Medi-Cal Children's Health Advisory Panel (MCHAP)

September 10, 2026
10 a.m. - 2 p.m.

DHCS
CALIFORNIA DEPARTMENT OF HEALTH CARE SERVICES

Hybrid Meeting Tips

- Use either a computer or phone for audio connection.
- Mute your line when not speaking.
- Members are required to turn on their cameras during the meeting.
- Registered attendees will be able to make oral comments during the public comment period.
- For questions or comments, email MCHAP@dhcs.ca.gov.

Welcome, Roll Call, Today's Agenda

Nancy Netherland, Chair

DHCS

Justice-Involved (JI) Youth Focused and Youth Correctional Facilities Update

Jessica Camacho-Hall, Reentry Services Oversight Section Chief, Office of Strategic Partnerships
Brian Hansen, Health Program Specialist II, Health Care Delivery Systems
Cheyenne Custer, Health Program Specialist I, Population Health Management

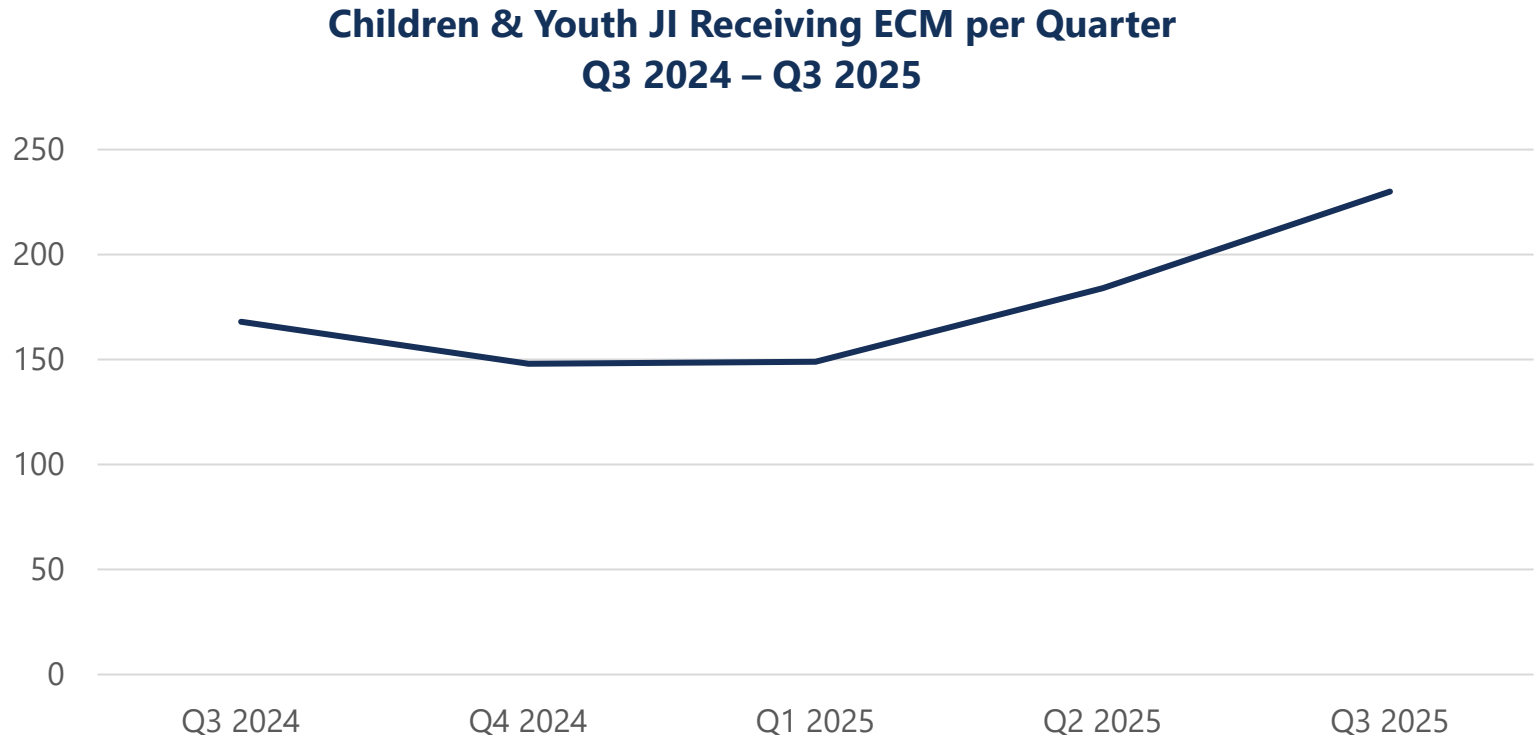
DHCS

Enhanced Care Management (ECM) Utilization[1]

Key Takeaways

- The ECM Individuals Transitioning from Incarceration Population of Focus launched on January 1, 2024.
- The population grew 37% between Q3 2024 and Q2 2025.
- After an initial spike post-launch, growth dipped in Q3 2024, then began rising again in Q4 2024 and has continued to increase steadily.

1. Quarterly Implementation Monitoring Report



Quarter	Q3 2024	Q4 2024	Q1 2025	Q2 2025	Q3 2025
Growth Rate	↓ -15%	↑ -12%	↑ 1%	↑ 23%	↑ 25%

Reentry Initiative

The JI Reentry Initiative: Pre-Release and Reentry Care

Pre-Release

- Pre-Release Medi-Cal Application Process
- 90 Days of Services Pre-Release (1115 Waiver)

Reentry and Transition Support

- ECM
- Behavioral Health Linkages
- Community Supports
- JI Reentry and Transition Providers

Federal Consolidated Appropriations Act of 2023

Federal Consolidated Appropriations Act of 2023

- The Federal Consolidated Appropriations Act (CAA) includes two provisions that impact incarcerated youth populations:
  - **Section 5121:** Mandatory for all states to provide pre- and post-release case management and screening/diagnostic services for post-disposition youth.
  - **Section 5122:** Optional for states to cover full-scope Medicaid for pre-disposition youth.

Source: CMS, "Provision of Medicaid and Children's Health Insurance program (CHIP) Services to Incarcerated Youth," 24-004 State Health Official Letter (July 23, 2024).

Mandatory Requirement: Section 5121 (1 of 2)

- Medicaid and CHIP programs were required to implement mandatory coverage beginning January 1, 2025, partially lifting the historic "inmate exclusion" to support continuous coverage and reduce recidivism.
- Required services include:

Screenings & Diagnostics

EPSDT required behavioral health, developmental, vision, hearing, and dental screenings provided within 30 days prior to release or shortly after release.

Case Management

Starts 30 days pre-release and continues for a minimum of 30 days post-release. Includes helping youth connect to appropriate care and support services in their home community when feasible.

Mandatory Requirement: Section 5121 (2 of 2)

- Due to the significant overlap of this requirement and the JI Reentry Initiative, DHCS received approval from the federal government to include this requirement in the JI Reentry Initiative.
- **What this means:** If the correctional facility delivers services that follow CMS and DHCS guidance, including required timelines and implementation steps, the correctional facility is in compliance with the CAA.

Optional Provision: Section 5122

- Under Section 5122, states have the option to provide full-scope Medicaid and CHIP coverage to eligible youth who are incarcerated in a public institution during the pre-disposition (e.g., pre-adjudication) period.
- California rolled out the JI Reentry Initiative, including CAA section 5121 requirements.
- DHCS is assessing where JI Reentry Initiative operational implementation is going well and where there are opportunities for improvement.
- DHCS will analyze and evaluate options and considerations related to implementation of the CAA.

Alignment of CAA and JI Reentry Initiative Requirements

CAA Required Services and Impacted Populations (1 of 2)

- The following required CAA services are folded into the larger JI Reentry Initiative:
  - Coverage for certain screenings and diagnostics services in accordance with Medicaid requirements, including behavioral health screenings or developmental, vision, hearing, and dental screening and diagnostic services
- These services are covered under the JI Reentry Initiative clinical consultation service.

CAA Required Services and Impacted Populations (2 of 2)

- Coverage of case management services required under Medicaid will be provided both before release and for at least 30 days after release through the JI Reentry Initiative case management services.
- Impacted populations:
  - Under 21, or
  - Former foster youth up to age 26

    AND
  - Post-adjudication
- Correctional facilities will be considered as meeting CAA requirements if they receive approval or conditional approval during the readiness assessment process.

JI Reentry Initiative Highlights

JI Reentry Initiative Impact as of November 15, 2025

Released Year One Impact Report

- **23,000+** new Medi-Cal applications processed for eligible individuals in county jails and youth correctional facilities (as of 11/1/25).
- **34,956** incarcerated individuals screened and identified as eligible for pre-release services.
- **159,000+** billable pre-release services and prescriptions delivered and claimed for reimbursement.*
- **$16 million** in new reimbursements to correctional facilities.

**This does not include services rendered without a submitted claim (i.e., due to claims lag as correctional facility billing systems are established). DHCS expects additional claims to be submitted for services rendered as a part of the JI Reentry Initiative to date.*

JI Reentry Initiative Impact as of May 1, 2026

- **31 state prisons live** with pre-release services
- **43 county facilities in 16 counties live** with pre-release services
  - 26 adult jails
    - 2 counties do not have an adult jail in the county
  - 17 youth correctional facilities
    - 18 counties do not have a youth correctional facility in the county
- **58 county behavioral health plans live** with behavioral health links
- **24 Medi-Cal managed care plans live** with ECM and other Medi-Cal benefits

Mandatory Go-Live by October 1, 2026

- To comply with state law, **all remaining county correctional facilities must go-live by October 1, 2026.**
- DHCS developed a micro-readiness assessment for counties that do not have a youth and/or adult correctional facility.
- Correctional facilities may request conditional go-live status, attesting to readiness for core components (care management, Medications for Addiction Treatment, medications in hand) and providing a timeline for full implementation within 12 months.
- Priority populations and system readiness must be identified prior to go-live.

Coming in 2026

- DHCS is actively supporting the remaining counties and facilities to implement pre-release services statewide by providing ongoing technical assistance, operational guidance, and readiness support to ensure all facilities meet the October 1, 2026, go-live deadline.
- DHCS is seeking a renewal of its 1115 Waiver Authority to continue and strengthen the JI Reentry Initiative in the next waiver term.

JI Benefit Guide – Coming Soon

- DHCS is drafting a benefits guide for correctional facilities to further clarify eligible Medi-Cal billing codes.
  - CAMMIS Fee-for-Service (Provider Manual)
    - Clinical consultation (evaluation and management codes)
    - Behavioral health consultation
    - Care management bundles
    - Laboratory and radiology
    - Durable medical equipment (as applicable)
    - Community health worker services
- Short-Doyle
  - Behavioral health link
- Medi-Cal Rx
  - Prescriptions/medications (Medi-Cal drug formulary)

Where To Find JI Resources

- JI Reentry Initiative Home Page
- JI Webinars and Meetings
- JI Reentry Initiative YouTube Playlist – Office of Strategic Partnerships
- JI Resources
- ***NEW*** – JI Reentry Initiative Correctional Facility Readiness Assessment (PDF)
  - ***NEW*** - Readiness Assessment Survey (Nintex Form)
- Email: CalAIMJusticeAdvisoryGroup@dhcs.ca.gov

Questions?

Behavioral Health Transformation: Goals and Strategies to Support Children, Youth, and Families

Paula Wilhelm, Deputy Director, Behavioral Health

DHCS

Agenda

- Background: Behavioral Health Services Act (BHSA) for Children and Youth
- Population Health Goals and Measures
- Early Intervention
- Full-Service Partnerships (FSP)

Background: BHSA for Children and Youth

Behavioral Health Transformation

In March 2024, California voters approved Proposition 1, a two-bill package creating a historic opening to modernize the state's behavioral health care system.

BHSA

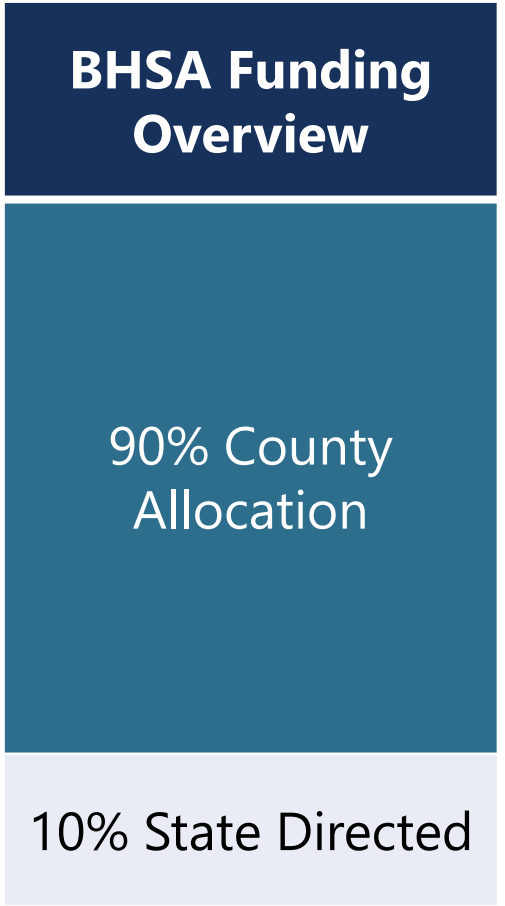
- Aims to increase state and local accountability, transparency, and operational efficiency for all county behavioral health funding and outcomes.
- Reforms Mental Health Services Act funding to prioritize services and housing to Californians with the most significant mental health needs, while adding substance use disorder (SUD) treatment.

Behavioral Health Infrastructure Bond

- Funds bricks-and-mortar behavioral health infrastructure.
- Invests $4.4 billion to expand behavioral health treatment facilities through the Behavioral Health Continuum Infrastructure Program (BHCIP).
- DHCS administered $2 billion through Homekey+ to support housing for individuals with behavioral health needs, including a $1 billion set-aside for veterans.

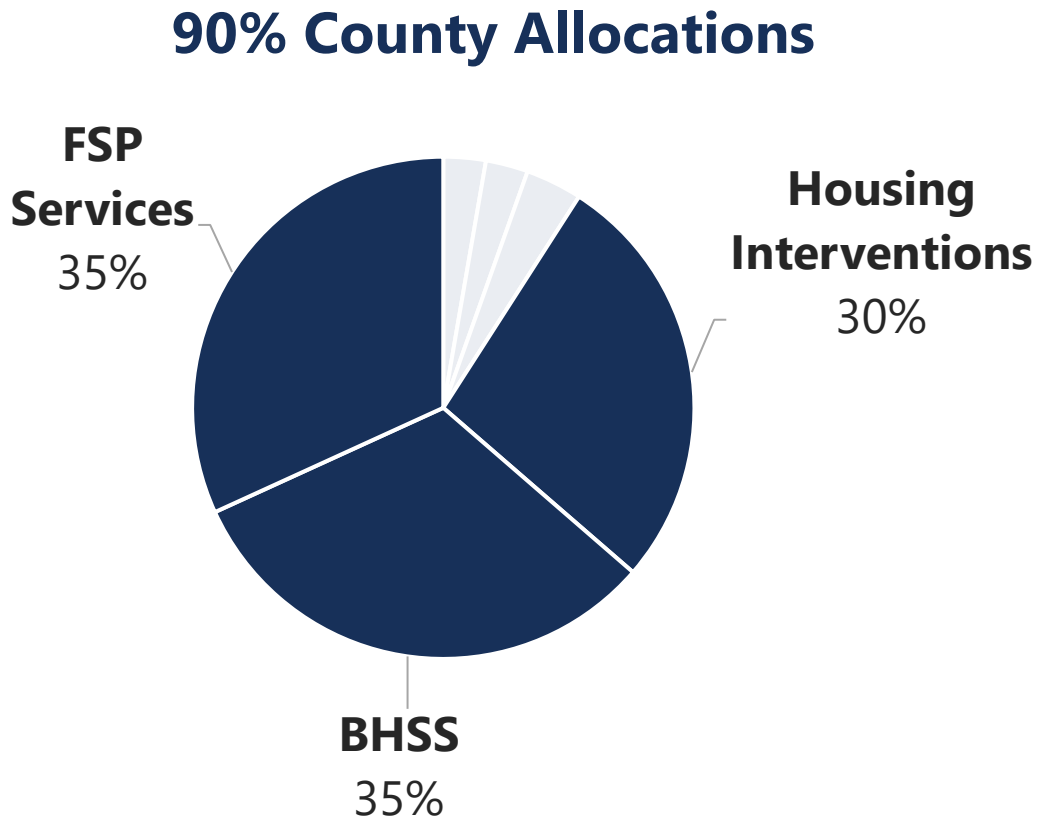
BHSA

- **Updates allocations** for local services and state-directed funding categories
- Broadens the target population to **include individuals with SUDs**
- Focuses on the **most vulnerable and at-risk**, including children and youth
- Advances community-defined practices as a key strategy for **reducing health disparities** and **increasing community representation**
- Revises county processes and improves **transparency and accountability**



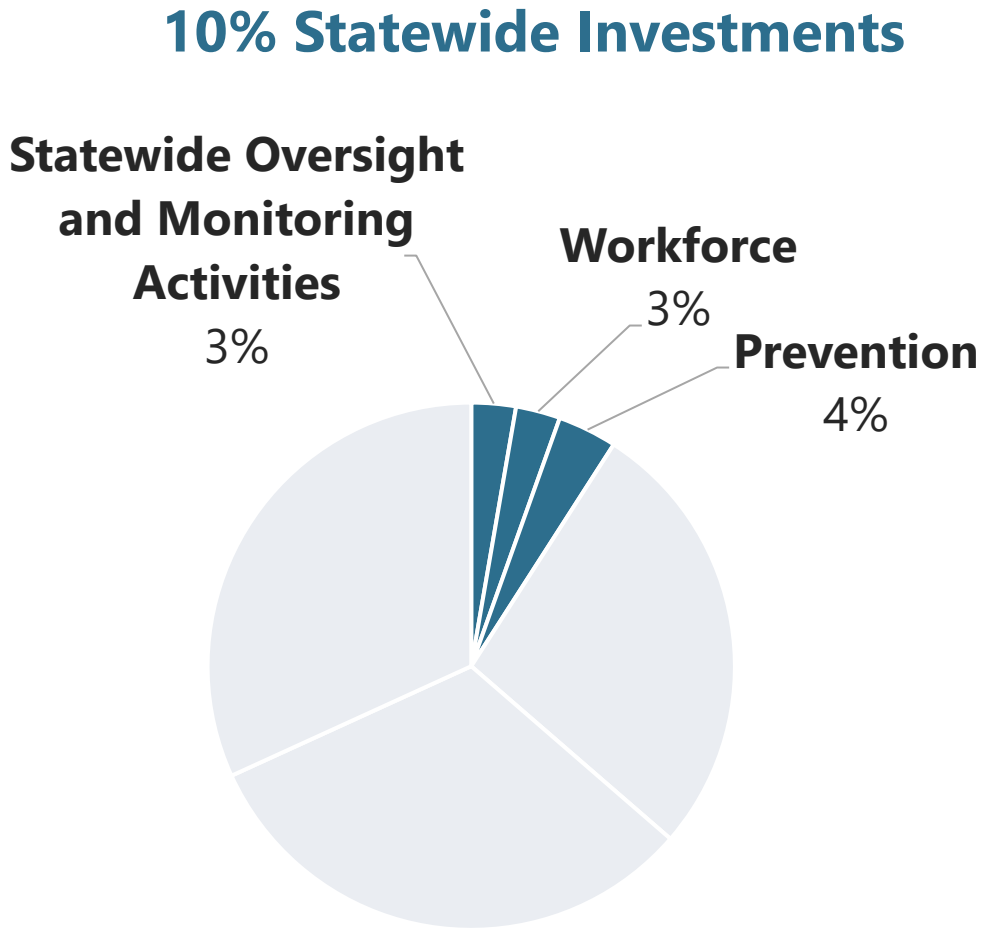
BHSA Funding Breakdown – County Allocations

- **Housing Interventions**
  - Rental and operating subsidies, shared and family housing for eligible children and youth, and the non-federal share of certain transitional rent.
- **FSP Services**
  - Comprehensive, intensive supports for individuals with the most complex needs (the "whatever it takes" model).
- **Behavioral Health Services and Supports (BHSS)**
  - Early intervention, outreach and engagement, workforce development, training, capital and technology needs, and innovative pilot projects.



BHSA Funding Breakdown – Statewide Investments

- **Statewide Oversight & Monitoring Activities**
  - State entities develop statewide goals, oversee county outcomes, train and support counties and providers, and administer evaluation and technical assistance.
- **Workforce**
  - The Department of Health Care Access and Information (HCAI) will expand and support a culturally competent and well-trained statewide behavioral health workforce.
- **Prevention**
  - The California Department of Public Health (CDPH) administers statewide prevention services to reduce the risk of mental health conditions or SUDs.



BHSA Eligibility Criteria: Children and Youth

- 25 years of age or under (including early childhood and transition age youth); ***AND***
- Meet Medi-Cal access criteria for Specialty Mental Health Services ***OR***
- Have a SUD (as defined in BHSA statute).

California Welfare & Institutions Code (WIC), Section 5892(k)(7)

BHSA Priority Population: Children and Youth

Chronically homeless, experiencing homelessness, or at risk of homelessness

Involved in, or at risk of being involved in, the juvenile justice system

Reentering the community from a youth correctional facility

Involved in the child welfare system

At risk of institutionalization

California WIC, Section 5892(d)(2)

BHSA Furthering Goals for Children and Youth

The BHSA expands tools to treat serious conditions early and supports children, youth, and families in ways that interrupt the trajectory toward illness and negative outcomes.

FAQ-BHSA

How will children and youth benefit from the BHSA?

Population Health

» Population-level programming promotes behavioral health awareness, reduces stigma, and provides upstream prevention and early supports (see Behavioral Health Transformation performance measures in the next section).

Early Intervention Funding (≥51% of BHSS allocations)

» At least 51% of county early intervention funding must support children, youth, and young adults (0–25 years). This includes early childhood mental health consultation (ages 0–5), school-based services, and expanded early psychosis and mood disorder detection and intervention.

FSPs (35% of county allocations)

» Children and youth with high behavioral health needs benefit from evidence-based High-Fidelity Wraparound (HFW), which delivers whole-person, trauma-informed, and age-appropriate care in partnership with family and natural supports.

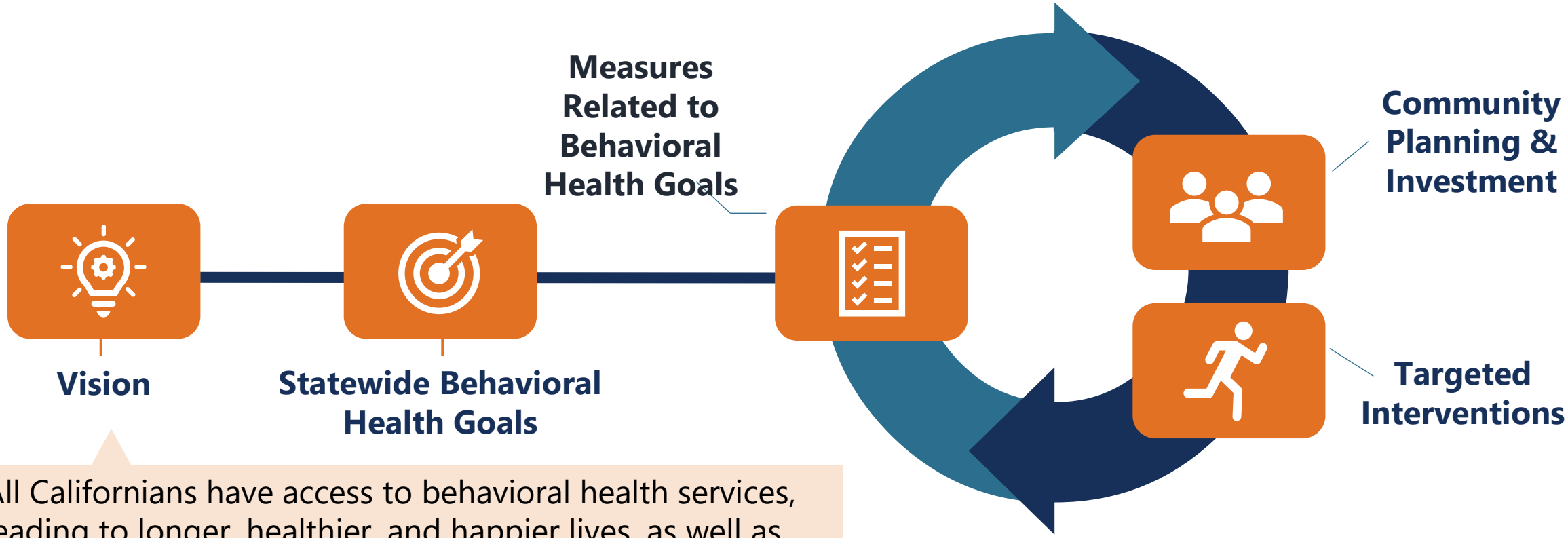
Other Behavioral Health Initiatives that Support Children and Youth

- BHSA aligns with and strengthens recent behavioral health initiatives, helping counties build on ongoing work and access new federal funding opportunities, including:
  - California Advancing and Innovating Medi-Cal (CalAIM) Initiative
  - Behavioral Health Community-Based Organized Networks of Equitable Care and Treatment (BH-CONNECT) initiative
  - Behavioral Health Bridge Housing
  - Children and Youth Behavioral Health Initiative
  - BHCIP
  - 988 and Crisis Continuum

Population Health Goals and Measures for Children and Youth

Population Behavioral Health Approach

The Population Behavioral Health Approach is designed to enable the behavioral health (BH) delivery system – including both county BHPs and MCPs – to make data-informed decisions to better meet the needs of individuals within the communities they serve.



All Californians have access to behavioral health services, leading to longer, healthier, and happier lives, as well as improved outcomes and reduction in disparities.

Statewide Population Behavioral Health Goals

DHCS has identified 14 statewide behavioral health goals aimed at improving well-being and reducing adverse outcomes. DHCS will continuously assess statewide and county progress toward these goals.

Goals for Improvement

- Care experience
- Access to care
- Prevention and treatment of co-occurring physical health conditions
- Quality of life
- Social connection
- Engagement in school
- Engagement in work

Goals for Reduction

- Suicides
- Overdoses
- Untreated behavioral health conditions
- Institutionalization
- Homelessness
- Justice-Involvement
- Removal of children from home

Health equity will be incorporated across all proposed population behavioral health goals.

Behavioral Health Transformation Theory of Change

DHCS identified how MCPs and county BHPs could advance those goals through contractually required or DHCS-funded policies and programs by developing Theories of Change.

If…		***… Then***	
Levers	**Strategies**	**Results**	**Goal**
The targeted interventions, workforce investments, infrastructure investments, and operational requirements under the purview of DHCS, BHPs, MCPs, and contracted providers	How research and data suggests levers should be implemented to strategically and intentionally advance the goal	If the strategies are implemented, research and data suggest specific populations of individuals with behavioral health needs will benefit in these ways	The statewide behavioral health impact sought
The activities		The intended results	

Behavioral Health Transformation Performance Measures

DHCS has selected **51 performance measures**. *Only 34 of those measures will be published from 2026-2028.*

- Each goal has up to 8 measures, with a mix of Goal and Intervention measures.
- DHCS also selected 3 cross-goal equity measures and 1 BHSA priority population measure.

DHCS has identified whether responsible entities are:

- Cross-sector (i.e., extending beyond just BHPs and MCPs); or
- County BHP and/or MCP (based on whether it measures a contractually required service or policy).

Example: Measures for Reducing Removal of Children from Home

Measure Category	Measure Name	Responsibility
Goal Measure	Children and Youth in Foster Care	Cross-Sector
Intervention Measure	Specialty BH Services for Children and Youth in Foster Care	Joint County BHP-MCP
Intervention Measure	BH Services for Parents, Guardians, and Pregnant People with Significant BH Needs	Joint County BHP-MCP
Intervention Measure	HFW, ECM, or Intensive Care Coordination (ICC) ICC for Children and Youth in Foster Care	Joint County BHP-MCP

Goal (Sub-Goal) Measure: Measure of overall goal performance
Intervention Measure: Measure of county BHP and MCP interventions expected to advance the goal, *identified via the Theory of Change*

Select Measures of Behavioral Health Interventions for Children and Youth

DHCS developed a wide range of measures under each of the Behavioral Health Transformation goals. ***All*** **measures can be stratified by age to assess for performance for children and youth.**

Several measures are especially relevant for children and youth, including:

- Coordinated Specialty Care for First Episode Psychosis
- Behavioral Health Services for Children and Youth in Foster Care
- Behavioral Health Services for Parents, Guardians, and Pregnant People with Significant Behavioral Health Needs
- HFW, ECM, or ICC for Children and Youth in Foster Care
- Well-Child Visits for Children and Youth with Significant Behavioral Health Needs
- One or More Behavioral Health Services for People with Significant Mental Health Needs
- Initiation of SUD Treatment (IET-I)
- One or More Behavioral Health Services for People with Significant Mental Health Needs and Co-Occurring SUD
- Three or More Behavioral Health Services for People with Significant Mental Health Needs
- Depression Screening and Follow-Up for Adolescents (DSF-E)

How Performance Measures Will Be Used

Transparency

DHCS will publish calculated measure rates, stratified by county/MCP and key demographics, for public access each year.

Planning

DHCS, counties, MCPs, and other stakeholders will be able to use these measures to track progress on the goals and inform planning for addressing the goals.

- Counties: Integrated Plans
- MCPs: PHM Strategy Deliverables

Population Health

- DHCS will provide monthly rate updates and associated person-level data to counties and MCPs in Medi-Cal Connect.
- These data will support population health activities (such as outreach and engagement, interventions, and other services) that would improve outcomes and performance on the measures.

Accountability

DHCS will use measures to:

- Inform and evaluate allocation of BHSA funding at the county level and the extent to which that allocation is addressing local needs (including in the BHOATR); and
- Monitor BHP and MCP performance on delivery of Medi-Cal and BHSA services.

DHCS will not issue BHSA Corrective Action Plans on performance before 2029.

Early Intervention for Children and Youth

Early Intervention Funds for Children and Youth

BHSA strengthens prioritization of resources to serve children and youth with its dedicated allocation of early intervention funds.

51% of Early Intervention funds must be used for **children and youth 25 years of age or younger, including transitional aged youth.**

Early interventions funds must **prioritize childhood trauma and early intervention** to deal with the early origins of mental health and SUD needs, including strategies focused on:

- Youth experiencing homelessness
- Justice-involved youth
- Child welfare-involved youth with a history of trauma
- Other populations at risk of developing serious emotional disturbance or SUDs
- Children and youth in populations with identified disparities in behavioral health outcomes (WIC Sections 5840 and 5892)

Early Intervention: Coordinated Specialty Care for First Episode Psychosis (CSC for FEP)

As of July 2026, county Early Intervention programs are offering a CSC for FEP program

- CSC for FEP is a community-based service that provides **timely and integrated support during the critical initial stages of psychosis** with the strongest base of evidence among any intervention for improving outcomes for individuals experiencing early psychosis.
- DHCS and the Commission for Behavioral Health have made **significant investments in expanding CSC for FEP throughout the state.** These efforts include:
  - A $25 million commitment through the Community Mental Health Services Block Grant from January 1, 2022, through June 30, 2025, to support counties in implementing and expanding their CSC for FEP programs with technical assistance through EPI-CAL (Early Psychosis Intervention – California).
  - Children and Youth Behavioral Health Initiative (CYBHI) grants for CSC for FEP.
  - Coverage of CSC for FEP as a service under BH-CONNECT.
  - Contracting with University of California, Davis to fund FEP technical assistance for county behavioral health agencies.

Full-Service Partnership (FSP) for Children and Youth: High-Fidelity Wraparound (HFW)

Moving FSP from MHSA to BHSA

FSP programs have been a core investment of the Mental Health Services Act (MHSA) over the last 20 years. They are designed to service people with the most significant and complex behavioral health needs.

- FSP programs under the MHSA are **team-based and recovery-focused**, with participants receiving services and supports tailored to their needs through a **"whatever it takes" approach.**
- The BHSA aims to incorporate several recommendations made by the Commission for Behavioral Health to **strengthen and standardize county FSP programs**, including recommendations to:*
  - Establish a common set of service requirements.
  - Develop standardized definitions and eligibility requirements.
  - Develop a tiered system for FSP care ("levels of care") and incorporate step-down planning into programs.
  - Ensure FSP programs are equipped to serve a diverse population.
  - Streamline data collection and clarify expectations.

*MHSOAC. Transformational Change: Full Service Partnerships. Third Sector Report Summary. May 23, 2024.

FSP Under the BHSA

BHSA maintains FSP as essential to the behavioral health continuum of care and incorporates many of the improvement opportunities identified by the Mental Health Services Oversight and Accountability Commission (MHSOAC).

Under the BHSA, county FSP programs **must** include:

- Mental health and SUD services
- Specific evidence-based practices (EBP) (see box at right)
- Assertive field-based initiation for SUD
- Outpatient behavioral health services for evaluation and stabilization
- Ongoing engagement services
- Service planning
- Housing interventions (funded under Housing Interventions category)

FSP programs **may also** include:

- Primary SUD FSPs
- Additional EBPs
- Outreach services
- Other recovery-oriented services

Required FSP EBPs*

✓Assertive Community Treatment (ACT)

✓Forensic ACT (FACT)

✓FSP Intensive Case Management (FSP ICM)

✓Individual Placement and Support (IPS) Supported Employment

✓**HFW**

- HFW is the designated FSP level of care for children and youth.

Overview of HFW

HFW is a **team-based, family-centered evidence-based practice** that supports children and youth with significant mental health or behavioral challenges and helps them **remain at home, in school, and in their communities**

What HFW Provides

- An **"anything necessary"** approach to care, combining intensive care coordination with **individualized home- and community-based mental health services.**
- **Support for families, caregivers, and natural supports** to understand the youth's needs and navigate complex behavioral health challenges

How HFW Works

HFW organizes a **collaborative planning process** through a Child and Family Team (CFT), centered on family voice, choice, and strengths, and including people involved in the youth's life. Led by a facilitator, the team:

- Develops and carries out an individualized plan of care; and
- Ensures access to intensive services and informal supports across child- and family-serving systems

Youth who need HFW may also be served by foster care, child welfare, or juvenile justice.

HFW in Medi-Cal and BHSA FSP Programs

Policy Goal: Ensure counties and providers deliver HFW consistent with evidence-based standards and improves outcomes and quality of life among youth in California living with significant behavioral health needs.

Effective July 1, 2026, DHCS is implementing HFW as an evidence-based practice (and a corresponding updated payment model) within Medi-Cal Specialty Mental Health.

- HFW is already available to Medi-Cal children and youth under the EPSDT benefit.
- DHCS is clarifying coverage of, and implementing a new payment model for, HFW, including service design, fidelity monitoring requirements, and related policies.
- **HFW provided under FSP programs must meet all of the same evidence-based standards as HFW delivered under Medi-Cal.**
- For additional detail please see:
  - Draft HFW Information Notice
  - Draft HFW Policy Manual

BHSA Initiatives Administered by Other State Departments

- California Department of Public Health: Population-Based Prevention Plan
- California Department of Health Care Access and Information: Workforce Education and Training Plan

Key DHCS Resources

- Behavioral Health Services Act (landing page)
- BHSA County Policy Manual
- Behavioral Health Public County Profiles
- Behavioral Health Transformation Performance Measures Report

Questions?

Coverage Ambassadors Program

Jamie Romas, Assistant Deputy Director, Office of Communications

Isabel Flores, Stakeholder and Community Engagement Analyst, Office of Communications

DHCS

Coverage Ambassadors

Who are Coverage Ambassadors?

- Coverage Ambassadors are trusted messengers who help people in their community find, understand, and keep their Medi-Cal coverage.

What They Do

- **Educate** members about important Medi-Cal actions, such as renewals, coverage updates, and benefits.
- **Engage** communities by sharing DHCS tools, resources, and timely information.
- **Provide consistency** so everyone receives clear, accurate, and culturally relevant Medi-Cal information.

Anyone Can Become an Ambassador

- Ambassadors may include, but are not limited to: County offices, health navigators, MCPs, community-based organizations, advocates, providers and clinics, schools, and other state or local agencies.

Background and History

- During the COVID-19 public health emergency (PHE), Medi-Cal members kept their coverage automatically.
- When the PHE ended, California restarted annual Medi-Cal renewals for millions of families.
- DHCS saw that renewal notices and changing rules could be confusing for members.
- The Coverage Ambassadors Program launched in May 2022 to provide clear, consistent, and trusted information during the unwinding process.
- The program expanded with webinars, outreach materials, and partner support as statewide renewal work continued.

How the Program Has Grown

April 2022

Program launched as part of DHCS' response to the return of Medi-Cal renewals during the Continuous Coverage Unwinding.

2022 – Early 2023

Ambassadors began sharing simple, clear renewal information as Medi-Cal returned to normal yearly renewals.

Mid 2023

DHCS expanded tools and culturally relevant materials to help families better understand Medi-Cal updates.

2024 - 2025

Ambassadors started participating in regular webinars on Medi-Cal updates, benefits changes, and outreach tips.

2025 - Present

Ambassador engagement continues with updated toolkits, bimonthly webinars, newsletters, and expanded resources.

How DHCS Supports Ambassadors Today

More than 7,500 Ambassadors statewide currently receive program communications and resources.

- DHCS shares **clear Medi-Cal updates through regular Ambassador webinars** with Q&A and live polls to help improve future sessions.
- Ambassadors receive **ready-to-use outreach tools** (flyers, social posts, toolkits, and translated resources) to share with their communities.
- Ambassadors receive **regular emails** with DHCS updates, webinar recaps and reminders, new tools, and community highlights submitted by Ambassadors.
- DHCS meets with Ambassadors through optional **one-on-one meetings** to hear about their experiences and collect feedback for program improvements.
- All presentations, recaps, and materials are updated on the Ambassador webpage after each webinar.

One-On-One Meetings

Meeting individually with Coverage Ambassadors strengthens DHCS' collaboration with trusted community partners.

Provides DHCS with direct, on-the-ground insights from Ambassadors about member experiences and community needs.

Builds trust by demonstrating that DHCS is listening and actively seeking feedback to improve Ambassador engagement.

Helps Ambassadors feel valued and supported, encouraging them to share how they assist Medi-Cal members.

Topics We've Covered

Benefits and Services

- Smile, California (dental benefits and outreach)
- Birthing Care Pathway
- Hearing aid coverage
- Dyadic services
- CalABLE savings program
- Newborn Gateway
- Transitional rent and housing supports

Eligibility and Coverage Changes

- Asset limit reinstatement
- Adult expansion freeze
- Medi-Cal Rx pharmacy benefit changes
- Presumptive eligibility
- Breast and Cervical Cancer Treatment Program
- Transition of UIS Medi-Cal members to FFS

Outreach, Messaging, and Training

- Social media highlights and DHCS digital tools
- How Ambassadors can amplify state messaging
- Toolkits, flyers, translated resources
- Train the trainer

What Ambassadors Are Saying

"We appreciate being able to reach out to DHCS with questions. We hope to continue this open line of communication as it makes us feel supported, valued, and that we are part of something meaningful."

"We really enjoy the webinars and appreciate that materials are available in multiple languages. The newsletters also help us to stay up to date to better serve our community."

"Our office relies on DHCS materials and updates because they are a trusted source in our community. We confidently share this information, knowing community members depend on us for guidance they can trust."

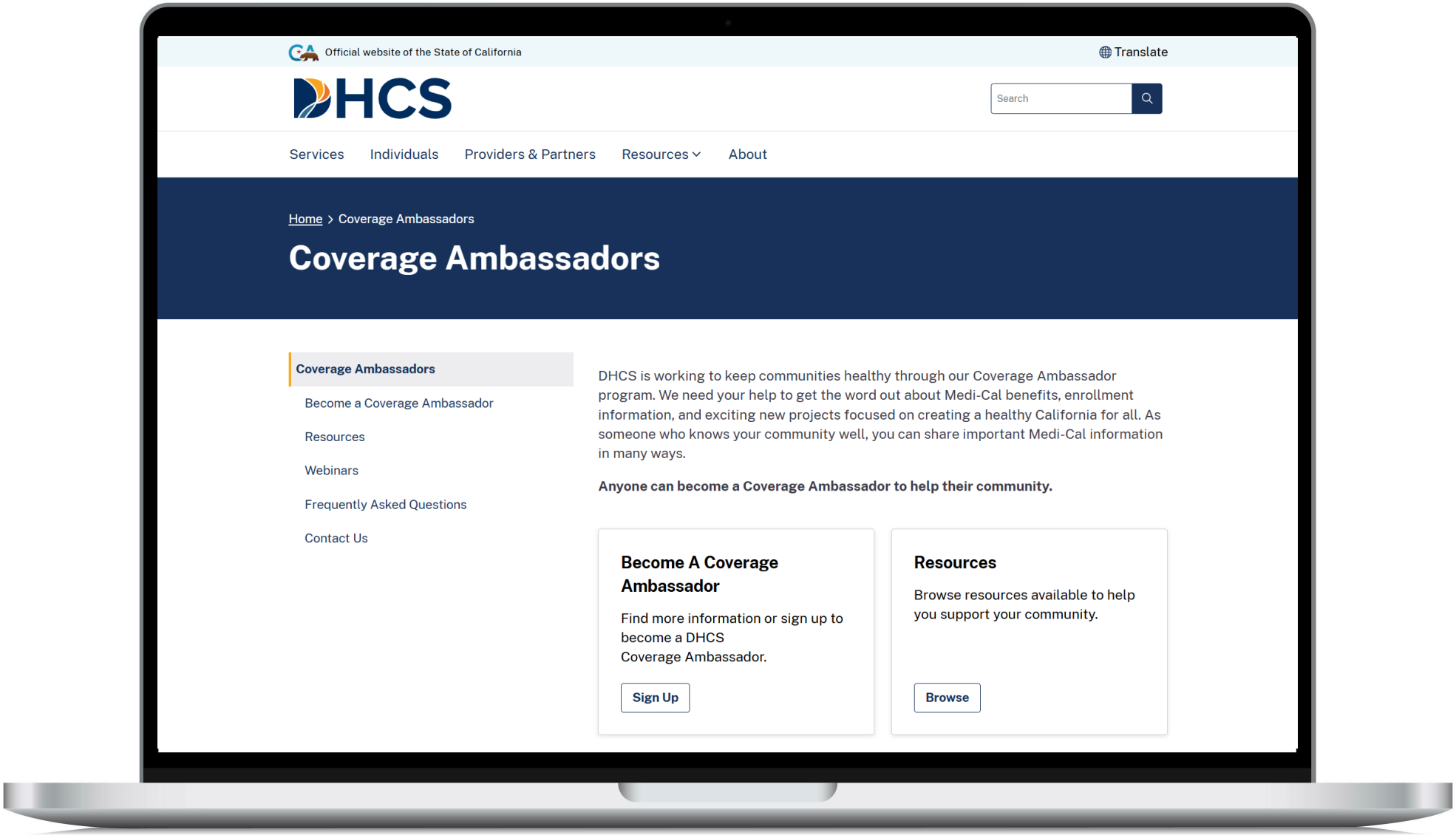
Ambassadors in Action

- A Coverage Ambassador working as an independent Medi-Cal and Medicaid insurance specialist received a referral from a case worker about an individual recently released from prison. Drawing on knowledge gained through DHCS resources and Coverage Ambassador webinars, designed to help Ambassadors support Medi-Cal members with clear, trusted information, the Ambassador understood how Medi-Cal benefits can assist people reentering the community.
- The Coverage Ambassador helped the individual successfully enroll in Medi-Cal, ensuring access to needed coverage, and offered continued support to the case worker for any future needs. This reflects the Ambassador program's purpose: empowering trusted messengers to connect community members with coverage and reduce barriers to care.

How MCHAP Members Can Engage

- Become an Ambassador to stay informed and share consistent Medi-Cal updates with the families you serve.
- Share Ambassador tools and resources with families, clinics, schools, and community partners.
- Amplify key Medi-Cal messages in your local networks.
- Connect families with trusted messengers already active in their communities.
- Submit questions, needs, or ideas to help shape future Ambassador materials.
- Nominate community partners who may want to participate in the program.
- Participate in webinars to bring information back to your organizations.

Explore the Ambassadors Webpage



Resources

- Coverage Ambassadors Webpage
- Sign Up to Become an Ambassador
- FAQs
- Medi-Cal Resources
  - Outreach materials to assist community members in conducting education and awareness.
- Medi-Cal Changes Toolkit
  - This toolkit is your central source for information and resources about upcoming changes to Medi-Cal due to HR1 and other policy changes.

Questions? Email Ambassadors@dhcs.ca.gov.

Questions?

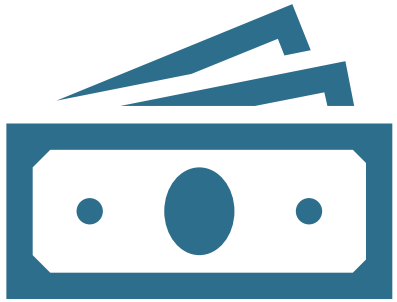
Break

Director’s Update

Michelle Baass, Director

2026-27 Budget Act

2026-27 Budget Act



- The Budget Act includes $337.7 billion in total funds for all health and human services programs.
  - The Budget includes **$226.3 billion in total funds** and **4,765.5 positions for DHCS.**
- Of this amount, $1.5 billion is State Operations (DHCS operations), while $224.7 billion is Local Assistance (program costs, partners and administration).
- The proposed budget continues to support the Department's purpose to provide equitable access to quality health care.

DHCS Major Budget Issues: Managed Care Organization (MCO) Tax

- The budget includes tax revenue of $2.5 billion in 2026-27 to support payment increases relative to calendar year 2024.
- The MCO tax renewal is effective January 1, 2027, and conforms to the new H.R. 1 federal requirements.
  - The budget includes net revenue of:
    - $575 million in 2026-27.
    - $2.3 billion in each of 2027-28 and 2028-29.
    - $1.7 billion in 2029-30.
  - This renewed MCO tax supports the Medi-Cal program and maintains targeted rate increases for primary, maternal and non-specialty mental health care.

DHCS Major Budget Issues: Unsatisfactory Immigration Status (UIS) to Fee-For-Service (FFS)

- Beginning January 1, 2027, members with UIS will transition to the FFS delivery system.
- The budget includes cost reductions for current year and ongoing:
  - 2026-27 $637.1 million ($524.9 million General Fund).
  - Ongoing $1.6 billion ($1.3 billion General Fund).
- The budget includes $39 million to provide care coordination and navigation services to this population.

DHCS Major Budget Issues: H.R. 1

» The Budget includes the following H.R. 1 (2025) highlights:

- **Affordable Care Act (ACA) Adult Expansion with UIS Federal Medical Assistance Percentage (FMAP) adjustment for Emergency Services.**
  - Results in an additional General Fund (GF) cost of $669 million in 2026-27.
- **Work and Community Engagement Requirement.**
  - Results in a cost reduction of $357.6 million in total funds ($90.3 million GF) in 2026-27 and $9.6 billion ($2.4 billion GF) by 2029-30. Projected disenrollments are 43,000 in 2026-27 and 1.1 million by 2029-30.
- **ACA Adult Expansion Population Six-Month Redetermination.**
  - Results in a cost reduction of $747.3 million in total funds ($186.4 million GF) in 2027-28 and $2.5 billion ($633 million GF) by 2029-30. Projected disenrollments are estimated to be zero in 2026-27 and approximately 278,600 in 2029-30.
- **Restrictions on Immigrant Eligibility.**
  - Full-scope Medi-Cal cost is projected to be $365 million GF in the budget year for a delayed July 1, 2027, transition to restricted-scope Medi-Cal.

DHCS Major Budget Issues

- **County Medi-Cal Administration Augmentation** –$709 million ($196.8 million GF) one-time augmentation in 2026-27 to support H.R. 1 implementation. The budget includes a total of $3.3 billion ($828.2 million GF) for Medi-Cal county administration in 2026-27.
- **Community Mobile Crisis Services** – $42.2 million in GF to extend the community-based mobile crisis response services benefit until June 30, 2027.
- The Budget includes additional funding for the following programs:
  - **988 and Behavioral Health Crisis Continuum** - $25.9 million in total funds.
  - **Behavioral Health Transformation** - $41.8 million in total funds for Behavioral Health Services Act (BHSA) ongoing implementation, oversight, and monitoring.

DHCS Major Budget Issues

- Refines criteria for **Enhanced Care Management** (ECM) and **Community Supports** including eligibility criteria, service definitions and utilization management criteria. The Budget includes General Fund savings of $41.4 million in 2026-27 and $99.2 million ongoing related to the ECM changes and General Fund savings of $26.9 million in 2026-27, $58.8 million in 2027-28, and $51.0 million ongoing related to the Community Supports changes.
- Includes a General Fund reduction of $68 million in 2026-27 increasing to $552 million in 2029-30 to strengthen utilization management controls for **applied behavioral health analysis** and **transportation** in the Medi-Cal program and eliminates the incentive component of the quality with hold and incentive program in Medi-Cal.
- Redirects the **Medical Loss Ratio** remittances to the General Fund to achieve a $25 million savings.

DHCS Major Budget Issues: Delay of 2025 Budget Act Actions

- The Budget includes increased costs due to the delay of the following 2025 Budget Act General Fund Solutions:
  - Delays elimination of **state-only prospective payment system (PPS) payments** to Federally Qualified Health Centers and Rural Health Clinics from July 1, 2026, to July 1, 2027.
  - Delays elimination of **dental benefits** for UIS and of **Dental Supplemental Payments** from July 1, 2026, to July 1, 2027.

DHCS Major Budget Issues

- Maintains the current **Medi-Cal asset limit** that went into effect January 1, 2026, and also reinstates the asset limit for seniors and adults with disabilities to $21,000 for an individual or $31,000 for a couple, effective no sooner than July 1, 2027.
- Includes General Fund savings of approximately $427.3 million in 2027-28, decreasing to approximately $314.3 million annually in 2029-30 from increasing **monthly premiums for adults with unsatisfactory immigration status** to $50, effective July 1, 2027, subject to a determination in the 2027-28 May Revision.

DHCS Major Budget Issues: One-Time Funding

» The Budget includes one-time funding for the following policies:

- Support for **Designated Public Hospitals** in the amount of $250 million General Fund for grants to support health care expenditures.
- **Proposition 36** funding for grants to county behavioral health departments in the amount of $20 million General Fund over three-years.
- One-time increases for **Private Duty Nursing**, $30 million General Fund, and **Congregate Living Health Facility**, $7.7 million General Fund.
- **Anosognosia Pilot Program** funding in the amount of $5 million General Fund for a one-time direct payment to CenCal Health to establish a pilot program for the treatment of severe schizophrenia or anosognosia.

Additional Information and Resources

- DHCS Website - **Governor's Budget Documents 2026-27**.
  - **DHCS FY 2026-27 Budget Act Highlights**.
  - **What Medi-Cal Members Need to Know**.
- Statewide Budget Website – **ebudget.ca.gov**.
- Department of Finance Website - **https://dof.ca.gov/**.
  - Budget Change Proposals - **Governor's Budget BCPs**.
  - Trailer Bill Language - **DOF Trailer Bill Language**.

Transition of Unsatisfactory Immigration Status Medi-Cal Members to Fee-For-Service

Why This Change is Happening and What FFS Means

- On January 1, 2027, Medi-Cal members with Unsatisfactory Immigration Status (UIS) will move from Medi-Cal Managed Care to Fee-For-Service (FFS).
- This change is **required by new federal guidance** issued by the Centers for Medicare & Medicaid Services (CMS).

Approximately 2 million Medi-Cal members will be impacted.

What is FFS?

- Benefits are not coordinated by a health plan.
- Members may see any provider who accepts Medi-Cal FFS
- Members will need to bring their Medi-Cal Beneficiary Identification Card (BIC card) to every appointment.

Who Are The Medi-Cal Members Being Impacted By This Guidance?

Impacted Populations

UIS Medi-Cal Members:

- All undocumented immigrants—including children and pregnant people
- Lawful Permanent Residents (Green Card Holders) who have been in the U.S. for less than five years.
- Permanently Residing Under Color of Law (PRUCOL), non-citizens living in the U.S. with the knowledge and permission of immigration authorities (such as those with pending asylum or stay of deportation) while they wait for a final status.

Not Impacted Populations:

- U.S. Citizens
- Other immigrants:
  - Lawful Permanent Residents (Green Card Holders) who have been in the U.S. for five years or more
- Members who are not impacted will continue to receive full scope medical services, mostly through Medi-Cal managed care plans.

What This Means for Impacted Members

This is a change in how members *get* care, not whether they stay covered.

- Members keep full-scope Medi-Cal if they renew on time.
- Managed care-only services (Enhanced Care Management and Community Supports) will not continue in FFS.
- Other supports remain available: chronic care management, Community Health Workers, doulas.
- Pharmacy benefits continue through Medi-Cal Rx.
- Mental health/SUD: Non-specialty services in FFS; specialty mental health and substance use disorder treatment continue through County Behavioral Health Plans.
- Dental benefits stay the same for most members through June 30, 2027; some adults shift to emergency-only dental coverage starting July 1, 2027.

What This Means for Plans and Providers

Managed Care Plans (MCPs)

- MCPs to prepare their internal operations such as their member and provider call centers to assist callers in understanding this change and resources available to them.
- MCPs to assist with provider communication and outreach through provider portal postings and other provider-facing communication channels as appropriate.
- MCPs to work with DHCS to share data to support transitions of care and help minimize care disruption (especially for special/vulnerable populations) to the extent possible.
- MCPs to support continued provider access by leveraging DHCS draft communication templates to network providers.

Providers

- Providers who do not regularly use FFS billing systems will need to reacquaint themselves with FFS billing steps and update their office systems.
- Federally Qualified Health Centers (FQHCs) will shift to FFS billing for medical care and begin using California Dental Medicaid Management Information System (CD-MMIS) for dental claims.
- In areas with fewer FFS providers, existing FFS clinics may see an increase in appointment requests as members transition.
- Transportation companies will begin billing through the FFS billing system for these members.

Steps DHCS is Taking

- DHCS will send plain-language, translated notices explaining the transition and next steps.
- DHCS will work with plans and providers to support transitions of care, especially for members with ongoing treatment needs.
- Beginning January 2027, DHCS will add new care coordination and navigation services, including a Medi-Cal FFS Nurse Advice Line and clinic- and community-based navigators to help members understand benefits, find providers, and get support in their preferred language.
- DHCS will publish and maintain a UIS Transition Policy Guide for MCPs and stakeholders.

Questions?

Public Comment

Public Comment Guidelines

- During the public comment period, we do not answer questions, but simply listen to public comments.
- All public comments are recorded in the meeting minutes.
- Public comments are from members of the public present in the room and those attending virtually.
- Please state your name and organization.
- Please keep your comments concise and limited to 1 minute.

Final Comments and Adjourn

Upcoming Meeting Dates

- November 5, 2026

Thank you.

DHCS