board, and in my role as President and CEO of Dignity Health’s Marian Regional Medical Center, Arroyo Grande Community Hospital and French Hospital Medical Center, I am grateful for the collaborative nature of our organization, the results we continue to achieve and the values we embrace. It is through partnerships that we succeed in the years to come.

A handwritten signature in blue ink that reads "Sue Andersen".

Sue Andersen
Chair, CenCal Health Board of Directors

MESSAGE FROM OUR CEO



I am pleased to share our 2026-2030 Strategic Plan. The healthcare landscape is profoundly shaped by the relationships we build at the local level — especially with those on the front lines, such as our primary care providers, hospitals, mental health professionals, community health workers, and community partners who witness firsthand the impacts of our collective work. Over the past three years,

CenCal Health has cultivated community partnerships like these through compassionate initiatives like Enhanced Care Management, Community Supports and CenCal CareConnect, our newest program for members eligible for both Medi-Cal and Medicare. As we look ahead, we face new challenges and opportunities. Our next strategic plan introduces priorities that have been thoughtfully considered through a broad and inclusive process with a wide array of stakeholders. These voices include board and community leaders, local providers, our own team members and the members we serve. Over the next five years, we will strengthen provider partnership, elevate quality for our communities, integrate care with our partners for better outcomes and advance affordable access for all on the Central Coast. Many thanks to our Board of Directors for their guidance, to the counties of Santa Barbara and San Luis Obispo who support a local health plan model accountable to the communities it serves, and to the many community physicians and healthcare providers whose steadfast commitment helps our members and communities thrive. We are accountable to you, here to serve, and stronger together.

A handwritten signature in blue ink that reads "Marina A. Owen".

Marina Owen
Chief Executive Officer

About CenCal Health

Founded as the Santa Barbara Regional Health Authority, CenCal Health was a pilot program developed by the local medical community and Board of Supervisors. Our health plan is written into state and federal statutes and is health plan and health equity accredited by the National Committee for Quality Assurance. Utilizing the County Organized Health System (COHS) model, CenCal Health is the exclusive health plan serving full-scope Medi-Cal beneficiaries in Santa Barbara and San Luis Obispo counties. We work in partnership with our contracted network, which consists of local primary and specialty providers, all hospitals in both counties, the Santa Barbara County Health Department, distinguished healthcare systems like Cottage Health System, Dignity Health, Adventist, and Sutter Sansum Clinic, and safety-net clinics like Federally Qualified Health Centers and Indian Health Centers. CenCal Health also partners with almost all local medical groups and individual physicians to provide high-quality medical services and benefits to 1 in 3 residents in Santa Barbara County and 1 in 4 in San Luis Obispo County. CenCal Health maintains strong relationships with our counties, elected officials and state and federal healthcare leaders.

We have been nationally recognized for our innovation, and our quality consistently ranks among the top of all health plans serving Medi-Cal members in California.

Our work results in the delivery of innovative community-based health care services, better medical outcomes, and cost savings. CenCal Health is a positive demonstration that a community-accountable, not-for-profit health plan can enhance the delivery of local, quality healthcare to the most vulnerable populations.



Our Mission

To improve the health and well-being of the communities we serve by providing access to high-quality health services, along with education and outreach, for our members.

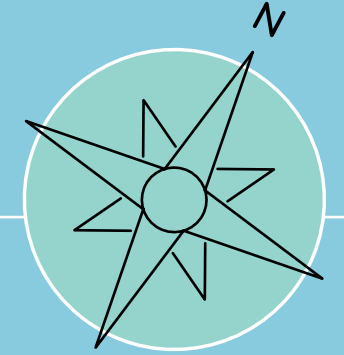
Our Vision



To be a trusted leader in advancing health equity so that our communities thrive and achieve optimal health together.



Our Values



Compassionate Service

Serving and advocating for all customers with excellence

- Serving and advocating with kindness, compassion, empathy and respect
- Understanding the unique needs of our members, providers, community partners and one another to provide excellent service

Improvement

Continually improving to ensure our growth, success and sustainability

- Continually examining our organization for creative and innovative solutions
- Prioritizing, coordinating and executing in pursuit of excellence

Integrity

Doing the right thing, even and especially when it is hard

- Diligently making, executing and standing behind shared decisions
- Committing to and accomplishing collective goals

Collaboration

Coming together to achieve exceptional results

- Valuing the interconnectedness of the diverse communities we are a part of and serve
- Empowering thoughtful, open, inclusive and data-based discussion
- Ensuring open, honest communication that recognizes everyone's unique contributions

Environmental Context

Strategic planning presents an important opportunity to listen to our partners and employees and reflect on our changed environment and its implication for the future so that CenCal Health can develop a thoughtful strategic path forward that best serves our members and community. An extensive planning process incorporated insights from community partners, state leaders, key stakeholders, CenCal Health staff and our direction and priorities.



Medicaid Policy Landscape

California's Medi-Cal program continues to operate within a highly dynamic policy and regulatory environment shaped by shifting federal and state priorities and expectations. Over the coming years, Medi-Cal will continue to evolve, as the program is transitioning from a period of rapid enrollment growth and flexibilities to one defined by fiscal pressures, declining enrollment and heightened oversight. These dynamics will necessitate a response to the needs of the most vulnerable members, support to address provider workforce and capacity constraints, and a focus on the resilience and adaptability of our workforce as programs shift at the state and federal levels.

Partnership and Integration

Deepening county partnerships and service integration across medical and behavioral health systems, social service providers and county agencies will be essential going forward to improve health outcomes, address cost and maintain quality. This is a time to rethink care delivery for our most complex populations, particularly in considering how CenCal Health's behavioral health system can focus on prevention. To address the most vulnerable and medically fragile, we will grow and optimize CenCal Care Connect, our Dual-Eligible Special Needs Plan (DSNP) with compassion, purpose, commitment and humility.

California's Advancing and Innovating Medi-Cal

As California prepares to seek federal approval for the next generation of Medi-Cal waivers in 2026, the state is explicitly articulating its intention to renew and sustain the California Advancing and Innovating Medi-Cal (CalAIM) framework rather than unwind its transformation efforts. Through stakeholder engagement and a concept paper outlining the vision for post-2026 waivers, the Department of Health Care Services (DHCS) is reinforcing its commitment to CalAIM's core principles — including person-centered, equitable care, whole-person and population health approaches, stronger care coordination across physical, behavioral, and social needs, and value-driven delivery system reform — as the foundation for continuing Medi-Cal transformation.

Quality and Accountability

CenCal Health remains committed to local quality healthcare with a clear focus to understand and reduce health disparities among Medi-Cal members. As a nationally accredited health plan, we will continue to pursue improvements in quality and customer experience outcomes while recognizing increased accountability for health plan performance. To meet higher standards, we must focus on process improvement. CenCal Health is an organization committed to fiscal stewardship and a culture of compliance and will continue to enhance our capabilities and organizational practices.





Strengthen Provider Partnerships

Given the Medicaid policy landscape, and the impacts of federal legislation (HR-1), CenCal Health will take a larger role in leveraging healthcare funding opportunities to support and stabilize the provider network on the Central Coast. This will take the form of community reinvestment, investments in provider workforce needs, and access to care improvements. Collaborating with county partners will also necessitate integrating services across justice, behavioral wellness and homeless systems of care to serve the most vulnerable. Specifically, CenCal Health will invest in behavioral health prevention, support improvements in local mild to moderate provider access, and pilot community-based models to enhance the behavioral health care continuum in partnership with county mental health plans.



OBJECTIVE 1

Leverage health care **funding opportunities** to support and stabilize providers



OBJECTIVE 2

Collaborate with Counties to integrate service across **justice, behavioral wellness and homeless systems**



OBJECTIVE 3

Integrate the behavioral health **care continuum** by leveraging community-based models



Federal Medicaid Policy

H.R. 1, signed into law on July 4th 2025, is projected to have significant financial impacts on healthcare providers, particularly those dependent on public insurance programs. By cutting and restructuring Medicaid funding – including reducing provider taxes that help states draw federal matching dollars and tightening eligibility – many providers face lower reimbursement rates and fewer insured patients, which in turn increases uncompensated care costs and impacts already thin operating margins, especially for rural hospitals, community clinics, and safety-net providers. These financial strains also extend to smaller practices and specialists who serve populations losing coverage. Providers may need additional support to avoid reducing services or staff, and in some cases leverage funding opportunities to aid healthcare facilities if revenue shortfalls persist.

OUR PRIORITIES



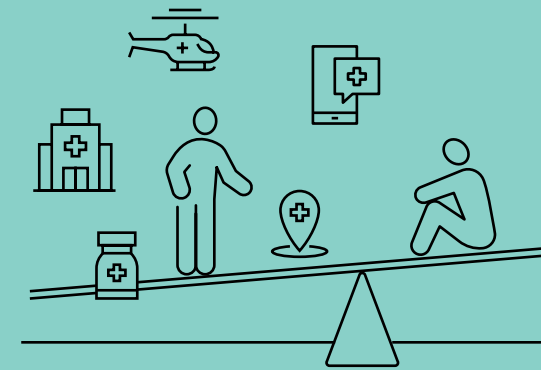
Elevate Quality for Our Communities

Over the next five years, CenCal Health will take steps to meet and exceed Medi-Cal quality requirements and expectations, including maintaining National Committee for Quality Assurance (NCQA) accreditation status, advancing the new Medi-Cal Population Health Management (PHM) requirements, and expanding quality strategies as a top-quality performer among Medi-Cal health plans. In addition to facilitating conversations on health equity in our communities, CenCal Health will also scale quality capabilities and strategies, advance the Quality Care Incentive Program (QCIP) for providers and increase prevention to improve pediatric healthcare measures. We will focus on supporting health for families, children and seniors. In addition to healthcare quality, customer experience is equally important. CenCal Health will focus on strategies to improve the experience members have of their healthcare on the Central Coast.



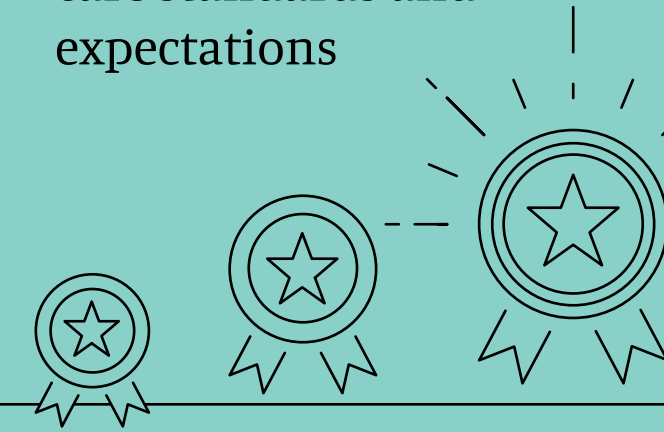
OBJECTIVE 1

Increase prevention to reduce **health disparities** in our populations



OBJECTIVE 2

Scale quality improvement system to exceed quality of care standards and expectations



OBJECTIVE 3

Exceed **customer experience** standards and expectations to promote equity



Member Experience

Member engagement focuses on building dynamic relationships, and empowering members to make choices that positively impact their health and quality of life. CenCal Health recognizes the cultural, economic and social diversity in our community and will seek to provide opportunities for two-way communication that informs organizational decision making in a manner that emphasizes the importance of members as active stakeholders. These positive connections, which place the customer as the central point of focus, will ultimately support a more informed and activated community.

OUR PRIORITIES



Integrate for Better Outcomes

To meet the evolving goals of Medi-Cal as a whole person care program with significant focus on quality and health equity for all, CenCal Health seeks to serve as a partner with health and social service organizations, facilitator of community integration and coordination, and leader in understanding and addressing the need for better outcomes. As a primary commitment, CenCal Health will embrace its role as a convener, facilitator, and humble partner with other health providers, social service leaders and government agencies to advance a coordinated approach, maintain a shared understanding of the Medi-Cal health care landscape, and ensure that local issues and interests are represented in statewide policy discussions. CenCal Health will act as a liaison, educator and advocate for Santa Barbara and San Luis Obispo County Medi-Cal enrollees and safety-net health priorities at the local and statewide levels. This will take a few forms, including strengthening programs to effectively address the social determinants of health, advance value-based payment to align incentives, improve outcomes and support provider sustainability and optimize CenCal CareConnect, our Dual-Eligible Special Needs Plan (DSNP) for the most vulnerable so that the Medi-Cal and Medicare benefits work together to support dually-eligible members in their healthcare journey.



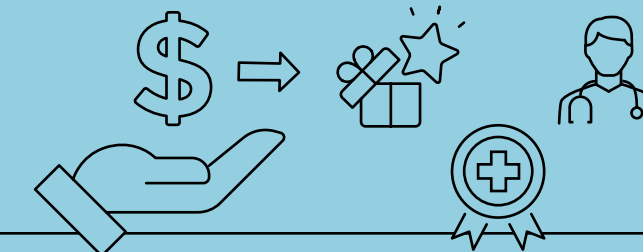
OBJECTIVE 1

Strengthen programs to effectively address **social determinants** of health



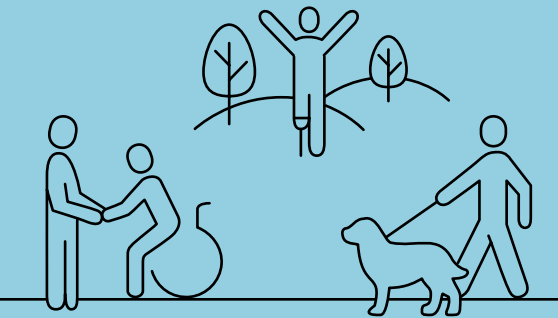
OBJECTIVE 2

Advance **value-based payments** to align incentives, improve quality and support provider sustainability



OBJECTIVE 3

Optimize Dual Special Needs Program to standardize best practices



Behavioral Health Integration

Local health plans play a critical role as system integrators and coordinators of care. Medi-Cal health plans are expected to strengthen partnerships with counties and behavioral health providers, align medical and behavioral health delivery, and ensure members experience seamless access to services across systems. This includes improving screening and referral pathways, sharing data and care plans, supporting whole-person care coordination for members with complex behavioral health needs, and aligning incentives to promote timely access and continuity of care. As administrative integration advances, CenCal Health will support a more streamlined and unified behavioral health system focused on prevention.

OUR PRIORITIES



Advance Affordable Access

Within rapid changes in our federal and state environment, CenCal Health will actively explore how we can develop affordable healthcare options for community members who may no longer be eligible for — or who cannot afford — available health insurance options. We will partner with local leaders focused on Medi-Cal policy to meet the evolving needs of our community and position CenCal Health as a strong and enduring partner in Santa Barbara and San Luis Obispo Counties. This includes closely evaluating the need, expectation and potential impact of providing additional coverage options in partnership with our counties, participating on the healthcare exchange in Covered CA, or offering a Medicare Advantage Plan. More immediately, CenCal Health will play a key role in local collaboration to educate members on eligibility changes, work requirements, and redetermination. Ensuring financial sustainability is a dual objective, with CenCal Health maintaining strong financial reserves and operations.



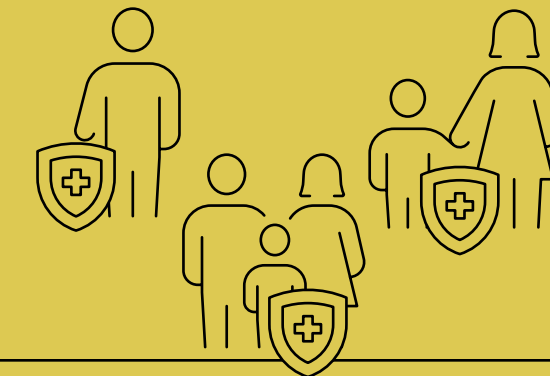
OBJECTIVE 1

Cultivate partnerships to facilitate **eligibility, access** and coverage solutions



OBJECTIVE 2

Develop **affordable coverage options** for community members



OBJECTIVE 3

Ensure **financial performance** in rapidly evolving environment

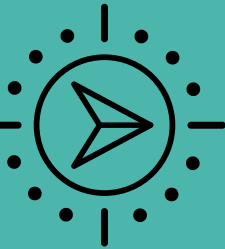


Local Advocacy

As a local health plan, CenCal Health seeks to advocate for what is best for our counties so that the voices of partners, stakeholders and members are heard on issues that are important in our communities. Through meaningful policy discussions at the local, state and federal levels and an enhanced government relations focus, CenCal Health will raise the diverse and important views of our communities so that they are genuinely considered when decisions are being made about their health and well-being. Partnering with supportive and inspiring local and state elected officials and healthcare experts will be a key strategy to support local advocacy.

Next Steps

CenCal Health will engage community partners, providers and stakeholders in next steps through meaningful dialogue and continued collaboration. Within the organization, CenCal Health is committed to advancing strategic priorities and objectives outlined in the five-year strategic plan and knows that it serves as a key framework going forward. National, state and local political landscapes may shift in the coming years as well and leadership at CenCal Health will remain adaptive. On a quarterly basis, CenCal Health will consider the objectives, strategies and tactics being pursued in addition to the meaningful feedback we seek to obtain from our community with an annual CenCal Health Board Retreat to guide the organization's strategy. CenCal Health will keep our Board of Directors apprised on both measures of success and progress.



Employer of Choice

CenCal Health remains committed to organizing for impact and effectiveness within the health plan, emphasizing a low administrative overhead and community-focused approach. In addition to championing organizational agility during this dynamic time, CenCal Health leaders will foster employee growth and wellness to cultivate a resilient, high-performing workforce. To further advance the health plan's operations, the health plan will focus on optimizing technology and analytics to sustain a high-performing operation. CenCal Health remains committed to being an employer of choice and a best place to work.