

October 20, 2023

*THIS LETTER SENT VIA EMAIL*

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**CALIFORNIA ADVANCING AND INNOVATING MEDI-CAL (CALAIM) SECTION 1115  
DEMONSTRATION AMENDMENT REQUEST FOR TRANSITIONAL RENT  
SERVICES**

Dear Ms. Rashid:

I am pleased to submit the enclosed request to amend the California Advancing and Innovating Medi-Cal Section 1115 demonstration (Project No.: 11-W-00193/9) to authorize transitional rent services as a new Community Support for qualifying individuals in the Medi-Cal Managed Care (MCMC) delivery system. California's amendment request aligns with the Centers for Medicare and Medicaid Services' (CMS') [guidance](#) related to demonstrations that authorize health-related social needs (HRSN) services and supports.

California's Community Supports include a range of housing-related services today, including housing transition navigation services, housing deposits, and housing tenancy and sustaining services. These services help individuals find and retain housing and are essential to the treatment and recovery of individuals who are homeless or at risk of homelessness. To further improve the well-being and health outcomes of Medi-Cal members during critical transitions or who meet high-risk criteria, DHCS is seeking an amendment to the CalAIM Section 1115 demonstration to provide up to six months of transitional rent services to eligible individuals who are homeless or at risk of homelessness and transitioning out of institutional levels of care, congregate residential settings, correctional facilities, the child welfare system, recuperative care facilities, short-term post-hospitalization housing, transitional housing, homeless shelters or interim housing, as well as those who meet the criteria for unsheltered homelessness or for a Full Service Partnership (FSP) program. These individuals have historically experienced disparities in healthcare access and health



Ms. Mehreen Rashid

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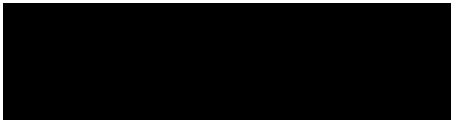
October 20, 2023

outcomes, often resulting in higher rates of hospital readmissions and emergency department visits.

To ensure a “no wrong door” approach to accessing key housing services for high need enrollees who are homeless or at risk of homelessness and experiencing transitions as well as those who meet the criteria for unsheltered homelessness or for a FSP program, DHCS is also separately requesting authority to provide transitional rent services for qualifying individuals enrolled in California’s behavioral health delivery systems through the proposed California Behavioral Health Community-Based Organized Networks of Equitable Care and Treatment (BH-CONNECT) demonstration.

DHCS looks forward to working with CMS to advance this request and further strengthen CalAIM’s goal of transforming the Medi-Cal program so that Californians get the care they need to live healthier lives, including by addressing health-related social needs. For any questions, please contact Ms. Susan Philip, Deputy Director of Health Care Delivery Systems, by phone at (916) 324-5870 or by email at [Susan.Philip@dhcs.ca.gov](mailto:Susan.Philip@dhcs.ca.gov).

Sincerely,



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**State of California  
Department of Health Care Services**

**Medicaid Section 1115 Demonstration  
Amendment Request**

**California Advancing & Innovating in Medi-  
Cal (CalAIM) Transitional Rent Services  
Amendment**

**October 2023**

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## Introduction

The California Department of Health Care Services (DHCS) is seeking an amendment to the California Advancing and Innovating Medi-Cal (CalAIM) Section 1115 demonstration to authorize transitional rent services as a new Community Support for qualifying individuals in the Medi-Cal Managed Care (MCMC) delivery system.

Through the CalAIM Section 1115 demonstration and Section 1915(b) waiver approvals in December 2021, California received authority to implement a range of new population health and whole-person care initiatives and transitioned authority for California's managed care delivery systems — MCMC, Dental Managed Care, Specialty Mental Health Services (SMHS), and Drug Medi-Cal Organized Delivery System (DMC-ODS) — from the State's longstanding Section 1115 demonstration to authority under the CalAIM 1915(b) waiver. The approvals included authority to implement a menu of 14 "Community Supports," which are services that can be covered by managed care plans and offered by local community-based providers as appropriate, cost-effective alternatives to traditional medical services or settings. Twelve of the Community Supports are approved under managed care regulatory authority as "in lieu of services," effectuated through the Section 1915(b) waiver. The remaining two Community Supports are approved under Section 1115 demonstration authority.

California's Community Supports include a range of housing-related services, including housing transition navigation services, housing deposits, and housing tenancy and sustaining services. These services help individuals find and retain housing and are essential to the treatment and recovery of individuals who are homeless or at risk of homelessness. Through the CalAIM Section 1115 demonstration, California also offers short-term post-hospitalization housing and recuperative care services as Community Supports to provide cost-effective and medically appropriate alternatives to hospitalization or institutionalization for individuals who otherwise would not have a safe or stable place to receive treatment.

To further improve the well-being and health outcomes of Medi-Cal members during critical transitions or who meet high-risk criteria, DHCS is seeking an amendment to the CalAIM Section 1115 demonstration to provide up to six months of transitional rent services to eligible individuals who are homeless or at risk of homelessness and transitioning out of institutional levels of care, congregate residential settings, correctional facilities, the child welfare system, recuperative care facilities, short-term post-hospitalization housing, transitional housing, homeless shelters or interim housing, as well as those who meet the criteria for unsheltered homelessness or for a Full Service Partnership (FSP) program. These individuals have historically experienced disparities in healthcare access and health outcomes, often resulting in higher rates of hospital readmissions and emergency department (ED) visits. A recent California-wide study showed high rates of acute and emergent health service utilization for individuals experiencing homelessness: in the prior six months, 38 percent of participants in the statewide study reported an ED visit that didn't result in a hospitalization. In comparison, approximately 22 percent of Americans aged 18 and older had visited the ED at least

once in the *prior year*.<sup>1</sup> On average the life expectancy of people experiencing homelessness is 42 to 52 years of age.<sup>2</sup> To ensure a “no wrong door” approach to accessing key housing services for high need enrollees who are homeless or at risk of homelessness and experiencing transitions as well as those who meet the criteria for unsheltered homelessness or for a FSP program, DHCS is requesting authority to provide transitional rent services for qualifying individuals enrolled in the SMHS, DMC, and DMC-ODS delivery systems through the California Behavioral Health Community-Based Organized Networks of Equitable Care and Treatment (BH-CONNECT) demonstration.

## Section I. Program Description

### Background

California has taken bold steps to address the State’s growing homelessness crisis and severe housing shortage through a series of legislative and budgetary actions, among others, to promote housing affordability and stability.<sup>3</sup> Building on these efforts and in recognition of housing as a key social driver of health, California received authority in December 2021 to implement three Community Supports that aim to help Medi-Cal members at risk of, or currently experiencing, homelessness to obtain housing and maintain tenancy.<sup>4</sup> Housing transition navigation services assist Medi-Cal members with securing housing, including identifying members’ housing needs and barriers to successful tenancy and with completing housing applications. Housing deposits support members with establishing residence, such as funding security deposits and utility set-up fees, pest eradication, and air conditioners. Housing tenancy and sustaining services provide members with services that aim to maintain safe and stable tenancy, which includes services such as coaching on maintaining key relationships with landlords, linking to community resources to prevent eviction, and health and safety visits. Through the CalAIM Section 1115 demonstration, California also implements short-term post-hospitalization housing and recuperative care services as Community Supports to provide cost-effective and medically appropriate alternatives to hospitalization or

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<sup>1</sup> Kushel, M., Moore, T., Birkmeyer, J., Dhatt, Z., Duke, M., Knight, K. R., Ponder, K. Y., *Toward a New Understanding: The California Statewide Study of People Experiencing Homelessness*. (2023, June). Benioff Homelessness and Housing Initiative, University of California San Francisco.

[https://homelessness.ucsf.edu/sites/default/files/2023-06/CASPEH\\_Report\\_62023.pdf](https://homelessness.ucsf.edu/sites/default/files/2023-06/CASPEH_Report_62023.pdf)

<sup>2</sup> Brown, R. T., Evans, J. L., Valle, K., Guzman, D., Chen, Y., & Kushel, M. B. (2022, August). *Factors Associated with Mortality Among Homeless Older Adults in California: The HOPE HOME Study*. JAMA Internal Medicine, 182(10),1052-2060. <https://jamanetwork.com/journals/jamainternalmedicine/article-abstract/2795475>

<sup>3</sup> California Department of Housing & Community Development. (2022, March). *A Home for Every Californian: 2022 Statewide Housing Plan*. JAMA Internal Medicine. <https://storymaps.arcgis.com/stories/94729ab1648d43b1811c1698a748c136>

<sup>4</sup> Department of Health Care Services. (2023, January). Medi-Cal Community Supports, or In Lieu of Services (ILOS), Policy Guide. <https://www.dhcs.ca.gov/Documents/MCQMD/DHCS-Community-Supports-Policy-Guide.pdf>

institutionalization for individuals who are homeless or at risk of homelessness and who otherwise would not have a safe or stable place to receive treatment.

DHCS seeks to expand on these efforts to ensure eligible individuals enrolled in Medi-Cal have access to a safe and stable home following critical transitions, as well as those who meet the criteria for unsheltered homelessness or for a FSP program. Evidence shows that access to stable housing leads to positive health outcomes, including improved mental health, better management of chronic diseases, and healthy emotional and behavioral development among young children.<sup>5,6</sup> In particular, individuals transitioning out of institutional care and congregate settings, correctional facilities, the child welfare system, or temporary/interim/transitional housing are at higher risk of homelessness and adverse health outcomes compared to the general population. For example, formerly incarcerated individuals are 7 to 13 times more likely to experience homelessness compared to the general population.<sup>7</sup> Youth aging out of foster care are also at high risk of experiencing homelessness—one study found that 31 to 46 percent of individuals transitioning out of foster care had been homeless at least once by age 26.<sup>8</sup> One study found that among individuals exiting homeless shelters, approximately 20 percent of individuals remained homeless.<sup>9</sup> These groups are also likely to experience worse health outcomes compared to the general population. Individuals reentering their communities after being incarcerated are likely to have higher rates of infectious and chronic diseases, serious mental illness, and substance use disorders.<sup>10</sup> Studies have also shown that mortality rates due to homicide, suicide, and overdose are higher among formerly incarcerated individuals shortly after release from carceral settings.<sup>8,11</sup> Youth exiting the foster care system are more likely to report poor or fair health, have health conditions or disabilities that limit their daily living activities, reduced

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<sup>5</sup> Maqbool, N., Viveiros, J., & Ault, M. (2015, April). *The Impacts of Affordable Housing on Health: A Research Summary*. Center for Housing Policy. <https://nhc.org/wp-content/uploads/2017/03/The-Impacts-of-Affordable-Housing-on-Health-A-Research-Summary.pdf>

<sup>6</sup> Schupmann, W. (2017, October). *How Housing Quality Affects Child Mental Health*. Housing Matters. <https://housingmatters.urban.org/articles/how-housing-quality-affects-child-mental-health>

<sup>7</sup> Peiffer, E. (September 2020). *Five Charts That Explain the Homelessness-Jail Cycle—and How to Break It*. Urban Institute. <https://www.urban.org/features/five-charts-explain-homelessness-jail-cycle-and-how-break-it>

<sup>8</sup> Dworsky, A., Napolitano, L., & Courtney, M. (2013). *Homelessness during the transition from foster care to adulthood*. American Journal of Public Health, 103 Suppl 2(Suppl 2), S318–S323. <https://doi.org/10.2105/AJPH.2013.301455>

<sup>9</sup> Caton, C., Dominguez, B., Schanzer, B., Hasin, D., Shrout, P., Felix, A., McQuiston, H., Opler, L., & Hsu, E. (2005). *Risk Factors for Long-Term Homelessness: Findings From a Longitudinal Study of First-Time Homeless Single Adults*. American Journal of Public Health, 95, 1753-1759. <https://doi.org/10.2105/AJPH.2005.063321>

<sup>10</sup> Office Assistant Secretary for Planning and Evaluation. (2023, January). *Health Care Transitions for Individuals Returning to the Community from a Public Institution: Promising Practices Identified by the Medicaid Reentry Stakeholder Group*. <https://aspe.hhs.gov/sites/default/files/documents/d48e8a9fdd499029542f0a30aa78bfd1/health-care-reentry-transitions.pdf>

<sup>11</sup> Lim, S., Seligson, A. L., Parvez, F. M., Luther, C. W., Mavinkurve, M. P., Binswanger, I. A., & Kerker, B. D. (2012). *Risks of drug-related death, suicide, and homicide during the immediate post-release period among people released from New York City jails, 2001-2005*. American Journal of Epidemiology, 175(6), 519–526. <https://doi.org/10.1093/aje/kwr327>



access to care, and increased prevalence of mental health and substance use disorders.<sup>12</sup>

By providing transitional rent services to these populations, the State seeks to improve physical and behavioral health outcomes, promote preventive care, and reduce the utilization of and costs associated with potentially avoidable, high acuity health care.<sup>13,14</sup> The request for transitional rent services will help to ensure that Medi-Cal members currently experiencing homelessness or at risk of homelessness have access to the care they need in a supportive and safe community.

## Summary of Current Demonstration

On December 29, 2021, CMS approved the CalAIM demonstration. This five-year demonstration authorized the renewal of components of the State's prior Medi-Cal 2020 Section 1115 demonstration, in addition to new authorities, to continue advancing the State's goal of improving health outcomes and reducing health disparities for Medicaid and other low-income populations in the State. Building on the successes of the Medi-Cal 2020 demonstration, California has moved to implement whole person care strategies statewide through the State's CalAIM 1915(b) managed care delivery system (with some aspects authorized through Section 1115 demonstration authority) and moved other aspects of the Medi-Cal 2020 demonstration into the Medi-Cal State Plan. The CalAIM Section 1115 demonstration initiatives include:

- Renewing the Global Payment Program (GPP) to streamline funding sources for care for California's remaining uninsured population with a renewed focus on addressing social needs and responding to the impacts of systemic racism and inequities on the uninsured populations served by California's public hospitals.
- Authorizing Community Supports services for recuperative care and short-term post-hospitalization housing.
- Authorizing the Providing Access and Transforming Health (PATH) Supports expenditure authority to (1) sustain, transition, and expand the successful Whole Person Care (WPC) Pilot and Health Home Program (HHP) services initially authorized under the Medi-Cal 2020 demonstration as they transition to become Enhanced Care Management (ECM) and Community Supports and (2) sustain justice-involved pre-release and post-release services provided through existing WPC pilots and support Medi-Cal pre-release application planning and IT investments.

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<sup>12</sup> Courtney, M. E., Dworsky, A. L., Cusick, G. R., Havlicek, J., Perez, A., & Keller, T. E. (2007). *Midwest evaluation of the adult functioning of former foster youth: Outcomes at age 21*.

[https://pdxscholar.library.pdx.edu/cgi/viewcontent.cgi?article=1059&context=socwork\\_fac](https://pdxscholar.library.pdx.edu/cgi/viewcontent.cgi?article=1059&context=socwork_fac)

<sup>13</sup> U.S. Department of Housing and Urban Development. (2014, May). *Housing for Youth Aging Out of Foster Care*. [https://www.huduser.gov/portal/publications/pdf/youth\\_hsg\\_main\\_report.pdf](https://www.huduser.gov/portal/publications/pdf/youth_hsg_main_report.pdf)

<sup>14</sup> U.S. Department of Housing and Urban Development Office of Policy Development and Research. (2022, April). *Why Housing Matters for Successful Reentry and Public Safety*. <https://www.huduser.gov/portal/pdredge/pdr-edge-frm-asst-sec-041922.html>

- Continuing short-term residential treatment services to eligible individuals with a substance use disorder (SUD) in the Drug Medi-Cal Organized Delivery System (DMC-ODS).
- Authorizing Contingency Management as a DMC-ODS benefit, to offer Medi-Cal members this evidence-based, cost-effective treatment for SUD that combines motivational incentives with behavioral health treatments.

On June 29, 2022, CMS approved an amendment to the CalAIM 1115 demonstration to permit the state to increase and eventually eliminate asset limits for certain low-income individuals whose eligibility is not determined using the modified adjusted gross income (MAGI)-based financial methods.

On January 29, 2023, CMS approved an amendment to the CalAIM 1115 demonstration to permit the state to provide in-reach services to justice-involved populations for up to 90-day prior to release, leverage federal funding of Designated State Health Programs (DSHPs) to support the non-federal share funding for the PATH program, and update California's budget neutrality methodology consistent with CMS' budget neutrality framework for services to address Health-Related Social Needs (HRSN).

On August 23, 2023, CMS approved an amendment to the CalAIM 1115 demonstration to implement county-based model changes in its Medi-Cal Managed Care program. This amendment aligns with related changes approved in the CalAIM Section 1915(b) waiver.

California also has requested authority to offer traditional healer and natural helper services in Medi-Cal; this request is still pending with CMS.

## Demonstration Amendment Goals

DHCS seeks to improve the well-being and health outcomes of Medi-Cal members who are homeless or at risk of homelessness during critical transitions from institutional levels of care, congregate residential settings, correctional facilities, the child welfare system, recuperative care facilities, short-term post-hospitalization housing, transitional housing, homeless shelters or interim housing, as well as those who meet the criteria for unsheltered homelessness or for a FSP program. California's goals for the demonstration amendment align with CMS' [guidance](#) related to demonstrations that authorize HRSN services and the existing goals for Community Supports authorized under the CalAIM Section 1115 demonstration, including the following for Medi-Cal members:

- Addressing unmet housing needs;
- Reducing long-term homelessness;
- Increasing utilization of preventive and routine care;
- Reducing utilization of and costs associated with potentially avoidable, high acuity health care services; and
- Improving physical and behavioral health outcomes.

## Proposed Demonstration Amendment

DHCS is seeking to cover rent for up to six months for eligible high-need Medi-Cal members. The CalAIM amendment would authorize these transitional rent services as a new Community Support for qualifying individuals in the MCMC delivery system. The California BH-CONNECT demonstration would cover these transitional rent services for individuals in the SMHS, DMC, and DMC-ODS delivery systems; DHCS will establish processes to avoid duplication of transitional rent services across delivery systems. Together, these authorities would ensure a “no wrong door” approach to access for key housing services for high need enrollees who are homeless or at risk of homelessness and experiencing critical transitions, as well as those who meet the criteria for unsheltered homelessness or for a FSP program. Transitional rent services will be closely coordinated across delivery systems, with other housing-related supports offered as Medi-Cal Community Support services, and with other non-Medi-Cal funded housing services.

DHCS is seeking expenditure authority up to an aggregate cap of \$764,860,000 over the final two years of the CalAIM demonstration period (January 1, 2025 – December 31, 2026) to cover transitional rent services in the MCMC delivery system. Coverage of transitional rent services is an integral piece of the state’s strategy to promote community integration, treatment, and recovery for individuals who are homeless or at risk of homelessness and experiencing critical transitions.

### *Scope of Services*

Transitional rent services will be available for a period of no more than six months; must be cost-effective; and will be provided only if it is determined to be medically appropriate using clinical and other HRSN criteria. Transitional rent services will be voluntary for the Medi-Cal managed care plans to offer and for Medi-Cal members to use.

### *Eligibility Criteria*

Within MCMC plans that offer the services, Medi-Cal enrollees will be eligible for transitional rent services if they:

- Meet HUD’s current definition of homelessness or at risk of homelessness as codified at 24 CFR 91.5, with two modifications:
  - If exiting an institution or a state prison, county jail, or youth correctional facility, individuals are considered homeless if they were homeless immediately prior to entering that institutional or carceral stay or become homeless during that stay, regardless of the length of the institutionalization or incarceration; and
  - The timeframe for an individual or family who will imminently lose housing is extended from fourteen (14) days for individuals considered homeless and 21 days for individuals considered at-risk of homelessness under the current HUD definition to thirty (30) days; **AND**
- Meet one or more of the following criteria:

- Are transitioning out of an institutional care or congregate residential setting, including but not limited to an inpatient hospital stay, an inpatient or residential substance use disorder treatment or recovery facility, an inpatient or residential mental health treatment facility, or nursing facility;
- Are transitioning out of a state prison, county jail, or youth correctional facility;
- Are transitioning out of the child welfare system;
- Are transitioning out of recuperative care facilities or short-term post-hospitalization housing;
- Are transitioning out of transitional housing or rapid re-housing;
- Are transitioning out of a homeless shelter/interim housing, including domestic violence shelters or domestic violence housing;
- Meet the criteria of unsheltered homelessness as described at 24 CFR part 91.5<sup>15</sup>; or
- Meet eligibility criteria for a Full Service Partnership (FSP) program.<sup>16</sup>

## **Sections II–V. Demonstration Eligibility, Delivery System, Benefits, and Cost Sharing**

The proposed demonstration amendment would not modify the parameters for Medi-Cal eligibility, care delivery systems, or cost-sharing. The amendment would add transitional rent services as an optional benefit for MCMC plans to offer and for eligible MCMC members to take up.

### **Medi-Cal Eligibility**

The State is not proposing any changes to Medi-Cal eligibility requirements.

### **Medi-Cal Delivery System**

The State is not proposing any changes to the delivery systems employed in Medi-Cal.

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<sup>15</sup> Defined as, “An individual or family with a primary nighttime residence that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings, including a car, park, abandoned building, bus or train station, airport, or camping ground.”

<sup>16</sup> FSP is a comprehensive and intensive mental health program for individuals with persistent mental illness that have demonstrated a need for an intensive FSP program, including individuals who are experiencing or at risk of homelessness, those who are justice-involved, and high-utilizers of emergency or high-acuity mental health services. An estimated 71,000 individuals are currently enrolled in FSP programs (.5% of the Medi-Cal population).

## Medi-Cal Covered Benefits

The State is proposing to add up to six months of transitional rent services as an optional benefit for MCMC plans to offer and for Medi-Cal members to take up if they meet the eligibility criteria.

## Medi-Cal Cost-Sharing

The State is not proposing any changes to cost-sharing under the Medi-Cal program.

## Section VI. Implementation of Demonstration Amendment

Transitional rent services will be delivered consistent with CMS' requirements for HRSN services, the Medi-Cal managed care contract, and DHCS guidance applicable to all Community Supports. In line with these requirements, transitional rent services in MCMC will be administered in a manner that is: (1) cost effective and medically appropriate; (2) voluntary for the Medi-Cal managed care plans to offer and the Medi-Cal member to use; and (3) offered exclusively through managed care plans.

Transitional rent services will be closely coordinated across delivery systems, with other housing-related supports offered as Medi-Cal Community Support services, and with other non-Medi-Cal funded housing services. In addition, the State will have partnerships with other state and local entities (e.g., HUD Continuum of Care Program, local housing authorities, SNAP state agency) to assist Medi-Cal members in obtaining non-Medicaid funded housing and/or nutrition supports.

## Section VII. Demonstration Amendment Financing and Budget Neutrality

DHCS requests expenditure authority up to an aggregate cap of \$764,860,000 (total computable) over the final two years of the CalAIM demonstration period (January 1, 2025 – December 31, 2026). Consistent with CMS' budget neutrality framework for HRSN services and the approved budget neutrality approach for recuperative care and short-term post hospitalization housing, California is seeking capped hypothetical budget neutrality treatment for the transitional rent services. Through the CalAIM Section 1115 amendment request, the State is not proposing any changes to Medicaid eligibility requirements. As such, the amendment is not expected to affect enrollment trends, which will continue to be determined largely by demographic changes and economic conditions. The State anticipates approximately 135,000 Medi-Cal members are homeless or at risk of homelessness and experience critical transitions or meet the criteria for unsheltered homelessness or for a FSP program in a given year, and will be potentially eligible for the transitional rent services in MCMC. The following table shows the proposed expenditure authority cap across the two Demonstration Years (DYs).

**Table 1. Proposed Expenditure Authority Cap**

Proposed Expenditure Authority Cap	Demonstration Years (DYs)		
	DY 21 (CY 2025)	DY 22 (CY 2026)	Total
Transitional Rent Services in MCMC	\$372,624,000	\$392,236,000	\$764,860,000
Total	\$372,624,000	\$392,236,000	\$764,860,000

## Section VIII. List of Proposed Waivers and Expenditure Authorities

DHCS is requesting expenditure authority up to an aggregate cap of \$764,860,000 over the final two years of the CalAIM demonstration period (January 1, 2025 – December 31, 2026) to cover up to six months of transitional rent services for qualifying individuals enrolled in a Medi-Cal managed care plan that elects to provide the services. DHCS is also seeking waivers of statewideness, comparability and amount, duration and scope for optional coverage of transitional rent services during this same two-year period. Please note DHCS is requesting the same authorities for transitional rent as were approved for HRSN services/community supports under the current CalAIM Section 1115 STCs.

To the extent that CMS advises the State that additional authorities are necessary to implement the programmatic vision and operational details described in this amendment, the State is requesting such waiver or expenditure authority, as applicable. California’s negotiations with the federal government, as well as State legislative/budget changes, could lead to refinements in these lists as we work with CMS to move CalAIM transitional rent services forward.

### Waiver Authorities

Under the authority of Section 1115(a)(1) of the act, the following waivers shall enable California to implement this CalAIM Section 1115 amendment to cover transitional rent services from January 1, 2025 through December 31, 2026.

**Table 2. Proposed Waiver Authorities**

Waiver Authority	Use for Waiver
§ 1902(a)(1) Statewideness	To enable the State to provide transitional rent services only in certain geographic areas where Medi-Cal managed care plans elect to offer these services.
§ 1902(a)(10)(B) and § 1902(a)(17)	To enable the state to provide transitional rent services that are not otherwise available to all beneficiaries in the same eligibility group.

Waiver Authority	Use for Waiver
Amount, Duration, and Scope and Comparability	

## Expenditure Authority

Under the authority of Section 1115(a)(2) of the act, California is requesting the following expenditure authority through December 31, 2026:

Expenditures to provide transitional rent services to Medi-Cal managed care enrollees who meet the eligibility criteria specified in the STCs and any related requirements.

## Section IX. Evaluation and Demonstration Amendment Hypotheses

The table below provides a preliminary plan to evaluate the amendment. The hypotheses are aligned with the existing hypotheses for recuperative care and short-term post-hospitalization housing, the two Community Supports/HRSN services currently approved under the CalAIM demonstration. Across all HRSN services, DHCS will evaluate whether the services achieve the following objectives among Medi-Cal members:

- Address unmet housing needs;
- Reduce long-term homelessness;
- Increase utilization of preventive and routine care;
- Reduce utilization of and costs associated with potentially avoidable, high acuity health care services; and
- Improve physical and behavioral health outcomes.

These hypotheses and plan are subject to change and will be further defined as California works with CMS to develop an evaluation design consistent with the STCs and CMS policy.

**Table 3. Proposed Evaluation Hypotheses, Approach, and Data Sources**

Hypotheses	Evaluation Approach	Data Sources
Unmet transitional housing needs among individuals in MCMC who are homeless or at risk of homelessness and transitioning out of institutional levels of care, congregate residential settings, correctional	<ul style="list-style-type: none"> <li>• Housing status among eligible Medi-Cal members following transition from institutional levels of care, congregate residential settings, correctional facilities,</li> </ul>	<ul style="list-style-type: none"> <li>• MCP reporting on housing status, and Community Supports service utilization, including Transitional Rent</li> </ul>

Hypotheses	Evaluation Approach	Data Sources
<p>facilities, the child welfare system, recuperative care facilities, short-term post-hospitalization housing, transitional housing, homeless shelters or interim housing, or meet the criteria for unsheltered homelessness or for a FSP program, will be addressed over the course of the demonstration.</p>	<p>the child welfare system, recuperative care facilities, short-term post-hospitalization housing, transitional housing, homeless shelters or interim housing, as well as those who meet the criteria for unsheltered homelessness or for a FSP program.</p> <ul style="list-style-type: none"> <li>• Number and proportion of Medi-Cal members who have utilized transitional rent services in the MCMC delivery system.</li> </ul>	
<p>Reduce long-term homelessness among individuals in MCMC who are homeless or at risk of homelessness and transitioning out of institutional levels of care, congregate residential settings, correctional facilities, the child welfare system, recuperative care facilities, short-term post-hospitalization housing, transitional housing, homeless shelters or interim housing, or meet the criteria for unsheltered homelessness or for a FSP program.</p>	<ul style="list-style-type: none"> <li>• Change in housing status pre-/post-demonstration among eligible Medi-Cal members following transition from institutional levels of care, congregate residential settings, correctional facilities, the child welfare system, recuperative care facilities, short-term post-hospitalization housing, transitional housing, homeless shelters or interim housing, as well as those who meet the criteria for unsheltered homelessness or for a FSP program.</li> </ul>	<ul style="list-style-type: none"> <li>• Surveys of Medi-Cal members who are homeless or at risk of homelessness and transitioning out of institutional levels of care, congregate residential settings, correctional facilities, the child welfare system, recuperative care facilities, short-term post-hospitalization housing, transitional housing, homeless shelters or interim housing, or meet the criteria for unsheltered homelessness or for a FSP program</li> <li>• Pre- and post-implementation surveys to track changes and progress over time</li> </ul>
<p>Utilization of preventive and routine care will</p>	<ul style="list-style-type: none"> <li>• Analyze the number and percentage</li> </ul>	<ul style="list-style-type: none"> <li>• Medi-Cal encounter data</li> </ul>



Hypotheses	Evaluation Approach	Data Sources
<p>increase among individuals in MCMC who are homeless or at risk of homelessness and transitioning out of institutional levels of care, congregate residential settings, correctional facilities, the child welfare system, recuperative care facilities, short-term post-hospitalization housing, transitional housing, homeless shelters or interim housing, or meet the criteria for unsheltered homelessness or for a FSP program.</p>	<p>individuals who are homeless or at risk of homelessness and experiencing transitions who are utilizing preventive, routine, and behavioral health care services before and after the demonstration.</p>	
<p>Utilization of potentially avoidable, high acuity care will decrease among individuals in MCMC who are homeless or at risk of homelessness and transitioning out of institutional levels of care, congregate residential settings, correctional facilities, the child welfare system, recuperative care facilities, short-term post-hospitalization housing, transitional housing, homeless shelters or interim housing, or meet the criteria for unsheltered homelessness or for a FSP program.</p>	<ul style="list-style-type: none"> <li>Analyze the number of emergency department and inpatient visits and skilled nursing facility (SNF) stays for individuals who are homeless or at risk of homelessness and experiencing transitions before and after the demonstration.</li> </ul>	<ul style="list-style-type: none"> <li>Medi-Cal encounter data</li> </ul>
<p>Physical and behavioral health outcomes will improve among individuals in MCMC who are homeless or at risk of homelessness and transitioning out of</p>	<ul style="list-style-type: none"> <li>Analyze physical and behavioral health outcomes, as reported through the CMS Core Measures set, for individuals who are homeless or at risk of</li> </ul>	<ul style="list-style-type: none"> <li>Medi-Cal encounter data</li> <li>CMS Core Set Measures</li> </ul>

Hypotheses	Evaluation Approach	Data Sources
institutional levels of care, congregate residential settings, correctional facilities, the child welfare system, recuperative care facilities, short-term post-hospitalization housing, transitional housing, homeless shelters or interim housing, or meet the criteria for unsheltered homelessness or for a FSP program.	homelessness and experiencing transitions before and after the demonstration.	

Consistent with CMS guidance and the current CalAIM STCs for HRSN services, the State will report on a slate of health equity metrics to be defined by CMS, stratified by race/ethnicity, language, geography, disability status, sexual orientation, and/or gender identity. The State also will examine whether and how state and local investments in housing change over time in concert with new Medicaid funding toward those services and will conduct a cost analysis to help develop comprehensive and accurate cost estimates of covering these services.

## Section X. Oversight, Monitoring, and Reporting

DHCS will comply with CMS’ oversight, monitoring, and reporting requirements for HRSN services, as currently outlined in the CalAIM Section 1115 STCs for HRSN services.

## Section XI. Public Notice Process

DHCS has and will continue to engage in robust stakeholder engagement on the CalAIM transitional rent services amendment proposal and implementation. In August 2023, DHCS released the requisite notices for the CalAIM amendment and launched a state public comment period from August 1, 2023 through August 31, 2023. The following materials were shared for public comment:

- [CalAIM Section 1115 Transitional Rent Services Amendment Application](#)
- [Public Notice](#)
- [Abbreviated Public Notice](#)
- [Tribal Public Notice](#)

DHCS presented and discussed the CalAIM amendment proposal and implementation during two public hearings, the first on August 11, 2023 from 10:00 to 11:30 AM PT and the second on August 24, 2023 from 9:30 to 11:30 AM PT. The hearings took place in-person at two locations in Sacramento, California and had online video streaming and

telephonic conference capabilities to ensure accessibility. In addition, DHCS covered the proposal in the quarterly Tribal and Designees of Indian Health Programs Quarterly webinar on August 30, 2023.

## Public Comment Period

The required state public comment period for the CalAIM transitional rent services amendment application ran from August 1 to August 31, 2023. During the 30-day period, DHCS received 31 public comments, including 22 comments submitted via email, 5 comments provided orally or via the Zoom chat box functionality during two public hearings, 3 comments shared verbally or through the Webex chat box functionality during the webinar with Tribal and Indian Health Program stakeholders, and 1 comment received by U.S. mail.

Appendix A summarizes key themes of the comments received and provides DHCS' responses, including feedback related to the CalAIM Transitional Rent Services Amendment goals, member eligibility criteria, scope of services, implementation approach, and program oversight and monitoring. The written comments are posted on California's [CalAIM Section 1115 and Section 1915\(b\) webpage](#). DHCS appreciates these comments and will consider them as it continues to work to strengthen Medi-Cal and further improve the well-being and health outcomes of Medi-Cal members who are homeless or at risk of homelessness and experiencing critical transitions.

## Section XII. Demonstration Amendment Administration

Please see below for contact information for the State's point of contact for this demonstration amendment:

**Name:** Susan Philip

**Title:** Deputy Director, Health Care Delivery Systems

**Agency:** California Department of Health Care Services

**Telephone Number:** 916-324-5870

**Email Address:** [Susan.Philip@dhcs.ca.gov](mailto:Susan.Philip@dhcs.ca.gov)

## Appendix A. Summary of Responses to Public Comments

### Overview

From August 1 to August 31, 2023, California held the state public comment period for the draft CalAIM transitional rent services Section 1115 amendment application. During the 30-day period, DHCS received 31 public comments, including 22 comments submitted via email, 5 comments provided orally or via the Zoom chat box functionality during two public hearings, 3 comments shared verbally or through the Webex chat box functionality during the webinar with Tribal and Indian Health Program stakeholders, and 1 comment received by U.S. mail.

This Appendix summarizes key themes of the comments received and provides DHCS' responses, including feedback related to the CalAIM Transitional Rent Services Amendment goals, member eligibility criteria, scope of services, implementation approach, and program oversight and monitoring. DHCS appreciates these comments and will consider them as it continues to work to strengthen Medi-Cal and further improve the well-being and health outcomes of Medi-Cal members who are homeless or at risk of homelessness and experiencing critical transitions.

### Responses to Public Comments

#### Comments on CalAIM Transitional Rent Services Amendment Goals

**Comment:** Many commenters expressed strong support for the CalAIM transitional rent services proposal. In particular, many commenters supported the amendment's goals of addressing unmet housing needs and mitigating homelessness to improve health outcomes and advance health equity among high-risk Medi-Cal members.

**Response:** DHCS appreciates the commenters' support for the CalAIM transitional rent services amendment request. California recognizes housing as a key health-related social need and is committed to improving physical and behavioral health outcomes of Medi-Cal members experiencing or at risk of homelessness.

#### Comments on CalAIM Transitional Rent Services Eligibility Criteria

**Comment:** Many commenters proposed modifications to the member eligibility criteria for transitional rent services. Two commenters expressed concerns with the US Department of Housing and Urban Development's (HUD's) definition of homelessness, indicating that a strict interpretation of the federal definition could impact access to transitional rent services among those transitioning out of correctional facilities or other institutional settings. Other commenters recommended including imminent eviction from a rental unit, transition from domestic violence shelters, and reaching the time limit of a Rapid Re-Housing program as eligible transition events in the definition. Commenters also

**highlighted the importance of housing supports for older populations, and recommended explicitly noting this group.**

*Response:* DHCS appreciates the commenters' feedback on the beneficiary eligibility criteria. DHCS aligned the eligibility criteria with CMS' [HRSN policy framework for Section 1115 demonstrations](#), which limits coverage of rent/temporary housing to "individuals transitioning out of institutional care or congregate settings; individuals who are homeless, at risk of homelessness, or transitioning out of an emergency shelter as Defined by 24 CFR 91.5; and/or youth transitioning out of the child welfare system." DHCS appreciates the commenters' recommendations and revised the eligibility criteria to reflect certain stakeholder feedback, including modifying the HUD definition of homelessness to include individuals who are homeless prior to entering an institutional or carceral setting or who become homeless during that institutional or carceral stay; clarifying that individuals transitioning out of Rapid Re-Housing programs would qualify; and clarifying that interim housing includes domestic violence shelters and domestic violence housing.

### **Comments on Scope of Transitional Rent Services**

***Comment:* Multiple commenters requested that DHCS consider covering transitional rent services for longer than six months. Several commenters also suggested that there should be no limit or cap on the number of times a client can access transitional rent over their lifetime.**

*Response:* DHCS is aligning its transitional rent services policy with CMS' [Health Related Service Need \(HRSN\) policy framework for Section 1115 demonstrations](#), which limits coverage of rent/temporary housing to six months. DHCS seeks to supplement coverage of transitional rent services with the existing [Community Supports services](#) provided by Medi-Cal managed care plans, which include housing deposits, housing tenancy and sustaining services, housing transition navigation services, short-term post-hospitalization housing, recuperative care, and day habilitation.

***Comment:* Two commenters requested that DHCS consider permitting payment of "back-rent" as part of the benefit.**

*Response:* DHCS thanks commenters for their feedback on the scope of transitional rent services. At this time, DHCS does not intend for the transitional rent service to include back-rent. DHCS seeks to supplement coverage of transitional rent services with the existing [Community Supports services](#) provided by Medi-Cal managed care plans, which include housing deposits, housing tenancy and sustaining services, housing transition navigation services, short-term post-hospitalization housing, recuperative care, and day habilitation.

***Comment:* Several commenters noted that California is facing a housing supply crisis and providing transitional rent services through Medi-Cal is only one part of the solution.**

*Response:* DHCS acknowledges the importance of available affordable housing in addressing the homelessness and housing affordability crisis in California. DHCS notes that transitional rent services are just one part of California's broader strategy to combat homelessness, which includes new [funding](#) to expand the affordable housing supply in the state. Together, the range of services and funding available in the state will improve the availability of and access to affordable housing.

### Implementation of Transitional Rent Services

***Comment:* Many commenters raised implementation considerations related to transitional rent services, including around how Medi-Cal members will be connected to services, coordination with transitional rent services offered through BH-CONNECT and other housing-related supports and programs available in the state, care management needs, housing availability, network adequacy, provider qualifications, stakeholder training and technical assistance, data sharing, and rate setting, among others.**

*Response:* DHCS appreciates the commenters' feedback on the key implementation considerations associated with transitional rent services and shares the goal of ensuring that transitional rent services are coordinated with other housing-related services and supports. DHCS will continue to work with stakeholders on the implementation approach and policy/operational guidance will be forthcoming.

***Comment:* Multiple commenters recommended that DHCS offer transitional rent services, as well as other housing-related community supports, as full Medi-Cal benefits, rather than as an optional benefit for Medi-Cal managed care plans to offer.**

*Response:* DHCS shares the goal of ensuring robust access to transitional rent services and appreciates the commenters' recommendation. At this time, DHCS seeks to align the provision of transitional rent services with the existing Community Supports approach, which makes services optional for plans to take up. By taking this approach, DHCS seeks to leverage existing infrastructure developed for Community Supports and support rapid implementation.

### Comments on Monitoring and Evaluation Approach

***Comment:* Three commenters recommended DHCS collect data on additional evaluation measures, including the age of Medi-Cal members using transitional rent services, process measures, and utilization of preventive care. One commenter iterated the importance of examining both health and housing outcomes in the evaluation of transitional rent services. Two commenters also noted the importance of evaluating racial, age, and other disparities, including reporting on health equity metrics.**

*Response:* DHCS appreciates the commenters for their input on the evaluation approach and will consider them as the Department works with an independent evaluator and CMS to develop and refine an evaluation design. While the design of the evaluation is still ongoing, DHCS' evaluation approach will examine both health and housing-related outcomes. The preliminary evaluation plan includes housing status among eligible Medi-Cal members following critical transitions, as well as those who meet the criteria for unsheltered homelessness or for a Full Service Partnership (FSP) program, changes in housing status pre-/post-demonstration among eligible Medi-Cal members, and physical and behavioral health outcomes for individuals who are homeless or at risk of homelessness and experiencing transitions before and after the demonstration, among others.

DHCS is also committed to monitoring and evaluating health disparities and health equity metrics. Consistent with CMS guidance and the current CalAIM STCs for HRSN services, DHCS will report on a slate of health equity metrics to be defined by CMS, stratified by race/ethnicity, language, geography, disability status, sexual orientation, and/or gender identity.

***Comment:* Two commenters requested clarification on how DHCS will coordinate evaluation of transitional rent services under both CalAIM and BH-CONNECT.**

*Response:* DHCS appreciates stakeholders' feedback on the CalAIM transitional rent services amendment evaluation approach as it relates to evaluation activities under BH-CONNECT. DHCS will work with an independent evaluator on both the CalAIM transitional rent services and BH-CONNECT evaluation plans and will consider commenters' suggestions around type of data (e.g., collecting aligned data elements from managed care plans and county mental health plans) and measures (e.g., tracking utilization across modes of delivery) for the evaluation.

## **Other**

In addition to comments directly related to CalAIM transitional rent services, several commenters provided input on issues beyond the scope of the CalAIM transitional rent services request, such as feedback on the Mental Health Services Act (MHSA) Housing Program, among other topics. DHCS appreciates those comments and will consider them as it continues to work to strengthen Medi-Cal more broadly.

## Appendix B: Public Notice

**DEPARTMENT OF HEALTH CARE SERVICES  
NOTICE OF GENERAL PUBLIC INTEREST  
RELEASE DATE: AUGUST 1, 2023**

**PROPOSED CALAIM SECTION 1115 DEMONSTRATION AMENDMENT TO  
AUTHORIZE TRANSITIONAL RENT SERVICES AS A NEW COMMUNITY SUPPORT  
IN MEDI-CAL MANAGED CARE**

### Background

The California Department of Health Care Services (DHCS) is providing public notice of its intent to (1) submit to the federal Centers for Medicare & Medicaid Services (CMS) an amendment to the California Advancing and Innovating Medi-Cal (CalAIM) Section 1115 demonstration that requests transitional rent services as a new Community Support for qualifying individuals in the Medi-Cal Managed Care (MCMC) delivery system; and (2) hold two public hearings to receive public comments on this request.

Through the CalAIM Section 1115 demonstration and Section 1915(b) waiver approvals in December 2021, California received authority to implement a range of new population health and whole-person care initiatives and transitioned authority for California’s managed care delivery systems — MCMC, Dental Managed Care, Specialty Mental Health Services (SMHS), and Drug Medi-Cal Organized Delivery System (DMC-ODS) — from the State’s longstanding Section 1115 demonstration to authority under the CalAIM 1915(b) waiver. The approvals included authority to implement a menu of 14 “Community Supports,” which are services that can be covered by managed care plans and offered by local community-based providers as appropriate, cost-effective alternatives to traditional medical services or settings. Twelve of the Community Supports are approved under managed care regulatory authority as “in lieu of services,” effectuated through the Section 1915(b) waiver. The remaining two Community Supports are approved under Section 1115 demonstration authority.

To further improve the well-being and health outcomes of Medi-Cal members during critical transitions or who meet high-risk criteria, DHCS is seeking an amendment to the CalAIM Section 1115 demonstration to provide up to six months of transitional rent services as a new Community Support in MCMC for eligible individuals who are homeless or at risk of homelessness and experiencing critical transitions, as well as those who meet the criteria for unsheltered homelessness or for a Full Service Partnership (FSP) program. To ensure a “no wrong door” approach to accessing key housing services for high need enrollees who are homeless or at risk of homelessness and experiencing transitions, as well as those who meet the criteria for unsheltered homelessness or for a FSP program, DHCS is requesting authority to provide transitional rent services for qualifying individuals enrolled in the SMHS and DMC-ODS delivery systems through the proposed California Behavioral Health Community-Based Organized Networks of Equitable Care and Treatment (BH-CONNECT) demonstration.



## I. Program Description, Goals, and Objectives of the Demonstration

To improve the well-being and health outcomes of Medi-Cal members during critical transitions or who meet high-risk criteria, DHCS is seeking an amendment to the CalAIM Section 1115 demonstration to provide up to six months of transitional rent services as a new Community Support in MCMC for eligible individuals who are homeless or at risk of homelessness and transitioning out of institutional levels of care, congregate residential settings, correctional facilities, the child welfare system, recuperative care facilities, short-term post-hospitalization housing, transitional housing, homeless shelters or interim housing, as well as those who meet the criteria for unsheltered homelessness or for a FSP program.<sup>17</sup> Transitional rent services will be provided only if it is determined to be medically appropriate using clinical and other health-related social needs (HRSN) criteria. Transitional rent services will be voluntary for the Medi-Cal managed care plans to offer and for Medi-Cal members to use.

California's goals for the demonstration amendment align with CMS' [guidance](#) related to demonstrations that authorize HRSN services and the existing goals for Community Supports authorized under the CalAIM Section 1115 demonstration, including the following for Medi-Cal members:

- Addressing unmet housing needs;
- Reducing long-term homelessness;
- Increasing utilization of preventive and routine care;
- Reducing utilization of and costs associated with potentially avoidable, high acuity health care services; and
- Improving physical and behavioral health outcomes.

## II. Demonstration Approach

To achieve these goals, DHCS is seeking expenditure authority up to an aggregate cap of \$764,860,000 over the final two years of the CalAIM demonstration period (January 1, 2025 – December 31, 2026) to cover transitional rent services in the MCMC delivery system. The California BH-CONNECT demonstration would cover these transitional rent services for qualifying individuals in the SMHS, DMC, and DMC-ODS delivery systems.

### A. Eligibility, Delivery System, Benefits, and Cost Sharing

The proposed demonstration amendment would not modify the parameters for Medi-Cal

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<sup>17</sup> FSP is a comprehensive and intensive mental health program for individuals with persistent mental illness that have demonstrated a need for an intensive FSP program, including individuals who are experiencing or at risk of homelessness, those who are justice-involved, and high-utilizers of emergency or high-acuity mental health services. An estimated 71,000 individuals are currently enrolled FSP programs (.5% of the Medi-Cal population).

eligibility, care delivery systems, or cost-sharing. The amendment would add transitional rent services as an optional benefit for MCMC plans to offer and for eligible MCMC members to take up.

The State anticipates approximately 135,000 Medi-Cal members are homeless or at risk of homelessness and experience critical transitions or meet the criteria for unsheltered homelessness or for a FSP program in a given year, and will be potentially eligible for the transitional rent services in MCMC.

### **B. Financing and Budget Neutrality**

DHCS requests expenditure authority up to an aggregate cap of \$764,860,000 (total computable) over the final two years of the CalAIM demonstration period (January 1, 2025 – December 31, 2026). Consistent with CMS’ budget neutrality framework for HRSN services and the approved budget neutrality approach for recuperative care and short-term post hospitalization housing, California is seeking capped hypothetical budget neutrality treatment for the transitional rent services.

Through the CalAIM Section 1115 amendment request, the State is not proposing any changes to Medicaid eligibility requirements. As such, the amendment is not expected to affect enrollment trends, which will continue to be determined largely by demographic changes and economic conditions.

The following table shows the proposed expenditure authority cap across the two Demonstration Years (DYs).

**Table 1. Proposed Expenditure Authority Cap**

Proposed Expenditure Authority Cap	Demonstration Years (DYs)		
	DY 5 (CY 2025)	DY 6 (CY 2026)	Total
Transitional Rent Services in MCMC	\$372,624,000	\$392,236,000	\$764,860,000
Total	\$372,624,000	\$392,236,000	\$764,860,000

### **III. Demonstration Waiver and Expenditure Authorities**

DHCS is requesting expenditure authority up to an aggregate cap of \$764,860,000 over the final two years of the CalAIM demonstration period (January 1, 2025 – December 31, 2026) to cover up to six months of transitional rent services for qualifying individuals enrolled in a Medi-Cal managed care plan that elects to provide the services. DHCS is also seeking waivers of statewideness, comparability and amount, duration and scope for optional coverage of transitional rent services during this same two-year period.

To the extent that CMS advises the State that additional authorities are necessary to implement the programmatic vision and operational details described in this

amendment, the State is requesting such waiver or expenditure authority, as applicable. California’s negotiations with the federal government, as well as State legislative/budget changes, could lead to refinements in these lists as we work with CMS to move CalAIM transitional rent services forward.

**A. Waiver Authorities**

Under the authority of Section 1115(a)(1) of the act, the following waivers shall enable California to implement this CalAIM Section 1115 amendment to cover transitional rent services from January 1, 2025 through December 31, 2026.

**Table 2. Proposed Waiver Authorities**

Waiver Authority	Use for Waiver
<p><b>§ 1902(a)(1)</b> Statewideness</p>	<p>To enable the State to provide transitional rent services only in certain geographic areas where Medi-Cal managed care plans elect to offer these services.</p>
<p><b>§ 1902(a)(10)(B) and § 1902(a)(17)</b> Amount, Duration, and Scope and Comparability</p>	<p>To enable the state to provide transitional rent services that are not otherwise available to all beneficiaries in the same eligibility group.</p>

**B. Expenditure Authority**

Under the authority of Section 1115(a)(2) of the act, California is requesting the following expenditure authority through December 31, 2026:

Expenditures to provide transitional rent services to Medi-Cal managed care enrollees who meet the eligibility criteria specified in the STCs and any related requirements.

**IV. Section 1115 Demonstration Hypotheses and Evaluation Approach**

The table below provides a preliminary plan to evaluate the amendment. The hypotheses are aligned with the existing hypotheses for recuperative care and short-term post-hospitalization housing, the two Community Supports/HRSN services currently approved under the CalAIM demonstration. Across all HRSN services, DHCS will evaluate whether the services achieve the following objectives among Medi-Cal members:

- Address unmet housing needs;
- Reduce long-term homelessness;
- Increase utilization of preventive and routine care;
- Reduce utilization of and costs associated with potentially avoidable, high acuity health care services; and
- Improve physical and behavioral health outcomes.

These hypotheses and plan are subject to change and will be further defined as California works with CMS to develop an evaluation design consistent with the STCs and CMS policy.

**Table 3. Proposed Evaluation Hypotheses, Approach, and Data Sources**

Hypotheses	Evaluation Approach	Data Sources
<p>Unmet transitional housing needs among individuals in MCMC who are homeless or at risk of homelessness and transitioning out of institutional levels of care, congregate residential settings, correctional facilities, the child welfare system, recuperative care facilities, short-term post-hospitalization housing, transitional housing, homeless shelters or interim housing, or meet the criteria for unsheltered homelessness or for a FSP program, will be addressed over the course of the demonstration.</p>	<ul style="list-style-type: none"> <li>• Housing status among eligible Medi-Cal members following transition from institutional levels of care, congregate residential settings, correctional facilities, the child welfare system, recuperative care facilities, short-term post-hospitalization housing, transitional housing, homeless shelters or interim housing, as well as those who meet the criteria for unsheltered homelessness or for a FSP program.</li> <li>• Number and proportion of Medi-Cal members who have utilized transitional rent services in the MCMC delivery system.</li> </ul>	<ul style="list-style-type: none"> <li>• MCP reporting on housing status, and Community Supports service utilization, including Transitional Rent</li> </ul>
<p>Reduce long-term homelessness among individuals in MCMC who are homeless or at risk of homelessness and transitioning out of institutional levels of care, congregate residential settings, correctional facilities, the child welfare system, recuperative care facilities, short-term post-hospitalization housing, transitional housing,</p>	<ul style="list-style-type: none"> <li>• Change in housing status pre-/post-demonstration among eligible Medi-Cal members following transition from institutional levels of care, congregate residential settings, correctional facilities, the child welfare system, recuperative care facilities, short-</li> </ul>	<ul style="list-style-type: none"> <li>• Surveys of Medi-Cal members who are homeless or at risk of homelessness and transitioning out of institutional levels of care, congregate residential settings, correctional facilities, the child welfare system, recuperative care facilities, short-term post-</li> </ul>

Hypotheses	Evaluation Approach	Data Sources
homeless shelters or interim housing, or meet the criteria for unsheltered homelessness or for a FSP program.	term post-hospitalization housing, transitional housing, homeless shelters or interim housing, as well as those who meet the criteria for unsheltered homelessness or for a FSP program.	hospitalization housing, transitional housing, homeless shelters or interim housing, or meet the criteria for unsheltered homelessness or for a FSP program <ul style="list-style-type: none"> <li>• Pre- and post-implementation surveys to track changes and progress over time</li> </ul>
Utilization of preventive and routine care will increase among individuals in MCMC who are homeless or at risk of homelessness and transitioning out of institutional levels of care, congregate residential settings, correctional facilities, the child welfare system, recuperative care facilities, short-term post hospitalization housing, transitional housing, homeless shelters or interim housing, or meet the criteria for unsheltered homelessness or for a FSP program.	<ul style="list-style-type: none"> <li>• Analyze the number and percentage individuals who are homeless or at risk of homelessness and experiencing transitions who are utilizing preventive, routine, and behavioral health care services before and after the demonstration.</li> </ul>	<ul style="list-style-type: none"> <li>• Medi-Cal encounter data</li> </ul>
Utilization of potentially avoidable, high acuity care will decrease among individuals in MCMC who are homeless or at risk of homelessness and transitioning out of institutional levels of care, congregate residential settings, correctional facilities, the child welfare system, recuperative care facilities, short-term post-	<ul style="list-style-type: none"> <li>• Analyze the number of emergency department and inpatient visits and skilled nursing facility (SNF) stays for individuals who are homeless or at risk of homelessness and experiencing transitions before and after the demonstration.</li> </ul>	<ul style="list-style-type: none"> <li>• Medi-Cal encounter data</li> </ul>

Hypotheses	Evaluation Approach	Data Sources
hospitalization housing, transitional housing, homeless shelters or interim housing, or meet the criteria for unsheltered homelessness or for a FSP program.		
Physical and behavioral health outcomes will improve among individuals in MCMC who are homeless or at risk of homelessness and transitioning out of institutional levels of care, congregate residential settings, correctional facilities, the child welfare system, recuperative care facilities, short-term post-hospitalization housing, transitional housing, homeless shelters or interim housing, or meet the criteria for unsheltered homelessness or for a FSP program.	<ul style="list-style-type: none"> <li>Analyze physical and behavioral health outcomes, as reported through the CMS Core Measures set, for individuals who are homeless or at risk of homelessness and experiencing transitions before and after the demonstration.</li> </ul>	<ul style="list-style-type: none"> <li>Medi-Cal encounter data</li> <li>CMS Core Set Measures</li> </ul>

Consistent with CMS guidance and the current CalAIM STCs for HRSN services, the State will report on a slate of health equity metrics to be defined by CMS, stratified by race/ethnicity, language, geography, disability status, sexual orientation, and/or gender identity. The State also will examine whether and how state and local investments in housing change over time in concert with new Medicaid funding toward those services and will conduct a cost analysis to help develop comprehensive and accurate cost estimates of covering these services.

## V. Public Review and Comment Process

The 30-day public comment period for the CalAIM Section 1115 amendment for transitional rent services is from August 1, 2023 through August 31, 2023. All comments must be received no later than 11:59 PM (Pacific Time) on August 31, 2023.

All information regarding the CalAIM Section 1115 Transitional Rent Services Amendment can be found on the DHCS website at <https://www.dhcs.ca.gov/provgovpart/Pages/CalAIM-1115-and-1915b-Waiver->

[Renewals.aspx](#). DHCS will update this website throughout the public comment and submission process.

DHCS will host two public hearings to solicit stakeholder comments. The meetings will take place in-person and have online video streaming and telephonic conference capabilities to ensure accessibility.

- Friday, August 11, 2023 – First Public Hearing
  - 10:00 – 11:30 AM PT
  - Department of General Services
    - 1500 Capitol Ave. (Building 172), EEC Training Rooms, Sacramento, CA 95814
  - Register for Zoom conference link:  
[https://manatt.zoom.us/webinar/register/WN\\_6XzvB4XsSD2MRHnKMYdMGw#/registration](https://manatt.zoom.us/webinar/register/WN_6XzvB4XsSD2MRHnKMYdMGw#/registration)
    - Please register in advance if you plan to attend in-person or if you plan to attend by Zoom to receive your unique login details and a link to add the hearing to your calendar
  - Call-in information 646-931-3860
    - Webinar ID: 939 8473 0250
    - Passcode: 081123
    - Callers do not need an email address to use the phone option and do not need to register in advance
  
- Thursday, August 24, 2023 – Second Public Hearing
  - 9:30 – 11:30 AM PT
  - Department of Health Care Services
    - 1700 K Street, Room 1014, Sacramento, CA 95814
  - Register for Zoom conference link:  
[https://zoom.us/webinar/register/WN\\_eqqbAdsGRVuCilmQGc-Y-g](https://zoom.us/webinar/register/WN_eqqbAdsGRVuCilmQGc-Y-g)
    - Please register in advance if you plan to attend in-person or if you plan to attend by Zoom to receive your unique login details and a link to add the hearing to your calendar
  - Call-in information: 646-558-8656
    - Webinar ID: 913 8468 8826
    - Passcode: 478151
    - Callers do not need an email address to use the phone option and do not need to register in advance

The complete version of the draft of the CalAIM Section 1115 Transitional Rent Services Amendment is available for public review at:  
<https://www.dhcs.ca.gov/provgovpart/Pages/CalAIM-1115-and-1915b-Waiver-Renewals.aspx>.

If you would like to view the CalAIM Section 1115 Transitional Rent Services Amendment or notices in person, you may visit your local county welfare department

(addresses and contact information available at: <https://www.dhcs.ca.gov/services/medi-cal/Pages/CountyOffices.aspx>). You may also request a copy of the proposed CalAIM Section 1115 amendment, notices, and/or a copy of submitted public comments, once available, related to the CalAIM Section 1115 amendment for transitional rent services by requesting it in writing to the mailing or email addresses listed below.

Written comments may be sent to the following address; please indicate “CalAIM Section 1115 Transitional Rent Services Amendment” in the written message:

Department of Health Care Services  
Director’s Office  
Attn: Jacey Cooper and Susan Philip  
P.O. Box 997413, MS 0000  
Sacramento, California 95899-7413

Comments may also be emailed to [1115waiver@dhcs.ca.gov](mailto:1115waiver@dhcs.ca.gov). Please indicate “CalAIM Section 1115 Transitional Rent Services Amendment” in the subject line of the email message.

To be assured consideration prior to submission of the CalAIM Section 1115 Transitional Rent Services Amendment to CMS, comments must be received no later than **11:59 PM (Pacific Time) on August 31, 2023**. Please note that comments will continue to be accepted after August 31, 2023, but DHCS may not be able to consider those comments prior to the initial submission of the CalAIM Section 1115 Transitional Rent Services Amendment to CMS.

Upon submission to CMS, a copy of the proposed CalAIM Section 1115 Transitional Rent Services Amendment will be published at the following DHCS website at: <https://www.dhcs.ca.gov/provgovpart/Pages/CalAIM-1115-and-1915b-Waiver-Renewals.aspx>.

After DHCS reviews comments submitted during this State public comment period, the CalAIM Section 1115 Transitional Rent Services Amendment will be submitted to CMS. Interested parties will also have opportunity to officially comment on the CalAIM Section 1115 Transitional Rent Services Amendment during the federal public comment period; the submitted amendment will be available for comment on the CMS website at: <https://www.medicaid.gov/medicaid/section-1115-demo/demonstration-and-waiver-list/index.html>.



## Appendix C: Tribal Public Notice

August 1, 2023

**To:** Tribal Chairpersons, Designees of Indian Health Programs, and Urban Indian Organizations

**Subject:** Notice of Intent to Submit an Amendment to the CalAIM Section 1115 Demonstration to Authorize Transitional Rent Services as a New Community Support in Medi-Cal Managed Care

The purpose of this letter is to provide information regarding a proposed change to the Department of Health Care Services' (DHCS') Medi-Cal program that will be submitted to the Centers for Medicare & Medicaid Services (CMS). DHCS is forwarding this information for your review and comment.

DHCS is required to seek advice from designees of Indian Health Programs and Urban Indian Organizations on Medi-Cal matters having a direct effect on American Indians, Indian Health Programs or Urban Indian Organizations per the American Recovery and Reinvestment Act of 2009 (ARRA). DHCS must solicit the advice of designees prior to submission to CMS of any State Plan Amendments (SPAs), waiver requests or amendments, or proposals for demonstration projects in the Medi-Cal program.

Please see the enclosed summary for a detailed description of this DHCS proposal.

### QUESTIONS AND COMMENTS

Tribes and Indian Health Programs may also submit written comments or questions concerning this proposal within 30 days from receipt of notice. To be assured consideration prior to submission to CMS, comments must be received no later than 11:59 PM (Pacific Time) on August 31, 2023. Please note that comments will continue to be accepted after August 31, 2023, but DHCS may not be able to consider those comments prior to the initial submission of the CalAIM Section 1115 amendment for transitional rent services to CMS. Comments may be sent by email to [1115waiver@dhcs.ca.gov](mailto:1115waiver@dhcs.ca.gov) or by mail to the address below:

Department of Health Care Services  
Director's Office  
Attn: Jacey Cooper and Susan Philip  
P.O. Box 997413, MS 0000  
Sacramento, California 95899-7413

In addition to this notice, DHCS plans to cover this Section 1115 demonstration amendment request during the next quarterly Tribal and Designees of Indian Health Programs Quarterly webinar. Please note that Indian Health Programs and Urban Indian Organizations may request a consultation on this proposal at any time as needed.

Sincerely,

Original Signed By

Andrea Zubiato, Chief  
Office of Tribal Affairs  
Department of Health Care Services

Enclosure

**Department of Health Care Services (DHCS)  
Tribal and Designees of Indian Health Programs Notice**

**PURPOSE**

To request federal authority to provide transitional rent services as a new Community Support for qualifying individuals in the Medi-Cal Managed Care delivery system through an amendment to the California Advancing and Innovating Medi-Cal (CalAIM) Section 1115 demonstration waiver.

**BACKGROUND**

DHCS is seeking an amendment to the CalAIM Section 1115 demonstration waiver to provide up to six months of transitional rent services as a new Community Support in the Medi-Cal Managed Care delivery system for eligible individuals who are homeless or at risk of homelessness and experiencing critical transitions as described below. DHCS is requesting authority to provide transitional rent services for qualifying individuals accessing services through the Specialty Mental Health Services (SMHS), Drug Medi-Cal (DMC), and Drug Medi-Cal Organized Delivery System (DMC-ODS) delivery systems through the proposed California Behavioral Health Community-Based Organized Networks of Equitable Care and Treatment (BH-CONNECT) demonstration.

**SUMMARY OF PROPOSED CHANGES**

Through this proposed waiver amendment, DHCS is seeking to provide up to six months of transitional rent services as a new Community Support in the Medi-Cal managed care delivery system for eligible individuals who are homeless or at risk of homelessness and transitioning out of the following levels of care or facility types:

- Institutional levels of care
- Congregate residential settings
- Correctional facilities,
- Child welfare system
- Recuperative care facilities,
- Short-term post-hospitalization housing
- Transitional housing
- Homeless shelters or interim housing; as well as
- Individuals who meet the criteria for unsheltered homelessness or for a Full Service Partnership (FSP) program.<sup>18</sup>

Transitional rent services will be provided only if the services are determined and documented by participating managed care plans to be medically appropriate using

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<sup>18</sup> FSP is a comprehensive and intensive mental health program for individuals with persistent mental illness that have demonstrated a need for an intensive FSP program, including individuals who are experiencing or at risk of homelessness, those who are justice-involved, and high-utilizers of emergency or high-acuity mental health services. An estimated 71,000 individuals are currently enrolled in FSP programs (.5% of the Medi-Cal population).

clinical and other health-related social needs criteria. Transitional rent services will be voluntary for the Medi-Cal managed care plans to offer and for Medi-Cal members to use.

California's goals for this proposed waiver amendment align with CMS' [guidance](#) and the existing goals for Community Supports authorized under the CalAIM Section 1115 demonstration, including the following for Medi-Cal members:

- Addressing unmet housing needs;
- Reducing long-term homelessness;
- Increasing utilization of preventive and routine care;
- Reducing utilization of and costs associated with potentially avoidable, high acuity health care services; and
- Improving physical and behavioral health outcomes.

#### **IMPACT TO TRIBAL HEALTH PROGRAMS (THPs)**

DHCS anticipates that Tribal health programs may be able to provide transitional rent services to Medi-Cal members enrolled in Medi-Cal managed care plans that opt to cover these services.

#### **IMPACT TO FEDERALLY QUALIFIED HEALTH CENTERS (FQHCs)**

DHCS anticipates that FQHCs may be able to provide transitional rent services to Medi-Cal members in Medi-Cal managed care plans that opt to cover these services.

#### **IMPACT TO INDIAN MEDI-CAL BENEFICIARIES**

This proposal will provide access to transitional rent services for American Indian and Alaska Native individuals enrolled in the Medi-Cal Managed Care delivery system, who are homeless or at risk of homelessness, and experiencing critical transitions, as well as those who meet the criteria for a Full Service Partnership program. American Indian and Alaska Native individuals who are not enrolled in the Medi-Cal managed care will not have access to transitional rent services through the Medi-Cal managed care delivery system. The proposed model changes will not change eligibility for Medi-Cal or reduce benefits. However, DHCS anticipates the program will help improve health outcomes for American Indian and Alaska Native Medi-Cal members who meet the program eligibility requirements.

#### **RESPONSE DATE**

Tribes and Indian Health Programs may also submit written comments or questions concerning this proposal within 30 days from the receipt of notice. To be assured consideration prior to submission of the CalAIM Section 1115 Transitional Rent Services Amendment to CMS, comments must be received no later than 11:59 PM (Pacific Time) on August 31, 2023. Please note that comments will continue to be accepted after August 31, 2023, but DHCS may not be able to consider those comments prior to the initial submission of the CalAIM Section 1115 Transitional Rent Services Amendment to CMS.

Comments may be sent by email to [1115waiver@dhcs.ca.gov](mailto:1115waiver@dhcs.ca.gov) or by mail to the address below.

### **CONTACT INFORMATION**

If Tribes and Indian Health Programs would like to view the CalAIM Section 1115 Transitional Rent Services Amendment or notices in person, they may visit their local county welfare department (addresses and contact information are available at: <https://www.dhcs.ca.gov/services/medi-cal/Pages/CountyOffices.aspx>). Tribes and Indian Health Programs may also request a copy of the proposed application, notices, and/or a copy of the submitted public comments related to the CalAIM Section 1115 amendment for transitional rent services by submitting a request to the mailing address listed below or via email to [1115waiver@dhcs.ca.gov](mailto:1115waiver@dhcs.ca.gov).

Written comments may be sent to the following address; please indicate "CalAIM Section 1115 Transitional Rent Services Amendment" in the written message:

Department of Health Care Services  
Director's Office  
Attn: Jacey Cooper and Susan Philip  
P.O. Box 997413, MS 0000  
Sacramento, California 95899-7413

# Appendix D: Documentation of Compliance with Public Notice Process

## California Registrar Notice

### California Regulatory Notice (Friday, August 4, 2023)

Link: <https://oal.ca.gov/wp-content/uploads/sites/166/2023/08/2023-Notice-Register-Number-31-Z-August-4-2023.pdf>

#### CALIFORNIA REGULATORY NOTICE REGISTER 2023, VOLUME NUMBER 31-Z

[WN\\_6XzvB4XsSD2MRHnKMYdMGw#/registration](https://oal.ca.gov/wp-content/uploads/sites/166/2023/08/2023-Notice-Register-Number-31-Z-August-4-2023.pdf)

- Please register in advance if you plan to attend in-person or if you plan to attend by Zoom to receive your unique login details and a link to add the hearing to your calendar
- Call-in information: (646) 931-3860
  - Webinar ID: 939 8473 0250
  - Passcode: 081123
  - Callers do not need an email address to use the phone option and do not need to register in advance
- Thursday, August 24, 2023 — Second Public Hearing
  - 9:30–11:30 a.m. PT
  - Department of Health Care Services
    - 1700 K Street, Room 1014, Sacramento, CA 95814
  - Register for Zoom conference link: [https://zoom.us/webinar/register/WN\\_eqqbAdsGRVuCilmQGc-Y-g](https://zoom.us/webinar/register/WN_eqqbAdsGRVuCilmQGc-Y-g)
    - Please register in advance if you plan to attend in-person or if you plan to attend by Zoom to receive your unique login details and a link to add the hearing to your calendar
  - Call-in information: (646) 558-8656
    - Webinar ID: 913 8468 8826
    - Passcode: 478151
    - Callers do not need an email address to use the phone option and do not need to register in advance

Written comments may be sent to the following address; please indicate “BH-CONNECT demonstration” in the written message:

Department of Health Care Services  
Director’s Office  
Attention: Jacey Cooper and Tyler Sadwith  
P.O. Box 997413, MS 0000  
Sacramento, CA 95899-7413

Comments may also be emailed to [BH-CONNECT@dhs.ca.gov](mailto:BH-CONNECT@dhs.ca.gov). Please indicate “BH-CONNECT demonstration” in the subject line of the email message.

To be assured consideration prior to submission of the BH-CONNECT demonstration application to CMS, comments must be received no later than 11:59 p.m. (Pacific Time) on August 31, 2023. Please note that comments will continue to be accepted after August 31, 2023, but DHCS may not be able to consider

those comments prior to the initial submission of the BH-CONNECT demonstration application to CMS.

After DHCS reviews comments submitted during this State public comment period, the BH-CONNECT demonstration will be submitted to CMS. Interested parties will also have the opportunity to officially comment on the BH-CONNECT demonstration during the federal public comment period; the submitted application will be available for comment on the CMS website at: <https://www.medicaid.gov/medicaid/section-1115-demo/demonstration-and-waiver-list/index.html>.

#### DEPARTMENT OF HEALTH CARE SERVICES

#### PROPOSED CALAIM SECTION 1115 DEMONSTRATION AMENDMENT

This abbreviated public notice provides information of public interest regarding submission of a proposed Section 1115 amendment request to the federal Centers for Medicare & Medicaid Services (CMS).

To improve the well-being and health outcomes of Medi-Cal members during critical transitions or who meet high-risk criteria, California Department of Health Care Services (DHCS) is seeking an amendment to the California Advancing and Innovating Medi-Cal (CalAIM) Section 1115 demonstration to provide up to six months of transitional rent services as a new Community Support in the Medi-Cal Managed Care (MCMC) delivery system for eligible individuals who are homeless or at risk of homelessness and experiencing critical transitions, as well those who meet the criteria for unsheltered homelessness or for a Full Service Partnership (FSP) program. The State is seeking expenditure authority up to an aggregate cap of \$764,860,000 over the final two years of the CalAIM demonstration period (January 1, 2025–December 31, 2026) to cover transitional rent services in the MCMC delivery system. To ensure a “no wrong door” approach to accessing key housing services for high need enrollees who are homeless or at risk of homelessness and experiencing transitions, DHCS is requesting authority to provide transitional rent services for qualifying individuals enrolled in the Specialty Mental Health Services (SMHS) and Drug Medi-Cal Organized Delivery System (DMC-ODS) delivery systems through the proposed California Behavioral Health Community-Based Organized Networks of Equitable Care and Treatment (BH-CONNECT) demonstration.

A copy of the proposed CalAIM Section 1115 Transitional Rent Services Amendment and initial notice of public interest, both posted on August 1, 2023,

CALIFORNIA REGULATORY NOTICE REGISTER 2023, VOLUME NUMBER 31-Z

are available on the DHCS website at <https://www.dhcs.ca.gov/provgovpart/Pages/CalAIM-1115-and-1915b-Waiver-Renewals.aspx>.

PUBLIC REVIEW AND COMMENT PROCESS

DHCS will host two public hearings to solicit stakeholder comments. The meetings will take place in-person and have online video streaming and telephonic conference capabilities to ensure accessibility.

- Friday, August 11, 2023 — First Public Hearing
  - 10:00–11:30 a.m. PT
  - Department of General Services
    - 1500 Capitol Ave. (Building 172), EEC Training Rooms, Sacramento, CA 95814
  - Register for Zoom conference link: [https://manatt.zoom.us/webinar/register/WN\\_6XzvB4XsSD2MRHnKMYdMGw#/registration](https://manatt.zoom.us/webinar/register/WN_6XzvB4XsSD2MRHnKMYdMGw#/registration)
    - Please register in advance if you plan to attend in-person or if you plan to attend by Zoom to receive your unique login details and a link to add the hearing to your calendar
  - Call-in information: (646) 931–3860
    - Webinar ID: 939 8473 0250
    - Passcode: 081123
    - Callers do not need an email address to use the phone option and do not need to register in advance
- Thursday, August 24, 2023 — Second Public Hearing
  - 9:30–11:30 a.m. PT
  - Department of Health Care Services
    - 1700 K Street, Room 1014, Sacramento, CA 95814
  - Register for Zoom conference link: [https://zoom.us/webinar/register/WN\\_eqqbAdsGRVuCilmQGc-Y-g](https://zoom.us/webinar/register/WN_eqqbAdsGRVuCilmQGc-Y-g)
    - Please register in advance if you plan to attend in-person or if you plan to attend by Zoom to receive your unique login details and a link to add the hearing to your calendar
  - Call-in information: 646–558–8656
    - Webinar ID: 913 8468 8826
    - Passcode: 478151
    - Callers do not need an email address to use the phone option and do not need to register in advance

The complete version of the draft of the CalAIM Section 1115 Transitional Rent Services Amendment is available for public review at: <https://www.dhcs.ca.gov/provgovpart/Pages/CalAIM-1115-and-1915b-Waiver-Renewals.aspx>.

If you would like to view the CalAIM Section 1115 Transitional Rent Services Amendment or notices in person, you may visit your local county welfare department (addresses and contact information available at: <https://www.dhcs.ca.gov/services/medi-cal/Pages/CountyOffices.aspx>). You may also request a copy of the proposed CalAIM Section 1115 amendment, notices, and/or a copy of submitted public comments, once available, related to the CalAIM Section 1115 amendment for transitional rent services by requesting it in writing to the mailing or email addresses listed below.

Written comments may be sent to the following address; please indicate “CalAIM Section 1115 Transitional Rent Services Amendment” in the written message:

Department of Health Care Services  
Director’s Office  
Attention: Jacey Cooper and Susan Philip  
P.O. Box 997413, MS 0000  
Sacramento, CA 95899–7413

Comments may also be emailed to [1115waiver@dhcs.ca.gov](mailto:1115waiver@dhcs.ca.gov). Please indicate “CalAIM Section 1115 Transitional Rent Services Amendment” in the subject line of the email message.

To be assured consideration prior to submission of the CalAIM Section 1115 Transitional Rent Services Amendment to CMS, comments must be received no later than **11:59 p.m. (Pacific Time) on August 31, 2023**. Please note that comments will continue to be accepted after August 31, 2023, but DHCS may not be able to consider those comments prior to the initial submission of the CalAIM Section 1115 Transitional Rent Services Amendment to CMS.

**OCCUPATIONAL SAFETY AND HEALTH STANDARDS BOARD**

NOTICE OF PUBLIC MEETING AND BUSINESS MEETING

Pursuant to Government Code Section 11346.4 and the provisions of Labor Code Sections 142.1, 142.2, 142.3, 142.4, and 144.6, the Occupational Safety and Health Standards Board of the State of California has set the time and place for a Public Meeting and Business Meeting:

## Initial Stakeholder Emails

### DHCS Stakeholder Update Email Listserv (Tuesday, August 1, 2023)

**From:** DHCS Communications <[DHCSCommunications@DHCS.CA.GOV](mailto:DHCSCommunications@DHCS.CA.GOV)>

**Sent:** Tuesday, August 1, 2023 5:52 PM

**To:** [DHCSSTAKEHOLDERS@MAILLIST.DHS.CA.GOV](mailto:DHCSSTAKEHOLDERS@MAILLIST.DHS.CA.GOV)

**Subject:** DHCS Update: Public Comment on BH-CONNECT and CalAIM Transitional Rent Services

## DHCS Stakeholder News

The Department of Health Care Services (DHCS) is providing this update of significant developments regarding DHCS programs.

### **BH-CONNECT and CalAIM Transitional Rent Services**

On August 1, 2023, the Department of Health Care Services (DHCS) began a 30-day public comment period to solicit feedback on a new Section 1115 demonstration request, entitled the California Behavioral Health Community-Based Organized Networks of Equitable Care and Treatment (BH-CONNECT) demonstration. DHCS also began a 30-day public comment period to solicit feedback on a proposed amendment to the California Advancing and Innovating Medi-Cal (CalAIM) Section 1115 demonstration related to transitional rent services. The public comment period for both is through August 31, 2023. This email provides background information, links to public comment materials, and information about how to provide feedback during the public comment period.

#### **BH-CONNECT Background**

DHCS is seeking approval to implement key features of the BH-CONNECT demonstration, which aims to expand access to and strengthen the continuum of community-based behavioral health services for Medi-Cal members living with serious mental illness (SMI) and serious emotional disturbance (SED). BH-CONNECT will amplify the state's ongoing behavioral health initiatives, and is informed by the findings from DHCS' comprehensive 2022 assessment of California's behavioral health landscape, [Assessing the Continuum of Care for Behavioral Health Services in California](#).

The BH-CONNECT demonstration builds upon unprecedented investments and policy transformations currently underway in California that are designed to expand access to community-based behavioral health care and improve outcomes for Medi-Cal members living with the most significant mental health and substance use needs. California has invested more than \$10 billion and is implementing landmark policy reforms to strengthen the behavioral health care continuum through initiatives like the [Children and Youth Behavioral Health Initiative](#), [Behavioral Health Continuum Infrastructure Program](#), [Behavioral Health Bridge Housing program](#), [CalAIM Justice-Involved Initiative](#), [Behavioral Health Payment Reform](#), [mobile crisis](#) and [988 expansion](#), and more. California's proposed goal for the BH-CONNECT demonstration is to complement and amplify these major behavioral health initiatives to **establish a robust continuum of community-based behavioral health care services and improve access, equity, and quality for Medi-Cal members living with SMI and SED, particularly populations experiencing disparities in behavioral health care and outcomes.**



The BH-CONNECT demonstration aims to expand Medi-Cal service coverage, drive performance improvement, and support fidelity implementation for key interventions proven to improve outcomes for Medi-Cal members experiencing the greatest inequities, including children and youth involved in child welfare, individuals with lived experience with the criminal justice system, and individuals at risk of or experiencing homelessness. The BH-CONNECT demonstration will standardize and scale evidence-based models so Medi-Cal members with the greatest needs receive upstream, field-based care delivered in the community; avoid unnecessary emergency department visits, hospitalizations, and stays in inpatient and residential facilities; reduce involvement with the justice system; and report improved status. To achieve these goals, the BH-CONNECT demonstration includes some components that will be implemented on a statewide basis and other components that will be implemented on a county opt-in basis.

DHCS is soliciting public input on the Section 1115 demonstration application. A full draft of the proposed BH-CONNECT demonstration application and initial notice of public interest are posted on the [DHCS BH-CONNECT webpage](#).

DHCS is requesting Section 1115 demonstration expenditure and waiver authorities for specific features of the BH-CONNECT demonstration. In parallel with the expenditure and waiver authorities requested in the application, DHCS will work with the Centers for Medicare & Medicaid Services (CMS) to implement other features of the BH-CONNECT demonstration that do not require Section 1115 demonstration authority, but may require a new State Plan Amendment or be implemented with state-level guidance. Features of BH-CONNECT that DHCS is requesting as part of the Section 1115 demonstration include:

- Workforce initiative to invest in a robust, diverse behavioral health workforce to support Medi-Cal members living with SMI/SED and/or a substance use disorder (SUD) (*implemented statewide*).
- Activity stipends to ensure children and youth involved in child welfare have access to extracurricular activities that support health and well-being (*implemented statewide*).
- Cross-sector incentive program to support children and youth involved in child welfare who are also receiving specialty mental health services (*implemented statewide*).
- Statewide incentive program to support behavioral health delivery systems in strengthening quality infrastructure, improving performance on quality measures, and reducing disparities in behavioral health access and outcomes (*implemented statewide*).
- Incentive program for opt-in counties to support and reward counties in implementing community-based services and evidence-based practices for Medi-Cal members living with SMI/SED and/or a SUD (*available at county option*).
- Transitional rent services for up to six months for eligible high-need members who are experiencing or at risk of homelessness (*available at county option*).
- Federal financial participation for care provided during short-term stays in institutions for mental diseases (*available at county option*).

In addition, DHCS will work with CMS to implement other features of the BH-CONNECT demonstration that do not require Section 1115 demonstration authority, including expanding the continuum of community-based services and evidence-based practices (EBPs) available through Medi-Cal, strengthening family-based services and supports for children and youth, providing training and technical assistance to support fidelity implementation of EBPs, and more. Additional details are available on the [DHCS BH-CONNECT webpage](#).

#### **CALAIM Transitional Rent Amendment Background**

To improve the well-being and health outcomes of Medi-Cal members during critical transitions or who meet high-risk criteria, DHCS is seeking an amendment to the CalAIM Section 1115 demonstration to provide up to six months of transitional rent services to eligible individuals who are homeless or at risk of homelessness and transitioning out of institutional levels of care, congregate residential settings, correctional facilities, the child welfare system, recuperative care facilities, short-term post-hospitalization housing, transitional housing, homeless shelters or interim housing, as well as those who meet the criteria for unsheltered homelessness or for a Full Service Partnership (FSP) program. Transitional rent services will be available for a period of no more than six months; must be cost-effective; and will be provided only if it is determined to be medically appropriate using clinical and other health-related social needs criteria. Transitional rent services will be voluntary for Medi-Cal managed care plans to offer and for Medi-Cal members to use.

#### **Public Comment Materials**

The following public comment materials are posted on the [DHCS BH-CONNECT webpage](#) and [DHCS CalAIM 1115 Demonstration & 1915\(b\) Waiver webpage](#). DHCS will update these pages throughout the public comment period and application process:

- Proposed BH-CONNECT Section 1115 Application
- Proposed CalAIM Section 1115 Transitional Rent Services Amendment Application
- Public Notice
- Abbreviated Public Notice
- Tribal and Designees of Indian Health Programs Public Notice

#### **Opportunities to Comment**

##### ***Written Comments***

Comments will be accepted via U.S. mail or electronic mail.

For written comments related to BH-CONNECT, please indicate "BH-CONNECT Demonstration" in the subject line of the written message and send to the below address:

Department of Health Care Services  
Director's Office  
Attn: Jacey Cooper and Tyler Sadwith  
P.O. Box 997413, MS 0000  
Sacramento, California 95899-7413

Comments may also be emailed to [BH-CONNECT@dhcs.ca.gov](mailto:BH-CONNECT@dhcs.ca.gov), and please indicate "BH-CONNECT Demonstration" in the subject line of the email message.

For written comments related to Transitional Rent Services amendment, please indicate "CalAIM Section 1115 Transitional Rent Services Amendment" in the subject line of the written message and send to the below address:

Department of Health Care Services  
Director's Office  
Attn: Jacey Cooper and Susan Philip  
P.O. Box 997413, MS 0000  
Sacramento, California 95899-7413

Comments may also be emailed to [1115waiver@dhcs.ca.gov](mailto:1115waiver@dhcs.ca.gov), and please indicate "CalAIM Section 1115 Transitional Rent Services Amendment" in the subject line of the email message.

To ensure consideration prior to submission of the BH-CONNECT demonstration application and CalAIM Section 1115 Transitional Rent Services Amendment to CMS, comments must be received no later than 11:59 PM (Pacific Time) on August 31, 2023. Please note that comments will continue to be accepted after August 31, but DHCS may not be able to consider those comments prior to the initial submission of the BH-CONNECT demonstration application and CalAIM Section 1115 Transitional Rent Services Amendment to CMS.

**Public Hearings**

DHCS will host the following public hearings to solicit stakeholder comments. The public hearings will take place in person and have online video streaming and telephonic conference capabilities to ensure accessibility.

Friday, August 11 – First Public Hearing

- o 10 – 11:30 AM PT
- o Department of General Services
  - 1500 Capitol Ave. (Building 172), EEC Training Rooms, Sacramento, CA 95814
- o Register for Zoom conference link:  
[https://manatt.zoom.us/webinar/register/WN\\_6XzvB4XsSD2MRHnKMYdMGw#/registration](https://manatt.zoom.us/webinar/register/WN_6XzvB4XsSD2MRHnKMYdMGw#/registration)
  - Please register in advance if you plan to attend in person or if you plan to attend by Zoom to receive your unique login details and a link to add the hearing to your calendar.
- o Call-in information: 646-931-3860
  - Webinar ID: 939 8473 0250
  - Passcode: 081123
  - Callers do not need an email address to use the phone option and do not need to register in advance.

Thursday, August 24 – Second Public Hearing

- o 9:30 – 11:30 AM PT
- o Department of Health Care Services
  - 1700 K Street, Room 1014, Sacramento, CA 95814
- o Register for Zoom conference link:  
[https://zoom.us/webinar/register/WN\\_eqqbAdsGRVuCilmQGc-Y-g](https://zoom.us/webinar/register/WN_eqqbAdsGRVuCilmQGc-Y-g)
  - Please register in advance if you plan to attend in person or if you plan to attend by Zoom to receive your unique login details and a link to add the hearing to your calendar.
- o Call-in information: 646-558-8656
  - Webinar ID: 913 8468 8826
  - Passcode: 478151
  - Callers do not need an email address to use the phone option and do not need to register in advance.

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Department of Health Care Services  
Director's Office  
P. O. Box 997413, MS 0000, Sacramento, CA 95899-7413  
(916) 440-7400  
Email: [1115Waiver@dhcs.ca.gov](mailto:1115Waiver@dhcs.ca.gov)

Please note that the range of assistive services available may be limited if requests are received less than ten working days prior to the meeting.

Thank you,



CALIFORNIA DEPARTMENT OF  
HEALTH CARE SERVICES

[www.dhcs.ca.gov](http://www.dhcs.ca.gov)

## Legislative & Governmental Affairs Email (Tuesday, August 1, 2023)

From: Rolland, Melissa@DHCS <[Melissa.Rolland@dhcs.ca.gov](mailto:Melissa.Rolland@dhcs.ca.gov)>

Sent: Tuesday, August 1, 2023 5:31 PM

Subject: DHCS Public Comment on BH-CONNECT and CalAIM Transitional Rent Services

On August 1, 2023, the Department of Health Care Services (DHCS) began a 30-day public comment period to solicit feedback on a new Section 1115 demonstration request, entitled the California Behavioral Health Community-Based Organized Networks of Equitable Care and Treatment (BH-CONNECT) demonstration. DHCS also began a 30-day public comment period to solicit feedback on a proposed amendment to the California Advancing and Innovating Medi-Cal (CalAIM) Section 1115 demonstration related to transitional rent services. The public comment period for both is through August 31, 2023. This email provides background information, links to public comment materials, and information about how to provide feedback during the public comment period.

### BH-CONNECT Background

DHCS is seeking approval to implement key features of the BH-CONNECT demonstration, which aims to expand access to and strengthen the continuum of community-based behavioral health services for Medi-Cal members living with serious mental illness (SMI) and serious emotional disturbance (SED). BH-CONNECT will amplify the state's ongoing behavioral health initiatives, and is informed by the findings from DHCS' comprehensive 2022 assessment of California's behavioral health landscape, [Assessing the Continuum of Care for Behavioral Health Services in California](#).

The BH-CONNECT demonstration builds upon unprecedented investments and policy transformations currently underway in California that are designed to expand access to community-based behavioral health care and improve outcomes for Medi-Cal members living with the most significant mental health and substance use needs. California has invested more than \$10 billion and is implementing landmark policy reforms to strengthen the behavioral health care continuum through initiatives like the [Children and Youth Behavioral Health Initiative](#), [Behavioral Health Continuum Infrastructure Program](#), [Behavioral Health Bridge Housing Program](#), [CalAIM Justice-Involved Initiative](#), [Behavioral Health Payment Reform](#), [mobile crisis](#) and [988 expansion](#), and more. California's proposed goal for the BH-CONNECT demonstration is to complement and amplify these major behavioral health initiatives to **establish a robust continuum of community-based behavioral health care services and improve access, equity, and quality for Medi-Cal members living with SMI and SED, particularly populations experiencing disparities in behavioral health care and outcomes.**

The BH-CONNECT demonstration aims to expand Medi-Cal service coverage, drive performance improvement, and support fidelity implementation for key interventions proven to improve outcomes for Medi-Cal members experiencing the greatest inequities, including children and youth involved in child welfare, individuals with lived experience with the criminal justice system, and individuals at risk of or experiencing homelessness. The BH-CONNECT demonstration will standardize and scale evidence-based models so Medi-Cal members with the greatest needs receive upstream, field-based care delivered in the community, avoid unnecessary emergency department visits, hospitalizations, and stays in inpatient and residential facilities; reduce involvement with the justice system; and report improved status. To achieve these goals, the BH-CONNECT demonstration includes some components that will be implemented on a statewide basis and other components that will be implemented on a county opt-in basis.

DHCS is soliciting public input on the Section 1115 demonstration application. A full draft of the proposed BH-CONNECT demonstration application and initial notice of public interest are posted on the [DHCS BH-CONNECT website](#).

DHCS is requesting Section 1115 demonstration expenditure and waiver authorities for specific features of the BH-CONNECT demonstration. In parallel with the expenditure and waiver authorities requested in the application, DHCS will work with the Centers for Medicare & Medicaid Services (CMS) to implement other features of the BH-CONNECT demonstration that do not require Section 1115 demonstration authority, but may require a new State Plan Amendment or be implemented with state-level guidance. Features of BH-CONNECT that DHCS is requesting as part of the Section 1115 demonstration include:

- Workforce initiative to invest in a robust, diverse behavioral health workforce to support Medi-Cal members living with SMI/SED and/or a substance use disorder (SUD) (*implemented statewide*).
- Activity stipends to ensure children and youth involved in child welfare have access to extracurricular activities that support health and well-being (*implemented statewide*).
- Cross-sector incentive program to support children and youth involved in child welfare who are also receiving specialty mental health services (*implemented statewide*).
- Statewide incentive program to support behavioral health delivery systems in strengthening quality infrastructure, improving performance on quality measures, and reducing disparities in behavioral health access and outcomes (*implemented statewide*).
- Incentive program for opt-in counties to support and reward counties in implementing community-based services and evidence-based practices for Medi-Cal members living with SMI/SED and/or a SUD (*available at county option*).
- Transitional rent services for up to six months for eligible high-need members who are experiencing or at risk of homelessness (*available at county option*).
- Federal financial participation for care provided during short-term stays in institutions for mental diseases (*available at county option*).

In addition, DHCS will work with CMS to implement other features of the BH-CONNECT demonstration that do not require Section 1115 demonstration authority, including expanding the continuum of community-based services and evidence-based practices (EBPs) available through Medi-Cal, strengthening family-based services and supports for children and youth, providing training and technical assistance to support fidelity implementation of EBPs, and more. Additional details are available on the [DHCS BH-CONNECT website](#).

### CalAIM Transitional Rent Amendment Background

To improve the well-being and health outcomes of Medi-Cal members during critical transitions or who meet high-risk criteria, DHCS is seeking an amendment to the CalAIM Section 1115 demonstration to provide up to six months of transitional rent services to eligible individuals who are homeless or at risk of homelessness and transitioning out of institutional levels of care, congregate residential settings, correctional facilities, the child welfare system, recuperative care facilities, short-term post-hospitalization housing, transitional housing, homeless shelters or interim housing, as well as those who meet the criteria for unsheltered homelessness or for a Full Service Partnership (FSP) program. Transitional rent services will be available for a period of no more than six months; must be cost-effective; and will be provided only if it is determined to be medically appropriate using clinical and other health-related social needs criteria. Transitional rent services will be voluntary for Medi-Cal managed care plans to offer and for Medi-Cal members to use.

### Public Comment Materials

The following public comment materials are posted on the [DHCS BH-CONNECT webpage](#) and [DHCS CalAIM 1115 Demonstration & 1915\(b\) Waiver webpage](#). DHCS will update these pages throughout the public comment period and application process:

- Proposed BH-CONNECT Section 1115 Application
- Proposed CalAIM Section 1115 Transitional Rent Services Amendment Application
- Public Notice
- Abbreviated Public Notice
- Tribal and Designees of Indian Health Programs Public Notice

### Opportunities to Comment

#### Written Comments

Comments will be accepted via U.S. mail or electronic mail.

For written comments related to BH-CONNECT, please indicate "BH-CONNECT Demonstration" in the subject line of the written message and send to the below address:

Department of Health Care Services  
Director's Office  
Attn: Jacey Cooper and Tyler Sadwith  
P.O. Box 997413, MS 0000  
Sacramento, California 95899-7413

Comments may also be emailed to [BH\\_CONNECT@dhcs.ca.gov](mailto:BH_CONNECT@dhcs.ca.gov), and please indicate "BH-CONNECT Demonstration" in the subject line of the email message.

For written comments related to Transitional Rent Services amendment, please indicate "CalAIM Section 1115 Transitional Rent Services Amendment" in the subject line of the written message and send to the below address:

Department of Health Care Services  
Director's Office  
Attn: Jacey Cooper and Susan Philip  
P.O. Box 997413, MS 0000  
Sacramento, California 95899-7413

Comments may also be emailed to [1115Waiver@dhcs.ca.gov](mailto:1115Waiver@dhcs.ca.gov), and please indicate "CalAIM Section 1115 Transitional Rent Services Amendment" in the subject line of the email message.

To ensure consideration prior to submission of the BH-CONNECT demonstration application and CalAIM Section 1115 Transitional Rent Services Amendment to CMS, comments must be received no later than 11:59 PM (Pacific Time) on August 31, 2023. Please note that comments will continue to be accepted after August 31, but DHCS may not be able to consider those comments prior to the initial submission of the BH-CONNECT demonstration application and CalAIM Section 1115 Transitional Rent Services Amendment to CMS.

### Public Hearings

DHCS will host the following public hearings to solicit stakeholder comments. The public hearings will take place in person and have online video streaming and telephonic conference capabilities to ensure accessibility.

Friday, August 11 – First Public Hearing

- o 10 – 11:30 AM PT
- o Department of General Services
  - 1500 Capitol Ave. (Building 172), EEC Training Rooms, Sacramento, CA 95814
- o Register for Zoom conference link: <https://manatt.zoom.us/join/6XrvB4xSD2MRHnKMYdMGwI/registration>
  - Please register in advance if you plan to attend in person or if you plan to attend by Zoom to receive your unique login details and a link to add the hearing to your calendar.
- o Call-in information: 646-931-3860
  - Webinar ID: 939 8473 0250
  - Passcode: 081123
  - Callers do not need an email address to use the phone option and do not need to register in advance.

Thursday, August 24 – Second Public Hearing


- o 9:30 – 11:30 AM PT
- o Department of Health Care Services
  - 1700 K Street, Room 1014, Sacramento, CA 95814
- o Register for Zoom conference link: [https://zoom.us/join/WN\\_eqqbAdsGRVUcIImQGc-Y-g](https://zoom.us/join/WN_eqqbAdsGRVUcIImQGc-Y-g)
  - Please register in advance if you plan to attend in person or if you plan to attend by Zoom to receive your unique login details and a link to add the hearing to your calendar.
- o Call in information: 646 558 8656
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**Melissa Rolland** | Assistant Deputy Director  
 Legislative and Governmental Affairs  
 California Department of Health Care Services



## DHCS Stakeholder Email – Medi-Cal Managed Care Plans (Tuesday, August 1, 2023)

**From:** Philip, Susan@DHCS <[Susan.Phipp@dhcs.ca.gov](mailto:Susan.Phipp@dhcs.ca.gov)>  
**Sent:** Tuesday, August 1, 2023 6:40 PM  
**To:**  
**Subject:** DHCS Public Comment on BH-CONNECT and CalAIM Transitional Rent Services

Plan Partners:

On August 1, 2023, the Department of Health Care Services (DHCS) began a 30-day public comment period to solicit feedback on a new Section 1115 demonstration request, entitled the California Behavioral Health Community-Based Organized Networks of Equitable Care and Treatment (BH-CONNECT) demonstration. DHCS also began a 30-day public comment period to solicit feedback on a proposed amendment to the California Advancing and Innovating Medi-Cal (CalAIM) Section 1115 demonstration related to transitional rent services. The public comment period for both is through August 31, 2023. This email provides background information, links to public comment materials, and information about how to provide feedback during the public comment period.

**BH-CONNECT Background**

DHCS is seeking approval to implement key features of the BH-CONNECT demonstration, which aims to expand access to and strengthen the continuum of community-based behavioral health services for Medi-Cal members living with serious mental illness (SMI) and serious emotional disturbance (SED). BH-CONNECT will amplify the state's ongoing behavioral health initiatives, and is informed by the findings from DHCS' comprehensive 2022 assessment of California's behavioral health landscape, [Assessing the Continuum of Care for Behavioral Health Services in California](#).

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DHCS is soliciting public input on the Section 1115 demonstration application. A full draft of the proposed BH-CONNECT demonstration application and initial notice of public interest are posted on the [DHCS BH-CONNECT website](#).

DHCS is requesting Section 1115 demonstration expenditure and waiver authorities for specific features of the BH-CONNECT demonstration. In parallel with the expenditure and waiver authorities requested in the application, DHCS will work with the Centers for Medicare & Medicaid Services (CMS) to implement other features of the BH-CONNECT demonstration that do not require Section 1115 demonstration authority, but may require a new State Plan Amendment or be implemented with state-level guidance. Features of BH-CONNECT that DHCS is requesting as part of the Section 1115 demonstration include:

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In addition, DHCS will work with CMS to implement other features of the BH-CONNECT demonstration that do not require Section 1115 demonstration authority, including expanding the continuum of community-based services and evidence-based practices (EBPs) available through Medi-Cal, strengthening family-based services and supports for children and youth, providing training and technical assistance to support fidelity implementation of EBPs, and more. Additional details are available on the [DHCS BH-CONNECT website](#).

#### **CalAIM Transitional Rent Amendment Background**

To improve the well-being and health outcomes of Medi-Cal members during critical transitions or who meet high-risk criteria, DHCS is seeking an amendment to the CalAIM Section 1115 demonstration to provide up to six months of transitional rent services to eligible individuals who are homeless or at risk of homelessness and transitioning out of institutional levels of care, congregate residential settings, correctional facilities, the child welfare system, recuperative care facilities, short-term post-hospitalization housing, transitional housing, homeless shelters or interim housing, as well as those who meet the criteria for unsheltered homelessness or for a Full Service Partnership (FSP) program. Transitional rent services will be available for a period of no more than six months; must be cost-effective; and will be provided only if it is determined to be medically appropriate using clinical and other health-related social needs criteria. Transitional rent services will be voluntary for Medi-Cal managed care plans to offer and for Medi-Cal members to use.

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- Proposed CalAIM Section 1115 Transitional Rent Services Amendment Application
- Public Notice
- Abbreviated Public Notice
- Tribal and Designees of Indian Health Programs Public Notice

#### **Opportunities to Comment**

##### **Written Comments**

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Department of Health Care Services  
Director's Office  
Attn: Jacey Cooper and Tyler Sadwith  
P.O. Box 997413, MS 0000  
Sacramento, California 95899-7413

Comments may also be emailed to [BH-CONNECT@dhcs.ca.gov](mailto:BH-CONNECT@dhcs.ca.gov), and please indicate "BH-CONNECT Demonstration" in the subject line of the email message.

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Director's Office  
Attn: Jacey Cooper and Susan Philip  
P.O. Box 997413, MS 0000  
Sacramento, California 95899-7413

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**Susan Philip, MPP** | Deputy Director  
Health Care Delivery Systems  
California Department of Health Care Services  
916-324-5870 (Office)  
916-917-6535 (Mobile)  
Administrative Assistant: Preston Poon  
[Preston.Poon@dhcs.ca.gov](mailto:Preston.Poon@dhcs.ca.gov)



## DHCS Stakeholder Email – California Department of Aging (Tuesday, August 1, 2023)

**From:** Philip, Susan@DHCS <[Susan.Philip@dhcs.ca.gov](mailto:Susan.Philip@dhcs.ca.gov)>  
**Sent:** Tuesday, August 1, 2023 6:18 PM  
**To:**  
**Subject:** DHCS Public Comment on BH-CONNECT and CalAIM Transitional Rent Services

Hello : I wanted to make sure you saw this announcement. Please feel free to share with stakeholders, especially as it relates to the Transitional Rent components.

Kind regards,  
Susan

**Susan Philip, MPP** | Deputy Director  
Health Care Delivery Systems  
California Department of Health Care Services  
916-324-5870 (Office)  
916-917-6535 (Mobile)  
Administrative Assistant: Preston Poon  
[Preston.Poon@dhcs.ca.gov](mailto:Preston.Poon@dhcs.ca.gov)



On August 1, 2023, the Department of Health Care Services (DHCS) began a 30-day public comment period to solicit feedback on a new Section 1115 demonstration request, entitled the California Behavioral Health Community-Based Organized Networks of Equitable Care and Treatment (BH-CONNECT) demonstration. DHCS also began a 30-day public comment period to solicit feedback on a proposed amendment to the California Advancing and Innovating Medi-Cal (CalAIM) Section 1115 demonstration related to transitional rent services. The public comment period for both is through August 31, 2023. This email provides background information, links to public comment materials, and information about how to provide feedback during the public comment period.

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DHCS is soliciting public input on the Section 1115 demonstration application. A full draft of the proposed BH-CONNECT demonstration application and initial notice of public interest are posted on the [DHCS BH-CONNECT website](#).

DHCS is requesting Section 1115 demonstration expenditure and waiver authorities for specific features of the BH-CONNECT demonstration. In parallel with the expenditure and waiver authorities requested in the application, DHCS will work with the Centers for Medicare & Medicaid Services (CMS) to implement other features of the BH-CONNECT demonstration that do not require Section 1115 demonstration authority, but may require a new State Plan Amendment or be implemented with state-level guidance. Features of BH-CONNECT that DHCS is requesting as part of the Section 1115 demonstration include:



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In addition, DHCS will work with CMS to implement other features of the BH-CONNECT demonstration that do not require Section 1115 demonstration authority, including expanding the continuum of community-based services and evidence-based practices (EBPs) available through Medi-Cal, strengthening family-based services and supports for children and youth, providing training and technical assistance to support fidelity implementation of EBPs, and more. Additional details are available on the [DHCS BH-CONNECT website](#).

**CalAIM Transitional Rent Amendment Background**

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**Public Comment Materials**

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**Opportunities to Comment**

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 Director's Office  
 Attn: Jacey Cooper and Tyler Sadwith  
 P.O. Box 997413, MS 0000  
 Sacramento, California 95899-7413

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 Sacramento, California 95899-7413

Comments may also be emailed to [1115waiver@dhcs.ca.gov](mailto:1115waiver@dhcs.ca.gov), and please indicate "CalAIM Section 1115 Transitional Rent Services Amendment" in the subject line of the email message.

To ensure consideration prior to submission of the BH-CONNECT demonstration application and CalAIM Section 1115 Transitional Rent Services Amendment to CMS, comments must be received no later than 11:59 PM (Pacific Time) on August 31, 2023. Please note that comments will continue to be accepted after August 31, but DHCS may not be able to consider those comments prior to the initial submission of the BH-CONNECT demonstration application and CalAIM Section 1115 Transitional Rent Services Amendment to CMS.

**Public Hearings**

DHCS will host the following public hearings to solicit stakeholder comments. The public hearings will take place in person and have online video streaming and telephonic conference capabilities to ensure accessibility.

Friday, August 11 – First Public Hearing

- o 10 – 11:30 AM PT
- o Department of General Services
  - 1500 Capitol Ave. (Building 172), EEC Training Rooms, Sacramento, CA 95814
- o Register for Zoom conference link: [https://manatt.zoom.us/webinar/register/WN\\_6XzvB4XsSD2MRHnKMYdMGw#/registration](https://manatt.zoom.us/webinar/register/WN_6XzvB4XsSD2MRHnKMYdMGw#/registration)
  - Please register in advance if you plan to attend in person or if you plan to attend by Zoom to receive your unique login details and a link to add the hearing to your calendar.
- o Call-in information: 646-931-3860
  - Webinar ID: 939 8473 0250
  - Passcode: 081123
  - Callers do not need an email address to use the phone option and do not need to register in advance.

Thursday, August 24 – Second Public Hearing

- o 9:30 – 11:30 AM PT
- o Department of Health Care Services
  - 1700 K Street, Room 1014, Sacramento, CA 95814
- o Register for Zoom conference link: [https://zoom.us/webinar/register/WN\\_eqqbAdsGRVuCilmQGc-Y-g](https://zoom.us/webinar/register/WN_eqqbAdsGRVuCilmQGc-Y-g)
  - Please register in advance if you plan to attend in person or if you plan to attend by Zoom to receive your unique login details and a link to add the hearing to your calendar.
- o Call-in information: 646-558-8656
  - Webinar ID: 913 8468 8826
  - Passcode: 478151
  - Callers do not need an email address to use the phone option and do not need to register in advance.

For individuals with disabilities, DHCS will provide free assistive devices, including language and sign-language interpretation, real-time captioning, note takers, reading or writing assistance, and conversion of training or meeting materials into braille, large print, audio, or electronic format. To request alternative format or language services, please call or write:

Department of Health Care Services  
Director's Office  
P. O. Box 997413, MS 0000, Sacramento, CA 95899-7413  
(916) 440-7400  
Email: [1115Waiver@dhcs.ca.gov](mailto:1115Waiver@dhcs.ca.gov)

Please note that the range of assistive services available may be limited if requests are received less than ten working days prior to the meeting.

## Tribal & Indian Health Program Email – DHCS Indian Health Executive Directors Listserv (Tuesday, August 1, 2023)

### Notice of Proposed Change to the Medi-Cal Program



Hockman, Stephanie@DHCS <Stephanie.Hockman@dhcs.ca.gov>  
To: DHCSINDIANHEALTHEXECDIRECTORS@MAILLIST.DHCS.CA.GOV

Tue 8/1/2023 6:34 PM



Please see the attached letter.

**CONFIDENTIALITY NOTICE:** This e-mail and any attachments may contain information which is confidential, sensitive, privileged, proprietary or otherwise protected by law. The information is solely intended for the named recipients, other authorized individuals, or a person responsible for delivering it to the authorized recipients. If you are not an authorized recipient of this message, you are not permitted to read, print, retain, copy or disseminate this message or any part of it. If you have received this e-mail in error, please notify the sender immediately by return e-mail and delete it from your e-mail inbox, including your deleted items folder.

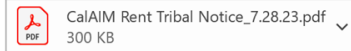
## Tribal & Indian Health Program Email – DHCS Indian Health Listserv (Tuesday, August 1, 2023)

Notice of Proposed Change to the Medi-Cal Program



Hockman, Stephanie@DHCS <Stephanie.Hockman@dhcs.ca.gov>  
To: DHCSINDIANHEALTH@MAILLIST.DHCS.CA.GOV

Tue 8/1/2023 6:34 PM



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Please see the attached letter.

**CONFIDENTIALITY NOTICE:** This e-mail and any attachments may contain information which is confidential, sensitive, privileged, proprietary or otherwise protected by law. The information is solely intended for the named recipients, other authorized individuals, or a person responsible for delivering it to the authorized recipients. If you are not an authorized recipient of this message, you are not permitted to read, print, retain, copy or disseminate this message or any part of it. If you have received this e-mail in error, please notify the sender immediately by return e-mail and delete it from your e-mail inbox, including your deleted items folder.

## Stakeholder Reminder Emails

### DHCS Stakeholder Update Email Listserv (Friday, August 4, 2023)

**From:** DHCS Communications <[DHCSCommunications@DHCS.CA.GOV](mailto:DHCSCommunications@DHCS.CA.GOV)>

**Sent:** Friday, August 4, 2023 7:32 PM

**To:** [DHCSSTAKEHOLDERS@MAILLIST.DHS.CA.GOV](mailto:DHCSSTAKEHOLDERS@MAILLIST.DHS.CA.GOV)

**Subject:** DHCS Stakeholder News

## DHCS Stakeholder Update

The Department of Health Care Services (DHCS) is providing this update of significant developments regarding DHCS programs.

### Top News

#### Medi-Cal Renewal Data Webinar

On August 7, from 3 to 4 p.m., DHCS will virtually host a webinar on the new [DHCS continuous coverage unwinding data dashboard \(advance registration required\)](#) to discuss data for June 2023 Medi-Cal renewals, the first month of California's redeterminations since the end of the federal continuous coverage requirement on March 31. These data will include initial disenrollments from Medi-Cal eligibility renewals that occurred on July 1. Annual redeterminations will continue monthly, with the last eligibility renewal under the continuous coverage requirement occurring in May 2024, followed by a return to the normal annual renewal process.

#### BH-CONNECT and CaAIM Transitional Rent Services Public Hearing

On August 11, from 10 to 11:30 a.m., DHCS will host the first public hearing ([advance registration required](#)) to solicit stakeholder comments on the California Behavioral Health Community-Based Organized Networks of Equitable Care and Treatment (BH-CONNECT) demonstration and proposed amendment to the California Advancing and Innovating Medi-Cal (CaAIM) Section 1115 demonstration related to transitional rent services. The public hearing will take place in person and have online video streaming and telephonic conference capabilities to ensure accessibility. Please view the "In Case You Missed It" section below for additional details on BH-CONNECT and CaAIM transitional rent services. Please email your questions to [1115Waiver@dhcs.ca.gov](mailto:1115Waiver@dhcs.ca.gov).

#### ECM and Community Supports Webinars

DHCS will host two virtual webinars (advance registration required) for all stakeholders to provide an overview of the progress of Enhanced Care Management (ECM) and Community Supports implementation and to discuss important policy refinements and areas of reinforcement. The webinars will cover a range of topics, including eligibility, referrals and authorizations, provider networks, payment, market awareness, and data exchange. Key insights from the ECM and Community Supports calendar year 2022 implementation [report](#) will also be unveiled:

- [ECM After Year One: Implementation Progress and Policy Refinements](#), August 14, from 2 to 3 p.m.
- [Community Supports After Year One: Implementation Progress and Policy Refinements](#), August 18, from 9:30 to 10:30 a.m.

For more information, visit the [ECM and Community Supports webpage](#). For questions, please email [CaAIMECMILOS@dhcs.ca.gov](mailto:CaAIMECMILOS@dhcs.ca.gov).

#### Dental Managed Care (DMC) Request for Proposal (RFP)

On August 3, DHCS released the Medi-Cal [DMC RFP](#) for Sacramento and Los Angeles counties, with responses due no later than 4 p.m. on October 6, 2023. This contract will provide positive changes to the Medi-Cal DMC program. Recognizing the historical shortcomings of DMC plan performance, DHCS worked diligently to ensure there is a revised and comprehensive reform of California's DMC contracts. DHCS is committed to improving Medi-Cal members' oral health care delivery and experience—ensuring members have access to person-centered, equity-focused, and data-driven dental care. As a result, Medi-Cal's DMC contracts will include:

- The **Quality Improvement and Oral Health Equity Transformation Program** to assess and evaluate DMC plan performance and practices and develop recommendations and implement best practices under a continuous quality improvement methodology. There is engagement at multiple levels of the plan, including Medi-Cal members, plan governing board members, local oral health programs, and others. The program will also engage oral health community advisory committees to develop and implement best practices for the DMC plans' activities.
- **Accountability and commitment to compliance**, including monitoring and overseeing delegated entities. The goal is to ensure that members receive high-quality care and have equitable access to services through robust compliance, monitoring, and oversight of all delegated entities. DMC plans will be held accountable for quality of care at all levels of delegation. This will include justifying the use of delegated entities and subcontractors to ensure that the member's experience and outcomes are front and center.
- **Increased focus on integrating medical and dental care.** Providers are empowered to educate members about preventive services for oral health, using data-driven metrics to monitor the efficacy of the DMC plan's and medical plan's efforts. Members will benefit from medical-dental care coordination of focused member outreach from a plan to a member when the plan receives data that an emergency room visit related to oral health has occurred. Members will also receive more information to help them choose the best plan for their families and/or individual needs. Plans will be required to regularly report publicly on access, quality improvement, and oral health equity activities, including performance and consumer satisfaction.

DHCS currently contracts with three DMC plans in Los Angeles County under a Prepaid Health Plan (PHP) program and in Sacramento County under a Geographic Managed Care (GMC) program. The RFP is for DMC plans to continue operating GMC in Sacramento County and PHP in Los Angeles County. The anticipated contract execution date for the RFP is January 2024, followed immediately by the start of the contract readiness period. DHCS will set a capitated rate for the contract operations period of 54 months that is anticipated to begin on August 1, 2024.

## Program Updates

### Children and Youth Behavioral Health Initiative (CYBHI) Grant Funding Available

On August 7, DHCS will release a [Request for Application \(RFA\)](#) seeking proposals from various individuals, organizations, and agencies for the third round of grant funding, totaling \$60 million, to scale evidence-based practices and community-defined evidence practices (EBP/CDEP) for early childhood wraparound services. The application deadline is October 6 at 5 p.m. Details are posted on the [DHCS EBP/CDEP website](#).

Also, on July 31, the Mental Health Services Oversight and Accountability Commission (MHSOAC), in partnership with DHCS, released a separate [RFA](#) seeking proposals for the fourth round of grant funding, totaling \$50 million, to scale youth-driven EBPs and CDEPs. MHSOAC will host a [Bidders Conference webinar](#) on August 9, from 11 a.m. to 12:30 p.m. to walk through the RFA and provide applicants the opportunity to ask questions about the procurement process and to obtain clarification on any component of the RFA. For this RFA, applications must be submitted electronically to the MHSOAC via e-mail to [procurements@mhsoc.ca.gov](mailto:procurements@mhsoc.ca.gov) by September 15 at 3 p.m. Please email any questions to [procurements@mhsoc.ca.gov](mailto:procurements@mhsoc.ca.gov).

For all other questions about CYBHI EBP/CDEP grants, please contact DHCS at [CYBHI@dhcs.ca.gov](mailto:CYBHI@dhcs.ca.gov). For additional information, please see DHCS' [CYBHI webpage](#), which includes the [CYBHI EBP/CDEP Grant Strategy](#) that highlights DHCS' overall strategy to scale EBPs/CDEPs across multiple funding rounds.

### Post Public Health Emergency (PHE) Policy Clarification on Medication Abortion

On August 1, DHCS updated its policies on medication abortions. Under this new policy, providers may be reimbursed for medication abortions through 77 gestational days for services provided on or after July 1. In addition, DHCS made permanent COVID-19 flexibilities, including those that allowed the use of telehealth modalities for services without payment reduction when providing medication abortions. For more information about Medi-Cal's abortion policies, please see the [Medi-Cal Provider Manual for Abortion](#) and the [Post-PHE Policy Clarification for Medication Abortion](#) news article.

### Population Health Management Initiative: Building the Foundation Implementation Guide Series Now Available

DHCS is pleased to share progress updates on the [Population Health Management Initiative \(PHMI\)](#), a California partnership between DHCS, Kaiser Permanente, and community health centers. The goal is that each participating community health center will focus on a common set of priority measures and specific populations, including children, pregnant people, people with behavioral health conditions, and adults living with chronic conditions and preventive care needs. The common set of priority measures directly align with the Federally Qualified Health Center (FQHC) Alternative Payment Methodology, which is a new payment system that seeks to transform the care provided through community health centers.

As of July 31, PHMI has launched the executive summaries of the [Building the Foundation Implementation Guide series](#), which previews four implementation guides for primary care practices in California. These guides serve as an organized quality improvement strategy, with the goal of supporting substantive cultural, technological, and process changes that improve population-based care. The first version of these guides will be made available this fall.

For more information about PHMI, visit [www.phminitiative.com](http://www.phminitiative.com). To receive quarterly newsletter updates about PHMI, sign up [here](#).

### **Medi-Cal Rx**

On August 4, the next wave of reinstatement will occur. [Phase IV, Lift 1](#) will be the first lift impacting claims utilization management for members 22 years of age and older. The claim edits will be reinstated for Product/Service Not Covered for Patient Age, Product/Service Not Covered for Patient Gender, and Brand Drug/Specific Labeler Code Required. Pharmacy providers will also receive supplemental messaging with the reject codes.

### **Join Our Team**

DHCS is hiring for our fiscal, human resources, legal, auditing, health policy, and information technology teams. For more information, please visit the [CalCareers website](#).

DHCS is dedicated to preserving and improving the overall health and well-being of all Californians. DHCS' mission is to provide the most vulnerable residents with equitable access to affordable, integrated, high-quality health care, and is currently transforming the Medi-Cal program to make sure it provides the care Californians need to live healthier, happier lives.

## **Upcoming Stakeholder Meetings and Webinars**

### **Health Enrollment Navigators Project Stakeholder Meeting**

On August 7, from 1 to 2:30 pm, the DHCS Medi-Cal Health Enrollment Navigators Project will host their next [quarterly stakeholder meeting](#). The Navigators Project team will provide updates on project activities. For more information, visit the [Navigators Project website](#).

### **CYBHI Webinar**

On August 7, from 2 to 3:30 p.m., DHCS will virtually host a [CYBHI webinar \(advance registration required\)](#) to keep stakeholders apprised of DHCS' progress in implementing various CYBHI work streams and to share CYBHI updates, including a walkthrough of the EBP/CDEP Round 3 RFA. Key attendees include youth, parents, family members, behavioral health providers, Medi-Cal managed care plans, county behavioral health departments, commercial health plans, education, and other cross-sector partners.

### **Hearing Aid Coverage for Children Program (HACCP) Webinar for Medical Providers and Hearing Professionals**

On September 14, from 12 to 1 p.m., DHCS will host a [HACCP webinar \(advance registration required\)](#) to share information with providers to help pediatric patients and their families maximize HACCP benefits. The training session will address program requirements for families to apply for coverage and the claims submission process for audiologists, otolaryngologists, physicians, and their office staff.

### **In Case You Missed It**

## **BH-CONNECT and CalAIM Transitional Rent Services**

On August 1, 2023, DHCS began a 30-day public comment period to solicit feedback on a new Section 1115 demonstration request, entitled the BH-CONNECT demonstration. DHCS also began a 30-day public comment period to solicit feedback on a proposed amendment to the CalAIM Section 1115 demonstration related to transitional rent services. The public comment period for both is through August 31, 2023.

### **BH-CONNECT Background**

The BH-CONNECT demonstration builds upon unprecedented investments and policy transformations currently underway in California that are designed to expand access to community-based behavioral health care and improve outcomes for Medi-Cal members living with the most significant mental health and substance use needs. California has invested more than \$10 billion and is implementing landmark policy reforms to strengthen the behavioral health care continuum. California's proposed goal for the BH-CONNECT demonstration is to complement and amplify these major behavioral health initiatives to establish a robust continuum of community-based behavioral health care services and improve access, equity, and quality for Medi-Cal members living with SMI and SED, particularly populations experiencing disparities in behavioral health care and outcomes. The BH-CONNECT demonstration aims to expand Medi-Cal service coverage, drive performance improvement, and support fidelity implementation for key interventions proven to improve outcomes for Medi-Cal members experiencing the greatest inequities, including children and youth involved in child welfare, individuals with lived experience with the criminal justice system, and individuals at risk of or experiencing homelessness.

### **CALAIM Transitional Rent Amendment Background**

To improve the well-being and health outcomes of Medi-Cal members during critical transitions or who meet high-risk criteria, DHCS is seeking an amendment to the CalAIM Section 1115 demonstration to provide up to six months of transitional rent services to eligible individuals who are homeless or at risk of homelessness and transitioning out of institutional levels of care, congregate residential settings, correctional facilities, the child welfare system, recuperative care facilities, short-term post-hospitalization housing, transitional housing, homeless shelters or interim housing, as well as those who meet the criteria for unsheltered homelessness or for a Full Service Partnership (FSP) program. Transitional rent services will be available for a period of no more than six months; must be cost-effective; and will be provided only if it is determined to be medically appropriate using clinical and other health-related social needs criteria. Transitional rent services will be voluntary for Medi-Cal managed care plans to offer and for Medi-Cal members to use.

Please visit the [DHCS BH-CONNECT webpage](#) and [DHCS CalAIM 1115 Demonstration & 1915\(b\) Waiver webpage](#) for background information, links to public comment materials, and information about how to provide feedback during the public comment period.

## **Smile, California Campaign for Medi-Cal Dental Services**

On July 25, DHCS issued a [news release](#) in English and Spanish to promote the Sealants for a Healthy Smile (SHS) statewide push to encourage parents and guardians to protect their children's dental health by utilizing their Medi-Cal Dental benefits and scheduling dental checkups for sealant applications. Subsequent stops of the mobile van tour will continue on August 11 in Trinity County, August 17-18 in Mono County, and August 29 in Colusa County. To reach and inform parents in the Central Valley, *Smile, California* partnered with Radio Bilingüe, a leading Latino public radio network, to run promotional programming through September.

To disseminate resources and information ([fact sheet](#), [infographic](#), and [coloring sheet](#)) to Medi-Cal members statewide, *Smile, California* outreach representatives are identifying and participating in in-person opportunities within their assigned regions during the promotion period. Representatives will assist with provider referrals, distribute relevant *Smile, California* resources, and promote Medi-Cal Dental covered services at community events, such as health fairs, parent nights, and back-to-school/open house events.

Thank you.



[www.dhcs.ca.gov](http://www.dhcs.ca.gov)

# DHCS Stakeholder Update Email Listserv (Friday, August 11, 2023)

**From:** DHCS Communications <[DHCSCommunications@DHCS.CA.GOV](mailto:DHCSCommunications@DHCS.CA.GOV)>  
**Sent:** Friday, August 11, 2023 9:49 PM  
**To:** [DHCSSTAKEHOLDERS@MAILLIST.DHS.CA.GOV](mailto:DHCSSTAKEHOLDERS@MAILLIST.DHS.CA.GOV)  
**Subject:** DHCS Stakeholder News

## DHCS Stakeholder Update

The Department of Health Care Services (DHCS) is providing this update of significant developments regarding DHCS programs.

### Top News

#### **BH-CONNECT and CalAIM Transitional Rent Services Public Hearing**

On August 24, DHCS will host the second public hearing ([advance registration required](#)) for the Behavioral Health Community-Based Organized Networks of Equitable Care and Treatment (BH-CONNECT) Medicaid section 1115 demonstration and transitional rent services amendment to the California Advancing and Innovating Medi-Cal (CalAIM) section 1115 demonstration. The hearing is open to the public and will take place at 1700 K Street, Room 1014, Sacramento, and via Zoom. The public will be able to comment at the end of the hearing.

After meeting all applicable federal public comment requirements for the public hearing, DHCS will begin the CalAIM Behavioral Health Workgroup. The workgroup agenda will include updates on the Recovery Incentives Program: California's Contingency Management Benefit. Workgroup members will be able to provide feedback on implementation and operational considerations. Please email [BHCalAIM@dhcs.ca.gov](mailto:BHCalAIM@dhcs.ca.gov) with any questions.

### Program Updates

#### **Managed Care Plan (MCP) Transition Policy Guide**

On August 7, DHCS released version three of the 2024 MCP Transition Policy Guide that includes DHCS policy and MCP requirements related to member transitions of Medi-Cal MCPs that take effect on January 1, 2024. The latest version includes the continuity of care data sharing policy and other updates. The policy guide will be available [online](#) and will be updated regularly to keep MCPs informed of new and developing guidance.

#### **Medi-Cal Rx**

On August 4, [Phase IV, Lift 1](#), the reinstatement of claim edits for age, gender, and labeler code restrictions for members 22 years of age and older, was successfully implemented. [Phase IV, Lift 2](#) will occur on September 22 when prior authorization requirements will be reinstated for new start enteral nutrition products for members 22 years of age and older. Also, for adult members 22 years of age and older, maximum claim cost limits (cost ceiling edits) will be reinstated by drug type. More details about the cost ceiling limits will soon be added to the [Medi-Cal Rx Reinstatement](#) page.

### Join Our Team

DHCS is hiring for our fiscal, human resources, legal, auditing, health policy, and information technology teams. For more information, please visit the [CalCareers website](#).

DHCS is dedicated to preserving and improving the overall health and well-being of all Californians. DHCS' mission is to provide the most vulnerable residents with equitable access to affordable, integrated, high-quality health care, and is currently transforming the Medi-Cal program to make sure it provides the care Californians need to live healthier, happier lives.

### Upcoming Stakeholder Meetings and Webinars

#### **CalAIM Intermediate Care Facility for the Developmentally Disabled (ICF/DD) Carve-In Webinar**



On August 21, DHCS will virtually host the second in a series of educational webinars ([advance registration required](#)) on the CalAIM intermediate care facility for developmentally disabled (ICF/DD) carve-in to managed care. The goal of these webinars is to provide stakeholders with an understanding of the ICF/DD carve-in policy requirements and how to best prepare to support members when all Medi-Cal managed care plans will be required to cover and coordinate institutional long-term care for members residing in an ICF/DD starting on January 1, 2024. The webinar will focus on educating ICF/DD providers and Regional Centers, Medi-Cal managed care plan responsibilities, and overall readiness for when the ICF/DD carve-in goes into effect.

The webinar series will feature several topics, including an ICF/DD carve-in 101, promising practices for contracting, billing, and payment rules, and best practices for care transitions and care management. ICF/DD providers and Medi-Cal managed care representatives are encouraged to attend. All webinars are open to the public.

Additional details about upcoming webinars are available on the CalAIM ICF/DD LTC Carve-In transition [webpage](#). Email questions or comments to [LTCTransition@dhcs.ca.gov](mailto:LTCTransition@dhcs.ca.gov).

### **Integrating Trauma-Informed Practices into Reproductive Health Services Webinar**

On August 30, from 12 to 1:30 p.m., DHCS and the California Prevention Training Center will host an Integrating Trauma-Informed Practices into Reproductive Health Services webinar ([advanced registration is required](#)). Trauma-informed care acknowledges the need to understand a client's life experiences to deliver effective care and has the potential to improve patient engagement, treatment adherence, and health outcomes. For those unable to attend the live webinar, a transcript and recording of the webinar, along with additional resources, will be available on the [Family PACT website](#).

### **Hearing Aid Coverage for Children Program (HACCP) Webinar for Families and Community Partners**

On September 12, from 11 a.m. to 12 p.m., DHCS will host a HACCP webinar ([advance registration required](#)) to share guidance with families and communities about applying for hearing aid coverage and helping children to maximizing their HACCP benefits once enrolled. DHCS welcomes newly interested families, those who are already participating in HACCP, and community partners supporting families and children to join this

webinar for program updates, tips, and a Q&A session. For more information, please visit [www.dhcs.ca.gov/haccp](http://www.dhcs.ca.gov/haccp).

### **HACCP Webinar for Medical Providers and Hearing Professionals**

On September 14, from 12 to 1 p.m., DHCS will host a HACCP webinar ([advance registration required](#)) to share information with providers to help pediatric patients and their families maximize HACCP benefits. The training session will address program requirements for families to apply for coverage and the claims submission process for audiologists, otolaryngologists, physicians, and their office staff. For more information, please visit [www.dhcs.ca.gov/haccp](http://www.dhcs.ca.gov/haccp).

## **In Case You Missed It**

### **Medi-Cal Continuous Coverage Unwinding Dashboard**

On August 7, DHCS [published](#) a new interactive Medi-Cal [dashboard](#) detailing statewide and county-level demographic data on Medi-Cal application processing, enrollments, redeterminations, and renewal outcomes. DHCS will update, and continue to adjust, the dashboard monthly throughout the remainder of the year-long redetermination process.

Thank you,



[www.dhcs.ca.gov](http://www.dhcs.ca.gov)

# DHCS Stakeholder Update Email Listserv (Friday, August 18, 2023)

**From:** DHCS Communications <[DHCSCommunications@DHCS.CA.GOV](mailto:DHCSCommunications@DHCS.CA.GOV)>  
**Sent:** Friday, August 18, 2023 7:41 PM  
**To:** [DHCSSTAKEHOLDERS@MAILLIST.DHS.CA.GOV](mailto:DHCSSTAKEHOLDERS@MAILLIST.DHS.CA.GOV)  
**Subject:** DHCS Stakeholder News

## DHCS Stakeholder Update

The Department of Health Care Services (DHCS) is providing this update of significant developments regarding DHCS programs.

### Top News

#### **BH-CONNECT and CalAIM Transitional Rent Services**

On August 1, 2023, DHCS began 30-day public comment and tribal public comment periods to solicit feedback on a new Section 1115 demonstration request, entitled the California Behavioral Health Community-Based Organized Networks of Equitable Care and Treatment (BH-CONNECT) demonstration. DHCS also began 30-day public comment and tribal public comment periods to solicit feedback on a proposed amendment to the California Advancing and Innovating Medi-Cal (CalAIM) Section 1115 demonstration related to transitional rent services. The public comment periods for both are through August 31.

##### **BH-CONNECT Background**

The BH-CONNECT demonstration builds upon unprecedented investments and policy transformations currently underway in California that are designed to expand access to community-based behavioral health care and improve outcomes for Medi-Cal members living with the most significant mental health and substance use needs. California has invested more than \$10 billion and is implementing landmark policy

reforms to strengthen the behavioral health care continuum. California's proposed goal for the BH-CONNECT demonstration is to complement and amplify these major behavioral health initiatives to establish a robust continuum of community-based behavioral health care services and improve access, equity, and quality for Medi-Cal members living with serious mental illness (SMI) and serious emotional disturbance (SED), particularly populations experiencing disparities in behavioral health care and outcomes. The BH-CONNECT demonstration aims to expand Medi-Cal service coverage, drive performance improvement, and support fidelity implementation for key interventions proven to improve outcomes for Medi-Cal members experiencing the greatest inequities, including children and youth involved in child welfare, individuals with lived experience with the criminal justice system, and individuals at risk of or experiencing homelessness.

##### **CALAIM Transitional Rent Amendment Background**

To improve the well-being and health outcomes of Medi-Cal members during critical transitions or who meet high-risk criteria, DHCS is seeking an amendment to the CalAIM Section 1115 demonstration to provide up to six months of transitional rent services to eligible individuals who are homeless or at risk of homelessness and transitioning out of institutional levels of care, congregate residential settings, correctional facilities, the child welfare system, recuperative care facilities, short-term post-hospitalization housing, transitional housing, homeless shelters or interim housing, as well as those who meet the criteria for unsheltered homelessness or for a Full Service Partnership program. Transitional rent services will be available for a period of no more than six months; must be cost-effective; and will be provided only if it is determined to be medically appropriate using clinical and other health-related social needs criteria. Transitional rent services will be voluntary for Medi-Cal managed care plans to offer and for Medi-Cal members to use.

Please visit the [DHCS BH-CONNECT webpage](#) and [DHCS CalAIM 1115 Demonstration & 1915\(b\) Waiver webpage](#) for background information, links to public comment materials, and information about how to provide feedback during the public comment period.

Additionally, on August 24, DHCS will host the second public hearing ([advance registration required](#)) for the BH-CONNECT demonstration and transitional rent services amendment to the CalAIM Section 1115 demonstration. The hearing is open to the public and will take place at 1700 K Street, Room 1014, Sacramento, and via Zoom. DHCS will consider all public comments prior to the planned submission of both the BH-CONNECT demonstration and CalAIM transitional rent services amendment to CMS in late 2023. Please email [BHCalAIM@dhcs.ca.gov](mailto:BHCalAIM@dhcs.ca.gov) with any questions.

Finally, on August 30, from 2 to 3 p.m. DHCS will discuss both the BH-CONNECT demonstration and

transitional rent services amendment to the CalAIM Section 1115 demonstration during the next Tribes and Designees of Indian Health Programs quarterly webinar ([advance registration required](#)). Please note that Indian health programs and urban Indian organizations may request a consultation, as needed, on these proposals.

## Program Updates

### Medi-Cal Rx

Effective August 4, Medi-Cal Rx [reinstated](#) Code 1 Labeler Restriction on 21 drugs, including Suboxone (buprenorphine/naloxone). Labeler code restriction requires the brand name version of the drug to be used instead of generic alternatives. On August 16, DHCS learned of localized supply chain issues in regional areas due to higher demand than was anticipated in the regional distribution centers, with some pharmacies unable to stock the brand name Suboxone. Although this is anticipated to be a temporary supply chain issue, DHCS immediately lifted the restriction. DHCS will reinstate the labeler code restriction on September 6 after the distribution channel fully primes with stock and pharmacies increase their stock to meet demand.

### Join Our Team

DHCS is hiring for our fiscal, human resources, legal, auditing, health policy, and information technology teams. For more information, please visit the [CalCareers website](#).

DHCS released a new five-year [strategic plan](#) to guide our work in the coming years. We encourage you to familiarize yourself with our approach to ensure Californians live healthier, happier lives. The strategic plan embraces our new, bold branding represented by the California poppy. Our new **PURPOSE** statement—provide equitable access to quality health care leading to a healthy California for all—replaces our previous mission and vision statements, outlining our vital role in making California a better place for all. Next are our new **CORE VALUES**: Belonging, Equity, Innovation, Stewardship, and Sustainability. Finally, our strategic plan presents six **GOALS**. These goals, and the related **OBJECTIVES**, express the tremendous work DHCS is leading to transform our health care system and reflect the organizational culture we are building together.

## Upcoming Stakeholder Meetings and Webinars

### Tribes and Indian Health Program Representatives Meeting

On August 21, from 9:30 a.m. to 4 p.m., DHCS will host the quarterly Tribes and Indian Health Program Representatives meeting ([advance registration is required](#)) at The Center for Healthy Communities located at 1414 K Street in Sacramento, and via Webex. The meeting will provide a forum for tribes and Indian health program representatives to provide feedback on DHCS initiatives that specifically impact tribes, Indian health programs, and American Indian Medi-Cal members. Meeting materials are posted on the Indian Health Program [webpage](#).

### DHCS Coverage Ambassadors: Keep Your Community Covered Webinar Series

On August 24, from 11 to 11:45 a.m., DHCS will host a webinar ([advance registration required](#)) for Coverage Ambassadors to collaborate on the continued development of the Medi-Cal redetermination public awareness, education, and outreach campaign. For more information, visit the Coverage Ambassadors [webpage](#). Join the Coverage Ambassadors [mailing list](#) to receive the latest information and updated toolkits as they become available.

### Integrating Trauma-Informed Practices into Reproductive Health Services Webinar

On August 30, from 12 to 1:30 p.m., DHCS and the California Prevention Training Center will host an Integrating Trauma-Informed Practices into Reproductive Health Services webinar ([advanced registration is required](#)). Trauma-informed care acknowledges the need to understand a client's life experiences to deliver effective care and has the potential to improve patient engagement, treatment adherence, and health outcomes. For those unable to attend the live webinar, a transcript and recording of the webinar, along with additional resources, will be available on the [Family PACT website](#).

### DHCS Coverage Ambassadors: Train the Trainer Webinar

On August 31, from 10 to 11:30 a.m., DHCS will host a webinar ([advance registration required](#)) on Coverage Ambassadors: Train the Trainer. The webinar will serve as a training session for Coverage Ambassadors to

better assist their communities as California resumes standard Medi-Cal operations and communicates the importance of members renewing their Medi-Cal coverage. The webinar will also describe the resources available and how to use them. For more information, visit the Coverage Ambassadors [webpage](#). Join the Coverage Ambassadors [mailing list](#) to receive the latest information and updated toolkits as they become available.

### Hearing Aid Coverage for Children Program (HACCP) Webinar for Families and Community Partners

On September 12, from 11 a.m. to 12 p.m., DHCS will host a HACCP webinar ([advance registration required](#)) to share guidance with families and communities about applying for hearing aid coverage and helping children to maximizing their HACCP benefits once enrolled. DHCS welcomes newly interested families, those who are currently participating in HACCP, and community partners supporting families and children to join this webinar for program updates, tips, and a Q&A session. For more information, please visit [www.dhcs.ca.gov/haccp](http://www.dhcs.ca.gov/haccp).

### HACCP Webinar for Medical Providers and Hearing Professionals

On September 14, from 12 to 1 p.m., DHCS will host a HACCP webinar ([advance registration required](#)) to share information with providers to help pediatric patients and their families maximize HACCP benefits. The training session will address program requirements for families to apply for coverage and the claims submission process for audiologists, otolaryngologists, physicians, and their office staff. For more information, please visit [www.dhcs.ca.gov/haccp](http://www.dhcs.ca.gov/haccp).

## In Case You Missed It

### Modernizing California's Behavioral Health System

On August 16, DHCS and the California Health & Human Services Agency hosted a brief informational webinar to provide a high-level summary of the status of proposed behavioral health reform legislation. In March, Governor Newsom released his [proposal](#) to modernize California's behavioral health system. DHCS engaged in multiple webinars, listening sessions, hearings, and meetings to receive comments on this proposal. An [updated proposal](#) was released in June. The webinar was solely focused on amendments to [SB](#)

[326](#) (Eggman). The [webinar recording](#) and [presentation slides](#) are now available.

Now is the time to take the next step and build upon what we have already put in place, continuing the transformation of how California treats mental illness and substance use disorders. Please submit any questions to [BHReform@dhcs.ca.gov](mailto:BHReform@dhcs.ca.gov).

Thank you.



## DHCS Stakeholder Update Email Listserv (Friday, August 25, 2023)

**From:** DHCS Communications <[DHCSCommunications@DHCS.CA.GOV](mailto:DHCSCommunications@DHCS.CA.GOV)>  
**Sent:** Friday, August 25, 2023 8:32 PM  
**To:** [DHCSSTAKEHOLDERS@MAILLIST.DHCS.CA.GOV](mailto:DHCSSTAKEHOLDERS@MAILLIST.DHCS.CA.GOV)  
**Subject:** DHCS Stakeholder News

### DHCS Stakeholder Update

The Department of Health Care Services (DHCS) is providing this update of significant developments regarding DHCS programs.

#### Top News

##### CalAIM Demonstration Amendment Approval

On August 23, the Centers for Medicare & Medicaid Services (CMS) [approved](#) an amendment to the California Advancing and Innovating Medi-Cal (CalAIM) Section 1115 demonstration waiver, allowing the state to implement county-based model changes in its Medi-Cal managed care program. The amendment includes expenditure authority to limit the choice of managed care plans (MCPs) in non-rural areas. This authority would apply in the metro, large metro, and urban counties intending to participate in the County Organized Health System (COHS) or Single Plan models.

For rural counties, CMS approved an [amendment](#) to the CalAIM Section 1915(b) waiver on June 26 to limit plan choice in rural counties to participate either in the COHS or Single Plan models. These county-based model changes will go into effect on January 1, 2024. Twelve counties will become COHS and three will become Single Plan model counties. For more information about all counties, their current and 2024 model type, and the MCPs operating in the county, please see the [MCP county table](#).

## Program Updates

### Medi-Cal Rx

On August 22, the Medi-Cal Rx Customer Service Center implemented an interactive voice recognition enhancement feature for members, prescribers, pharmacists, and the public. The enhancements include call surveys, main menus to streamline calls, codes to inform agents about the reasons for calls, loop back to the main menu so callers can check on multiple self-service items, and improved prompt language and placement.

On August 16, a [New Start PA Reminder Alert](#) was published about the prior authorization requirements that will be reinstated beginning on September 22 for new start enteral nutrition products for members 22 years of age and older.

### Medi-Cal for Kids & Teens Informational Mailing

On August 25, DHCS distributed an informational mailing to Medi-Cal fee-for-service (FFS) members and/or their parents or guardians about the federal Early and Periodic Screening, Diagnostic, and Treatment (EPSDT) services, known in California as Medi-Cal for Kids & Teens. The FFS mailing includes: (1) Medi-Cal for Kids & Teens brochures to improve member understanding of how Medi-Cal works for children, teens, and young adults, what it covers, and its role in preventive care screening, diagnosis, and treatment. The child brochure is for children up to age 12, and the teen brochure is for ages 12-20; and (2) "Medi-Cal for Kids & Teens: Your Medi-Cal Rights" guide to help members under age 21 understand their Medi-Cal benefits and their recourse if medically necessary care is denied, delayed, reduced, or stopped. The materials, including translations, are posted on the [Medi-Cal for Kids & Teens webpage](#).

### Join Our Team

DHCS is hiring for our fiscal, human resources, legal, auditing, health policy, and information technology teams. For more information, please visit the [CalCareers website](#).

DHCS is dedicated to providing equitable access to quality health care, leading to a healthy California for all. DHCS' goals and objectives express the tremendous work DHCS is leading to transform our health care

system and reflect the organizational culture we are building together.

## Upcoming Stakeholder Meetings and Webinars

### Integrating Trauma-Informed Practices into Reproductive Health Services Webinar

On August 30, from 12 to 1:30 p.m., DHCS and the California Prevention Training Center will host an Integrating Trauma-Informed Practices into Reproductive Health Services webinar ([advance registration required](#)). Trauma-informed care acknowledges the need to understand a client's life experiences to deliver effective care and has the potential to improve patient engagement, treatment adherence, and health outcomes. For those unable to attend the live webinar, a transcript and recording of the webinar, along with additional resources, will be available on the [Family PACT website](#).

### Tribal and Designees of Indian Health Programs Quarterly Webinar

On August 30, from 2 to 3 p.m., DHCS will host a webinar ([advance registration required](#)) for tribal and Indian health program representatives to provide feedback on DHCS initiatives with specific impact to tribes, Indian health programs, and American Indian Medi-Cal members. The webinar will provide information about State Plan Amendments, waivers, and demonstrations proposed for submission to CMS, including the Behavioral Health Community-Based Organized Networks of Equitable Care and Treatment (BH-CONNECT) Medicaid section 1115 demonstration and transitional rent services amendment to the CalAIM section 1115 demonstration. Email questions or comments to [TribalAffairs@dhcs.ca.gov](mailto:TribalAffairs@dhcs.ca.gov).

### Equity and Practice Transformation Payments Program Webinar

On August 30, from 3 to 4 p.m., DHCS will host a webinar ([advance registration required](#)) to share an update on the Equity and Practice Transformation Payments Program, which is a one-time \$700 million primary care practice transformation program initiative to advance health equity and population health and invest in upstream care models. Details about the Provider Directed Payment Program will be discussed during the webinar; the program application and other materials will be posted on the [DHCS website](#) in the future. Please email [ept@dhcs.ca.gov](mailto:ept@dhcs.ca.gov) with any questions.

### DHCS Coverage Ambassadors: Train the Trainer Webinar

On August 31, from 10 to 11:30 a.m., DHCS will host a webinar ([advance registration required](#)) on Coverage Ambassadors: Train the Trainer. The webinar will serve as a training session for Coverage Ambassadors to better assist their communities as California resumes standard Medi-Cal operations and communicates the importance of members renewing their Medi-Cal coverage. The webinar will also describe the resources available and how to use them. For more information, visit the Coverage Ambassadors [webpage](#). Join the Coverage Ambassadors [mailing list](#) to receive the latest information and updated toolkits as they become available.

### Nursing Facility Financing Reform Webinar

On September 7, from 2 to 3 p.m., DHCS will host a virtual stakeholder webinar ([advance registration required](#)) to discuss the development of the Skilled Nursing Facility Workforce Standards Program and provide updates on other nursing facility financing reform programs authorized by [Assembly Bill 186 \(Chapter 46, Statutes of 2022\)](#). Stakeholder input will be accepted. Additional information is available on the Nursing Facility Financing Reform (AB 186) [webpage](#).

### Hearing Aid Coverage for Children Program (HACCP) Webinar for Families and Community Partners

On September 12, from 11 a.m. to 12 p.m., DHCS will host a HACCP webinar ([advance registration required](#)) to share guidance with families and communities about applying for hearing aid coverage and helping children to maximizing their HACCP benefits once enrolled. DHCS welcomes newly interested families, those who are currently participating in HACCP, and community partners supporting families and children to join this webinar for program updates, tips, and a Q&A session. For more information, please visit [www.dhcs.ca.gov/haccp](http://www.dhcs.ca.gov/haccp).

### Doula Implementation Workgroup Meeting

On September 14, from 12 to 2 p.m., DHCS will host the third Doula Implementation Workgroup meeting. A link to listen to the meeting will be posted on the Doula Services as a Medi-Cal Benefit [webpage](#) by August 31. The meeting will include a report on DHCS' Birthing Care Pathway proposal and the role of doulas, and planning for future meetings. The workgroup is responsible for reviewing how to increase the availability of doula services through educational outreach programs, identifying and minimizing barriers to doula services,

and addressing delays in payments and reimbursements to doulas and members.

### **Webinar for Medical Providers and Hearing Professionals**

On September 14, from 12 to 1 p.m., DHCS will host a HACCP webinar ([advance registration required](#)) to share information with providers to help pediatric patients and their families maximize HACCP benefits. The training session will address program requirements for families to apply for coverage and the claims submission process for audiologists, otolaryngologists, physicians, and their office staff. For more information, please visit [www.dhcs.ca.gov/haccp](http://www.dhcs.ca.gov/haccp).

### **In Case You Missed It**

#### **California Expands Access to Opioid Treatment in Jails and Drug Courts**

On August 22, DHCS [announced](#) it will expand Medication Assisted Treatment (MAT) to jails and drug courts. The \$2.9 million in funding will go to 29 counties to support the development or expansion of access to MAT. By bringing county teams together in a learning collaborative, county agencies and providers serving justice-involved residents can more effectively coordinate and further build system capacity to ensure access to effective treatment and recovery supports. This expansion will better serve residents in need, and MAT, specifically, has been shown to reduce criminal activity and reincarceration to better serve the entire community.

#### **State Extends CalHOPE Schools Initiative Partnership**

On August 24, DHCS [announced](#) the extension of the CalHOPE Schools Initiative through June 30, 2024. The initiative provides free resources for school personnel, youth, and parents surrounding three powerful films that address student social-emotional and mental health needs: *A Trusted Space: Redirecting Grief to Growth*, *Angst: Building Resilience*, and *Stories of Hope Shorts*.

#### **Capitol Weekly Opinion on Medi-Cal Redeterminations**

On August 20, Capitol Weekly ran an [opinion](#) by LA Care CEO John Baackes. LA Care is one of the Medi-Cal managed care plans in Los Angeles County. Baackes called on "all of us – neighbors, partners in government,

and community advocates – to do everything we can to keep our friends and neighbors insured" by Medi-Cal.

As you interact with Medi-Cal members, please share with them helpful tips to keep their coverage. If their eligibility renewal date was in June or July, it's not too late. They can return their Medi-Cal renewal packet to the local county office today to get their coverage reinstated back to their original renewal date. Also, if Medi-Cal members moved or their contact information changed in the last few years, they should make sure their local county office has their current information so they can be reached with important renewal information. And if members receive a Medi-Cal renewal packet in the mail in a yellow envelope, they must act quickly to keep themselves and their families covered by returning renewal documents.

Thank you.



[www.dhcs.ca.gov](http://www.dhcs.ca.gov)



## DHCS Website Updates

**DHCS Homepage**  
**(Tuesday, August 1, 2023)**  
Link: <https://www.dhcs.ca.gov/>

Medi-Cal Members: [Keep your coverage](#). Log on to [your account](#) or contact your [county office](#) to update your information.

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### DEPARTMENT OF HEALTH CARE SERVICES

#### Now Open for Public Comment: BH-CONNECT and CalAIM Transitional Rent Waivers

- BH-CONNECT Demonstration Section 1115 Waiver:** Aims to establish a robust continuum of community-based behavioral health care services and improve access, equity and quality for Medi-Cal members, particularly populations experiencing disparities in behavioral health care and outcomes. [Learn More](#)
- Transitional Rent Services Amendment to CalAIM Section 1115 Waiver:** Aims to support individuals who are homeless or at risk of homelessness and transitioning out of institutional levels of care with up to six months of transitional rent services. [Learn More](#)

#### 2023-24 Budget Act

DHCS' FY 2023-24 budget totals \$156 billion to provide Californians with equitable access to affordable, integrated, high-quality health care, including medical, dental, mental health, substance use treatment services; and long-term care. It includes the renewal of the managed care organization tax and resources to support Medi-Cal provider rate increases, and addresses gaps in the behavioral health continuum of care.

[Learn More](#)

#### Latest From DHCS

- [State Extends CalHOPE Schools Initiative Partnership](#)
- [Drug Use Review Board Member Recruitment August 1, 2023 – October 15, 2023](#)
- [New Report Shows Increase in Number of Californians Benefiting from Expanded Medi-Cal Services](#)
- [California to Invest an Additional \\$41 Million in Youth Substance Use Prevention](#)
- [Medi-Cal Enrollment and Renewal Data](#)
- [Modernizing Behavioral Health](#)
- [COVID-19 Updates](#)
- [CalAIM](#)
- [Newsroom](#)

**Medi-Cal Waivers Webpage**  
**(Tuesday, August 1, 2023)**  
Link: <https://www.dhcs.ca.gov/services/Pages/Medi-CalWaivers.aspx>

Medi-Cal Members: [Keep your coverage](#). Log on to [your account](#) or contact your [county office](#) to update your information.

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### Medi-Cal Waivers

When California significantly changes its Medicaid program, it must take one of two steps: either (1) amend its Medicaid State Plan, the state's contract with the federal government; or (2) receive an exemption or Medicaid waiver from portions of Title XIX of the Social Security Act by the Centers for Medicare & Medicaid Services (CMS). Medi-Cal waivers are programs that provide additional services to specific groups of individuals, limit services to specific geographic areas of the state, and provide medical coverage to individuals who may not otherwise be eligible under traditional Medicaid rules.

The Department of Health Care Services (DHCS) has a number of Medi-Cal waiver programs that provide home and community-based services, family planning services, specialty mental health services, and managed care to specific groups of eligible individuals. Information found here can assist the general public in understanding the services available under Medi-Cal waivers, how to access those services, and provide general information about Medi-Cal waivers. [Learn More](#)

California Advancing and Innovating Medi-Cal (CalAIM) is a DHCS-led multiyear initiative focused on system, program, and payment reform that will allow California to take a population health, person-centered care approach to integrate care coordination across physical health, behavioral health, and local service providers.

California has an active Section 1115 demonstration, approved by the Centers for Medicare & Medicaid Services (CMS) on December 29, 2021, and effective through December 31, 2026. DHCS is seeking an amendment to the CalAIM demonstration to authorize transitional rent services as a new Community Support for qualifying individuals in the Medi-Cal Managed Care (MCMC) delivery system. [Learn More](#)

California is requesting a new Section 1115 demonstration, entitled California Behavioral Health Community-Based Organized Networks of Equitable Care and Treatment (BH-CONNECT) Demonstration. [Learn More](#) Additionally, California is requesting a new Section 1115 demonstration, 95ed California's Reproductive Health Access Demonstration (CaRHAD). [Learn More](#)

#### Current Waivers

- CalAIM Section 1115 demonstration
- CalAIM Section 1915(b) waiver
- 1903(w)(1) Superior Systems Waiver (SSW)
- 1903(w)(1)(B) and (C) Hospital Quality Assurance Fee Program (HQAF), Phase VI
- 1903(w)(1)(B) and (C) Hospital Quality Assurance Fee Program (HQAF), Phase VII
- 1903(w)(1)(B) and (C) Freestanding Skilled Nursing Facility Quality Assurance Fee Program (SNE QAF) 2021
- 1915(c) Home and Community-Based Services (HCBS) Waivers
  - Medi-Cal Waiver Program (MCPWP)
  - Assisted Living Waiver (ALW)
  - Home and Community-Based Alternatives (HCBA) Waiver (formerly NFAH Waiver)
  - Home and Community-Based Services Waiver for the Developmentally Disabled (HCBS-DD) Waiver
  - Multisensory Senior Services Program (MSSP)
  - Self-Determination Program

#### Pending Waivers

- Section 1115: California Behavioral Health Community-Based Organized Networks of Equitable Care and Treatment (BH-CONNECT) Demonstration (Note: DHCS is currently accepting public comments and plans to submit materials to CMS for review later this year)
- CalAIM Section 1115 Transitional Rent Services Amendment (Note: DHCS is currently accepting public comments and plans to submit materials to CMS for review later this year)

## Section 1115 Medicaid Waiver Resources Webpage (Tuesday, August 1, 2023)

Link: <https://www.dhcs.ca.gov/provgovpart/Pages/WaiverRenewal.aspx>

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### Section 1115 Medicaid Waiver Resources

[Back to Medi-Cal Waivers](#)

California has an active Section 1115 demonstration, approved by the Centers for Medicare & Medicaid Services (CMS) on December 29, 2021, and effective through December 31, 2026. DHCS is seeking an amendment to the CalAIM demonstration to authorize transitional rent services as a new Community Support for qualifying individuals in the Medi-Cal Managed Care (MCMC) delivery system. The proposed amendment request is available for public comment from August 1 to August 31; visit the [CalAIM 1115 Demonstration & 1915\(b\) Waiver webpage](#) for more information.

California is requesting a new Section 1115 demonstration, entitled California Behavioral Health Community-Based Organized Networks of Equitable Care and Treatment (BH-CONNECT) Demonstration, which is available for public comment from August 1 to August 31; visit the [DHCS BH-CONNECT webpage](#) for more information.

#### Contact Us

DHCS values your input. Please email questions and comments to [1115Waiver@dhcs.ca.gov](mailto:1115Waiver@dhcs.ca.gov).

#### Resources

Pending 1115 Waivers

- [California Behavioral Health Community-Based Organized Networks of Equitable Care and Treatment \(BH-CONNECT\)](#)
- [California's Reproductive Health Access Demonstration \(CalRHAD\)](#)

Current 1115 Waivers

- [CalAIM 1115 Demonstration & 1915\(b\) Waiver](#)

## CalAIM 1115 Demonstration & 1915(b) Waiver Webpage (Tuesday, August 1, 2023)

Link: <https://www.dhcs.ca.gov/provgovpart/Pages/CalAIM-1115-and-1915b-Waiver-Renewals.aspx>

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### CalAIM 1115 Demonstration & 1915(b) Waiver

[Return to CalAIM Homepage](#)

California received federal authority necessary to implement California Advancing and Innovating Medi-Cal (CalAIM), a framework that encompasses broad-based delivery system, program, and payment reform across the Medi-Cal program. CalAIM is an innovative and long-term commitment to transform and strengthen Medi-Cal, making the program more equitable, coordinated, and person-centered to help people maximize their health and life trajectory. CalAIM shifts Medi-Cal to a population health approach – first included in the Medi-Cal 2020 Section 1115 demonstration – to a statewide level that prioritizes prevention and addresses social drivers of health. Collectively, the CalAIM Section 1115 demonstration and CalAIM Section 1915(b) waiver, along with related contractual and Medi-Cal State Plan Amendments, will enable California to fully execute CalAIM initiatives, providing person-centered care to integrate care coordination across physical health, behavioral health, and local service providers.

Since 2018, DHCS has been working closely with stakeholders to design a transformation of key aspects of the Medi-Cal delivery system in order to accomplish three primary goals:

1. Identify and manage comprehensive needs through whole person care approaches and social drivers of health;
2. Make Medi-Cal a more consistent and seamless system for enrollees to navigate by reducing complexity and increasing flexibility; and
3. Improve quality outcomes, reduce health disparities, and transform the delivery system through value-based initiatives, modernization, and payment reform.

In 2019 and early 2020, DHCS conducted extensive stakeholder engagement for the proposed CalAIM initiatives. CalAIM implementation was scheduled to begin in January 2021, but was delayed due to the impact of the COVID-19 public health emergency. On December 29, 2020, DHCS received approval from the Centers for Medicare & Medicaid Services (CMS) for a 12-month extension (through December 31, 2021) of the existing Medi-Cal 2020 Section 1115 demonstration. DHCS submitted two requests in June 2021 to CMS: (1) the CalAIM Section 1115 demonstration (formerly entitled Medi-Cal 2020 Section 1115 demonstration) for a five-year renewal, with amendment and (2) the CalAIM Section 1915(b) waiver for a five-year renewal, with amendment. DHCS received approval on December 29, 2021 for both the demonstration and waiver, effective through December 31, 2026. DHCS and CMS continue to work toward additional approvals for equity-oriented CalAIM initiatives in the state's Section 1115 demonstration requests – including services and supports for justice involved adults and youth, and reimbursement for traditional healers and natural helpers. CMS approval of these waivers is anticipated in early 2022 and materials will be updated accordingly.

See the [CalAIM Waiver Issue Brief](#) and [December 29, 2021 press release](#) for additional details.

#### Materials Approved by CMS

CMS approved the CalAIM Section 1115 demonstration and CalAIM Section 1915(b) waiver on December 29, 2021, both effective through December 31, 2026.

- CalAIM Section 1115 Demonstration
  - [RFI for CalAIM 1115 Evaluation- PATH GPP Quality Reentry Initiative and CalBH-CBC 1115 Evaluation](#) (August 24, 2023)
  - [CMS Approval Letter and STCs following approval of Managed Care Amendment](#) (August 23, 2023)
  - [CMS Approval Letter and STCs following approval of CASAS PHE Attachment & Authorities](#) (June 28, 2023)
  - [CMS Approval Letter of CalAIM STCs, Technical Corrections and PATH Protocols](#) (June 22, 2023)
  - [CMS Approved Quarterly and Annual Progress Reports](#) (Ongoing)
  - [Past Amendments](#)
  - [Evaluations](#)
- CalAIM Section 1915(b) Waiver

I have questions about the Medi-Cal for I families? Agents are available. Let's chat!

**DHCS** Chat with us... ↗

- [Access and Improvement in Medi-Cal Request for Information](#) (August 24, 2023)
- [CMS Approval Letter and STCs following approval of rural county model changes](#) (June 26, 2023)
- [Approved Application and Attachments](#) (June 23, 2023)
- [Appendix: Cost Effectiveness BH SMHS & DMC-ODS](#) (June 26, 2023)
- [Appendix: Cost Effectiveness MCMC & Dental MC](#) (June 26, 2023)
- [Amendments](#)

### Materials Submitted to CMS

DHCS submitted the following amendment requests to CMS on November 4, 2022:

- [Cover letter to CMS](#)
- [CalAIM Section 1115 demonstration MCP model change amendment request](#)
  - [Completeness Letter](#)
- [CalAIM Section 1915\(b\) waiver MCP model change amendment request \(redline\) and \(clean\)](#)
  - [Appendix: Cost Effectiveness MCMC & Dental MC](#)
  - [Appendix: Cost Effectiveness BH SMHS & DMC-ODS](#)

DHCS submitted the following waiver applications to CMS on June 30, 2021, both five-year renewals and amendments to existing waivers:

- [CalAIM Section 1115 demonstration application and cover letter](#)
  - [CMS Completeness Letter](#)
- [CalAIM Section 1915\(b\) waiver application](#)
  - [Cover letter](#)
  - [Attachments](#)
  - [Appendix: Cost Effectiveness BH SMHS & DMC-ODS](#)
  - [Appendix: Cost Effectiveness MCMC & Dental MC](#)

DHCS submitted the [State Work Plan for Access Improvement](#) on October 7th, 2022.

### Current Public Comment Opportunities

DHCS is hosting a 30-day public comment period from August 1 to August 31, 2023 to solicit feedback on a proposed amendment to the California Advancing and Innovating Medi-Cal (CalAIM) Section 1115 demonstration. To improve the well-being and health outcomes of Medi-Cal members during critical transitions or who meet high-risk criteria, DHCS is seeking an amendment to the CalAIM Section 1115 demonstration to provide up to six months of transitional rent services as a new Community Support in Medi-Cal managed care (MCMC) for eligible individuals who are homeless or at risk of homelessness and transitioning out of institutional levels of care, congregate residential settings, correctional facilities, the child welfare system, recuperative care facilities, short-term post-hospitalization housing, transitional housing, homeless shelters or interim housing, as well as those who meet the criteria for unsheltered homelessness or for a Full Service Partnership program. The following materials have been shared for public comment:

- [Proposed CalAIM Section 1115 Transitional Rent Services Amendment Application](#)
- [Public Notice](#)
- [Tribal Public Notice](#)
- [Abbreviated Public Notice](#)

#### Written Comments

Written comments may be sent to the following address; please indicate "CalAIM Section 1115 Transitional Rent Services Amendment" in the subject line of the written message:

Department of Health Care Services  
 Director's Office  
 Attn: Jacey Cooper and Susan Philip  
 P.O. Box 997413, MS 0000  
 Sacramento, California 95899-7413

Comments may also be emailed to [1115waiver@dhcs.ca.gov](mailto:1115waiver@dhcs.ca.gov). Please indicate "CalAIM Section 1115 Transitional Rent Services Amendment" in the subject line of the email message.

To ensure consideration prior to submission of the CalAIM Section 1115 Transitional Rent Services Amendment to the Centers for Medicare & Medicaid Services (CMS), comments must be received no later than 11:59 PM (Pacific Time) on August 31, 2023. Please note that comments will continue to be accepted after August 31, but DHCS may not be able to consider those comments prior to the initial submission of the CalAIM Section 1115 Transitional Rent Services Amendment to CMS.

#### Public Hearings

DHCS will host the following public hearings to solicit stakeholder comments. The public hearings will take place in person and have online video streaming and telephonic conference capabilities to ensure accessibility.

- Friday, August 11 – First Public Hearing
  - 10 – 11:30 AM PT
  - Department of General Services
    - 1500 Capitol Ave. (Building 172), EEC Training Rooms, Sacramento, CA 95814
  - Register for Zoom conference link: [https://manatt.zoom.us/join/zoom/register/WN\\_6Xzv84XsSD2MRhnKMYdMGw#/registration](https://manatt.zoom.us/join/zoom/register/WN_6Xzv84XsSD2MRhnKMYdMGw#/registration)
    - Please register in advance if you plan to attend in person or if you plan to attend by Zoom to receive your unique login details and a link to add the hearing to your calendar.
  - Call-in information: 646-931-3860
    - Webinar ID: 939 8473 0250
    - Passcode: 081123
    - Callers do not need an email address to use the phone option and do not need to register in advance.

- Thursday, August 24 – Second Public Hearing
  - 9:30 – 11:30 AM PT
  - Department of Health Care Services
    - 1700 K Street, Room 1014, Sacramento, CA 95814
  - Register for Zoom conference link: [https://zoom.us/join/zoom/register/WN\\_eqqbAdsGRVUcIImQGc-Y-g](https://zoom.us/join/zoom/register/WN_eqqbAdsGRVUcIImQGc-Y-g)
    - Please register in advance if you plan to attend in person or if you plan to attend by Zoom to receive your unique login details and a link to add the hearing to your calendar.
  - Call-in information: 646-558-8656
    - Webinar ID: 913 8468 8826
    - Passcode: 478151
    - Callers do not need an email address to use the phone option and do not need to register in advance.

For individuals with disabilities, DHCS will provide free assistive devices, including language and sign-language interpretation, real-time captioning, note takers, reading or writing assistance, and conversion of training or meeting materials into braille, large print, audio, or electronic format. To request alternative format or language services, please call or write:

Department of Health Care Services  
 Director's Office  
 P.O. Box 997413, MS 0000, Sacramento, CA 95899-7413  
 (916) 440-7400  
 Email: [1115Waiver@dhcs.ca.gov](mailto:1115Waiver@dhcs.ca.gov)

Please note that the range of assistive services available may be limited if requests are received less than ten working days prior to the meeting.

## Indian Health Program Webpage (Tuesday August 1, 2023)

Link: <https://www.dhcs.ca.gov/services/rural/Pages/IndianHealthProgram.aspx>

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### Indian Health Program

The mission of the Indian Health Program (IHP) is to improve the health status of American Indians living in urban, rural, and reservation or rancharia communities throughout California. Health services for American Indians are based on a special historical legal responsibility identified in treaties with the U.S. government. California voluntarily accepted this responsibility by adopting Public Law (P.L.) 83-280 in 1954, which allowed for State jurisdiction of Indian affairs. The legislative authority for the program is Health and Safety (H&S) Code, Sections 124575 – 124595 and Title XVII Chapter 3.1, Section 1500-1541.

Upcoming Events: DHCS would like to highlight that these meetings are intended to allow Tribal and Indian health programs representatives a forum to provide feedback on elements of DHCS initiatives with specific impact to Tribes, Indian health programs, and American Indian Medi-Cal beneficiaries.

DHCS Tribal and Indian Health Program Representative Meeting August 21, 2023

[DHCS Tribal and Indian Health Program Representatives Meeting Invitation Reminder to Register](#)

[Meeting Agenda – Tribes and Indian Health Program Meeting 8-21-23](#)

California BH-CONNECT Tribal 30-Day Public Comment (August 1 – August 31, 2023)

[Tribal Webinar for BH-CONNECT Section 1115 Waiver and CalAIM Section 1115 Transitional Rent Services Amendment \(August 30, 2023\)](#)

[California BH-CONNECT Tribal Public Notice \(August 1, 2023\)](#)

[CalAIM Section 1115 Transitional Rent Services Amendment Tribal Public Notice \(August 1, 2023\)](#)

IHP Contact Information

- [DHCS IHP Program Staff](#)

Special Programs

- [Updates on Tribal Federally Qualified Health Center Medi-Cal Provider Type](#)
- [American Indian Maternal Support Services Program](#)
- [Emergency Preparedness](#)

Tribal and Indian Health Program Designee Medi-Cal Advisory Process

- [Tribal and Indian Health Program Designee Medi-Cal Advisory Process](#)
- [Notices of Proposed Changes to Medi-Cal Program](#)
- [Meetings, Webinars, and Presentations](#)

Related External Links

- [Centers for Medicaid and Medicare Services \(Not DHCS\)](#)
- [Federal Indian Health Service](#)

CalAIM Waiver Materials

## Indian Health Program Notices of Proposed Changes to Medi-Cal Program Webpage (Tuesday, August 1, 2023)

Link: [https://www.dhcs.ca.gov/services/rural/Pages/Tribal\\_Notifications.aspx](https://www.dhcs.ca.gov/services/rural/Pages/Tribal_Notifications.aspx)

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### Notices of Proposed Changes to Medi-Cal Program

Responses to questions about proposed State Plan Amendments and Waivers are developed at the time of submission; subsequent policy changes may impact these responses. Please contact DHCS for updates.


Quarter Ending September 30, 2023

Tribal/Designee Notifications	Title	Release Date
<a href="#">Demonstration Under Section 1115 of the Social Security Act</a>	Notice of Intent to Submit Section 1115 California BH-CONNECT Demonstration Application	8/1/2023
<a href="#">Demonstration Under Section 1115 of the Social Security Act</a>	Notice of Intent to Submit CalAIM Section 1115 Transitional Rent Services Amendment	8/1/2023

# Indian Health Program Meetings, Webinars, and Presentations Webpage (Tuesday, August 1, 2023)

Link: <https://www.dhcs.ca.gov/services/rural/Pages/MeetingandWebinars.aspx>

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## Meetings, Webinars, and Presentations

The following meetings, webinars and presentations contain information related to Department of Health Care Services (DHCS) proposed budget proposals, American Indian Medi-Cal Utilization data, and/or proposed changes to the Medi-Cal Program. The presentations, meeting materials, and webinar recordings are from various DHCS sponsored meetings or webinars, Centers for Medicare & Medicaid Services Outreach & Education Meetings, and Federal Indian Health Services Program Directors' meetings.

Meeting materials, webinars, and presentations are available below:

### 2023 Meetings/Webinars

**Title: Tribes and Indian Health Program Representatives Meeting**

Date: August 21, 2023

- [Register for Webex Meeting](#)
- [Agenda: Tribes and Indian Health Program Meeting 8-21-23](#)

**Title: Tribal and Designees of Indian Health Programs Quarterly Webinar**

Date: August 30, 2023

- Time: 2 – 3 PM PT
- [Register for Webex conference](#)
  - Please register in advance to receive your unique login details and link to add to calendar.
- Call-in information:
  - Phone Number: +1-415-655-0001 US Toll
  - Access Code: 2663 601 8884
  - Callers do not need an email address to use the phone option and do not need to register in advance

**Presentation Materials:**

- [BH-CONNECT Tribal public notice \(August 1, 2023\)](#)
- [Proposed BH-CONNECT Section 1115 application \(August 1, 2023\)](#)
- [BH-CONNECT public notice \(August 1, 2023\)](#)
- [CalAIM Transitional Rent Services Amendment Tribal public notice \(August 1, 2023\)](#)
- [Proposed CalAIM Transitional Rent Services Amendment \(August 1, 2023\)](#)
- [CalAIM Transitional Rent Services Amendment public notice \(August 1, 2023\)](#)