

**California Department of Health Care Services
Proposed Trailer Bill Language**

Extension of the Health Home Program Funding

FACT SHEET

Issue Title: Extension of the Health Home Program Funding. This proposal would extend the appropriated expenditure/encumbrance authority for the Health Home Program Account Special Deposit Fund from June 30, 2020 to June 30, 2023.

Background: Assembly Bill 361 (Chapter 642, Statutes of 2013) authorizes the Department of Health Care Services (DHCS) to implement the Health Home Program (HHP), with specific conditions on populations to be served and limits on State General Fund impact. HHP services include comprehensive care management, care coordination, health promotion, comprehensive transitional care, individual and family support, and referral to community and social supports. The HHP is designed to serve eligible Medi-Cal beneficiaries with multiple chronic conditions who are frequent utilizers of services and who may benefit from enhanced care management and coordination. The HHP coordinates the full range of physical health, behavioral health, and community-based long-term services and supports needed by eligible beneficiaries.

Senate Bill (SB) 75 (Committee on Budget and Fiscal Review, Chapter 18, Statutes of 2015), uncodified section (SEC.) 51, established the Health Home Program Account in the Special Deposit Fund within the State Treasury in order to collect and allocate non-General Fund public or private grant funds to be used for the HHP implementation. SEC. 52 authorized the sum of fifty million dollars (\$50,000,000) to be appropriated from the Health Home Program Account to DHCS for the purposes of implementing the HHP. This appropriation is currently available for encumbrance or expenditure by DHCS for the implementation of the HHP until June 30, 2020.

Justification for the Change: In an effort to successfully implement the HHP, DHCS delayed program implementation from 2016 to 2018. HHP is currently in the process of being implemented in four waves over six-month intervals.¹ The first phase of implementation began on July 1, 2018 and the last implementation phase is set to begin January 1, 2020. Given the delay in HHP implementation, DHCS proposes to extend the sunset date that governs the HHP's ability to utilize funds from June 30, 2020 to June 30, 2023. This will allow the funds to be available for the duration of the program, in accordance with updated HHP implementation timelines, as well as to facilitate the completion of the HHP evaluation required pursuant to Welfare and Institutions Code Section 14127.5.

Summary of Arguments in Support: This proposal would extend the availability of the funding to align with program implementation timeline and complete the HHP evaluation required in statute.

Estimate Issue # and Title: Medi-Cal Local Assistance Estimate Policy Change 100: Health Homes for Patients with Complex Needs.

¹ The revised HHP implementation schedule is available at:
http://www.dhcs.ca.gov/services/Documents/HHP_Revised_Implement%20Sch_5.4.17_REV.pdf