



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 Zubiante, Chief  
Office of Tribal Affairs  
Department of Health Care Services

Enclosure



## DEPARTMENT OF HEALTH CARE SERVICES

# 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>1</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 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**

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.

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<sup>1</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).

## 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