



State of California—Health and Human Services Agency
Department of Health Care Services



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GOVERNOR

DATE: July 6, 2015 CCT GL: #15-005
TO: CCT Program Director
SUBJECT: HOUSEHOLD SET-UP APPROVAL PROCESS

PURPOSE

This California Community Transitions (CCT) Guidance Letter (GL) establishes and explains the new process by which the state CCT nurses will approve Treatment Authorization Requests (TARs) for Household Set-up.

BACKGROUND

When a person is in an inpatient facility for an extended length of time, they may lose their home and essential household goods and furnishings. When this happens, many find they cannot afford to replace what they have lost when attempting to return to a community setting. For this reason, CCT Enrollees are eligible to receive household set-up funds for goods and services, up to a set dollar amount, to reestablish a home in the community setting of their choice.

Household set-up costs are non-recurring expenses for goods and services required by a CCT Participant who is directly responsible for his or her own living expenses. Household set-up costs may include, but are not limited to: essential furniture, bedding, towels, toiletries, pots, pans, cooking utensils, basic food staples, etc. Please refer to the *Home Set-up Resource* available on the CCT Website for additional information: <http://www.dhcs.ca.gov/services/ltc/Documents/CCTHomeSet-UpResource.pdf>.

The original process by which household set-up costs were reviewed, approved, and reimbursed was unduly burdensome on CCT Lead Organizations (LOs) and state CCT nurses. In addition, household set-up costs were being approved based on different understandings of training provided 5-years earlier.

The new process for approving household set-up expenses is based on feedback from CCT LOs and examples from other states. The new approval process is intended to

provide a standard framework for basic household set-up that meets human needs, allows for greater consumer choice, and helps support safe and sustainable homes in the community.

GUIDANCE

This document **pre-authorizes** household set-up reimbursement thresholds for **allowable** goods and services based on the type of CCT-qualified housing option selected by the beneficiary.¹ Upon approval of the 100-hour TAR for Transition Coordination services, CCT LOs may submit a TAR for allowable² household set-up costs, up to the applicable household set-up cost threshold.

The new billing structure ties home set-up costs to the type of housing in which the CCT Enrollee chooses to live, as indicated in the table below. If a CCT Enrollee requires goods or services beyond the pre-authorized cap to ensure their health and safety, or to meet an identified need for daily living, CCT LOs may submit additional justification to their assigned state Nurse for review. State Nurses will consider each request for additional household set-up costs on a case-by-case basis. CCT LOs may submit supporting documentation with the written justification, which may include, but is not limited to: photographs, diagrams, written statement of medical necessity from physicians, etc.

Household Set-up Cost Thresholds

	New Apartment	Established Housing	Group Home	ALW Facility
Pre-authorized CAP →	\$5,000	\$2,000	\$2,000	\$1,000
MAXIMUM →	Up to \$7,500 with additional justification			

It is the responsibility of the CCT LO to ensure public funds are used efficiently, effectively, and in compliance with state and federal purchasing requirements. All CCT expenditures must adhere to the cost principles established by the Federal Office of

¹ Cost data analysis indicates less funding is required to help a CCT Enrollee move into an established household or ALW Facility when compared to the cost of helping a CCT Enrollee move into a New Apartment.

² Allowable costs are described in the *Home Set-up Resource* available on the CCT Website, at: <http://www.dhcs.ca.gov/services/ltc/Documents/CCTHomeSet-UpResource.pdf>

Management and Budgets (OMB). Title 2 of the Code of Federal Regulations (2 CFR), Subtitle A, Chapter II, parts 225 and 230 specifically outline allowable costs and should be the basis for determining the allowability of household set-up costs.

QUESTIONS

If you have any questions regarding this Policy Letter, please contact Karli Holkko at: karli.holkko@dhcs.ca.gov or (916) 322-5253.

Sincerely,

(original signed by)

Rebecca Schupp, Acting Chief
Long-Term Care Division