

BHSA HOUSING INTERVENTIONS & MEDI-CAL COMMUNITY SUPPORTS

Frequently Asked Questions (FAQ)

Overview

This document provides responses to frequently asked questions (FAQs) about the relationship between BHSA Housing Interventions and the Medi-Cal Community Supports designed to address the housing needs of individuals experiencing or at risk of homelessness. The FAQ are primarily aimed at county behavioral health agencies and may be helpful for MCPs, housing providers, and other stakeholders.

Beginning July 1, 2026, county behavioral health agencies will be required to spend thirty percent of their annual allocated Behavioral Health Services Act (BHSA) funding on Housing Interventions (see California Welfare & Institutions (W&I) Code section 5892, subdivision (a)(1)(A)). BHSA Housing Interventions will address the housing needs of BHSA eligible individuals experiencing or at risk of homelessness through the provision of rental assistance, interim housing, operating subsidies, capital development funding for affordable and supportive housing, and other housing interventions. BHSA allowable expenses are identified in [Section 7.C.9.2](#) of the BHSA Policy Manual.

Many individuals who are eligible to receive BHSA Housing Interventions will also be eligible to receive housing services and supports from their Medi-Cal Managed Care Plan (MCP). These Medi-Cal services, referred to in this FAQ as “Housing-Related Community Supports”, include Housing Transition Navigation Services, Housing Tenancy and Sustaining Services, Housing Deposits, Recuperative Care (Medical Respite), Short-Term Post-Hospitalization Housing, and Transitional Rent. MCPs may cover housing supports in addition to those listed here, such as Day Habilitation and Environmental Accessibility Adaptations (Home Modifications). A full list of the Community Supports that MCPs may cover is available [here](#).

County behavioral health agencies and MCPs will be expected to work together to effectively braid and sequence the Housing-Related Community Supports and BHSA Housing Interventions.

For more information on BHSA Housing Interventions and Housing-Related Community Supports please refer to:

- » [BHSA Policy Manual Section 7.C. Housing Interventions](#)
- » [Community Supports Policy Guide Volume 2](#)

This FAQ is organized as follows:

- » **Introduction:** Compliance with California Welfare & Institutions (W&I) Code section 5830, subdivision (c)(2).
- » **Part I:** Background on Housing-Related Community Supports.
- » **Part II:** Considerations for County Behavioral Health Agencies as Providers of Housing Related Community Supports.
- » **Part III:** Considerations for County Behavioral Health Agencies as Funders of BHSA Housing Interventions.
- » **Part IV:** County Role in Transitional Rent Eligibility and Authorization.

Frequently Asked Questions

Introduction: Compliance with California Welfare & Institutions (W&I) Code section 5830, subdivision (c)(2)

1. **W&I Code section 5830, which is part of California law associated with the provision of mental health services including the BHSA, subdivision (c)(2) provides that BHSA Housing Interventions “shall not be used for housing interventions covered by a Medi-Cal managed care plan.” What does this mean?**

This means that county behavioral health agencies may not use BHSA Housing Interventions to fund Housing-Related Community Supports for a Medi-Cal member who is **eligible to receive the same service** through their MCP. However, BHSA Housing Interventions can fund additional services that are not covered by Medi-Cal and may be provided concurrently to a Medi-Cal member who is receiving services from their MCP.

County behavioral health agencies will be expected to work with their local MCPs to appropriately sequence and coordinate service delivery of BHSA Housing Interventions and Housing-Related Community Supports. Additional information about coverage under BHSA Housing Interventions for Medi-Cal members eligible to receive Housing-Related Community Supports in different scenarios is provided in this FAQ.

Part I: Background on Housing-Related Community Supports

2. Are MCPs required to cover the Housing-Related Community Supports?

All MCPs will be required to cover Transitional Rent for the Behavioral Health Population of Focus (POF) beginning January 1, 2026 (see additional details in Part I, Question 3). The Behavioral Health POF definition can be found in the [Community Supports Policy Guide Volume 2](#).

MCP coverage of Housing Transition Navigation Services, Housing Deposits, Housing Tenancy and Sustaining Services, Recuperative Care (Medical Respite), and Short-Term Post-Hospitalization Housing is strongly encouraged. Despite being optional, nearly all MCPs cover the full set of Housing-Related Community Supports. A complete list of MCPs in each county and the Community Supports they currently cover is available [on the DHCS website](#).

3. Are the same expenses covered by Transitional Rent and BHSA Housing Interventions?

Transitional Rent may be used to cover the following expenses (see the [Community Supports Policy Guide Volume 2](#)):

- » Rental assistance, inclusive of storage fees, amenity fees, and landlord-paid utilities that are charged as part of the rent payment

All of these expenses can also be covered by county behavioral health agencies under BHSA Housing Interventions for those who qualify.

Through Transitional Rent, a Medi-Cal member can receive up to six months of rental assistance per household per demonstration (current demonstration period ends December 31, 2029). Recipients of Transitional Rent are likely to require longer-term rental assistance and may be transitioned to other rental subsidies after receiving Transitional Rent.

County behavioral health agencies are strongly encouraged to work with MCPs to transition individuals from Transitional Rent to long-term rental subsidies funded by

BHSA Housing Interventions or other sources of funding (e.g., HUD Housing Choice Vouchers). See Part III, Question 2 for services BHSA Housing Interventions can fund while a Medi-Cal member is receiving Transitional Rent.

4. Will all Medi-Cal members who meet the eligibility criteria for Transitional Rent also meet the eligibility criteria for BHSA Housing Interventions?

No, but DHCS does expect that most Medi-Cal members who fall into the Behavioral Health POF for Transitional Rent will also meet the eligibility criteria for BHSA Housing Interventions. There is a very small population that will fall into the Transitional Rent Behavioral Health POF but may not meet the BHSA eligibility criteria or be covered for BHSA Housing Interventions in a particular county. This is because an individual with a mild SUD will meet the clinical criteria for inclusion in the Behavioral Health POF, and thus could be included in this POF if the other eligibility requirements were met, but may not be eligible for BHSA services. Under the BHSA, eligibility on the basis of an SUD is limited to those with a moderate to severe SUD (see W&I Code section 5830(a)(1), 5892, subdivision (k)(7), and W&I Code section 5891.5, subdivision (c)). In addition, counties have the option but are not required to provide Housing Interventions to an individual with an SUD only (see W&I Code section 5891.5, subdivision (a)(2)).

MCPs may also elect to cover POF other than the Behavioral Health POF when Transitional Rent goes live in January 2026 or at a later date. Individuals who are included in these POFs, but not the Behavioral Health POF, would not be eligible for BHSA Housing Interventions. A detailed description of the eligibility criteria for Transitional Rent and the Behavioral Health POF is provided in the Community Supports Policy Guide Volume 2. DHCS understands that while there is significant overlap in eligible populations, BHSA Housing Interventions funding may not be sufficient over time to provide ongoing rental subsidies to every individual included in the Behavioral Health POF who is served by Transitional Rent.

5. Which Housing-Related Community Supports have service duration limits?

Several Housing-Related Community Supports are subject to the following federally-defined service duration limits.

- » **Global Room and Board Cap:** The Housing-Related Community Supports that provide room and board are subject to a cumulative total limit of six months per rolling 12-month period (as outlined in the CalAIM and BH-CONNECT Section 1115 waivers), referred to as the “Global Room and Board Cap.” These specific Community Supports services are: Transitional Rent, Recuperative Care, and

Short-Term Post-Hospitalization Housing (the “Room and Board” services). If a Medi-Cal member reaches the Global Room and Board Cap, they are ineligible for any Room and Board Community Support for the remainder of the 12-month period.

- » **Transitional Rent Cap:** In addition, coverage of Transitional Rent is limited to six months per household per demonstration (current demonstration period ends December 31, 2029). When a household reaches the Transitional Rent Cap, one or more members of the household may become eligible for BHSA Housing Interventions-funded rental subsidies. As noted above, not all members who are eligible for Transitional Rent will also be eligible for BHSA Housing Interventions.
- » **Housing Deposits Cap:** Provision of Housing Deposits is limited to once per individual per demonstration. Housing Deposits can be approved one additional time during this time period with documentation as to what conditions have changed to demonstrate why providing Housing Deposits would be more successful on the second attempt.

Housing Transition Navigation Services and Housing Tenancy and Sustaining Services are not subject to service duration caps. This means a Medi-Cal member who is enrolled in an MCP and eligible for either of these services can receive the service for as long as necessary provided that they continue to meet the eligibility criteria. There is also no limit on how many times a member may be authorized for these services, so an individual who has discontinued services may resume services at a later date. Importantly, as long as an individual is eligible to receive Housing Transition Navigation Services or Housing Tenancy and Sustaining Services from their MCP, BHSA Housing Interventions cannot be used to fund the service for the individual.

BHSA Housing Interventions can be used to fund these services for Medi-Cal members who are MCP-enrolled but not eligible for these services, who are enrolled in Medi-Cal Fee-for-Service, or who are not eligible for or enrolled in Medi-Cal.

Additional information about the Community Supports caps is provided in the [Community Supports Policy Guide Volume 2](#).

6. Are the same settings covered by Transitional Rent and BHSA Housing Interventions?

All settings covered under Transitional Rent are also allowable under BHSA Housing Interventions.

However, Assisted Living Facilities (Adult Residential Care Facilities, Residential Care Facilities for the Elderly, and Licensed Board and Care Facilities) are allowed under BHSA Housing Interventions but not Transitional Rent. Where it is clinically appropriate for a Medi-Cal member to be housed in an Assisted Living Facility, the member can be housed in such a setting funded by BHSA Housing Interventions for allowable room and board expenses without first exhausting their coverage under Transitional Rent. Please see [Chapter 7, Section C.9.3.4](#) of the BHSA Policy Manual for information on using BHSA Housing Interventions to fund Assisted Living Facilities.

Table 1. Non-Time-Limited Permanent Settings and Time Limited Interim Settings allowable under Transitional Rent and BHSA Housing Interventions

Setting	Transitional Rent	BHSA Housing Interventions
Non-Time-Limited Permanent Settings		
Supportive housing	✓	✓
Apartments, including master-lease apartments	✓	✓
Single and multi-family homes	✓	✓
Housing in mobile home communities	✓	✓
Single room occupancy units	✓	✓
Note: Can be interim or permanent		
Accessory dwelling units, including Junior Accessory Dwelling Units	✓	✓
Tiny Homes		
Note: Can be permanent if meets criteria outlined in the BHSA Policy Manual	✓	✓
Shared housing	✓	✓
Recovery/Sober Living housing, including recovery-oriented housing	✓	✓
Note: Can be interim or permanent		
Assisted Living Facilities (Adult Residential Care Facilities, Residential Care Facilities for the Elderly, and Licensed Board and Care Facilities)	x	✓

Setting	Transitional Rent	BHSA Housing Interventions
License-exempt room and board	✓	✓
Time Limited Interim Settings		
Hotel and motel stays	✓	✓
Non-congregate interim housing models	✓	✓
Congregate settings that have only a small number of individuals per room and sufficient common space (not larger dormitory sleeping halls) (does not include behavioral health residential treatment settings)	✓	✓
Recuperative Care	X Recuperative Care is a separate housing-related Community Support	✓
Short-Term Post-Hospitalization housing (STPHH)	X Short-Term Post-Hospitalization is a separate housing-related Community Support	✓
Tiny homes, emergency sleeping cabins, emergency stabilization units	✓	✓
Peer respite*	✓	✓

*Please note, allowable settings for Recuperative Care and STPHH Community Supports are distinct from those for Transitional Rent. Peer Respite is one of the allowable settings for Recuperative Care and STPHH (as well as Transitional Rent). The complete list of allowable settings for Recuperative Care, STPHH, and Transitional Rent can be found in the [Community Supports Policy Guide Volume 2](#).

Part II: Considerations for County Behavioral Health Agencies as Providers of Housing Related Community Supports

BHSA Housing Interventions are intended to serve as a pathway to permanent housing for BHSA eligible individuals, including BHSA eligible individuals who will be transitioning from Transitional Rent. It is critical that county behavioral health agencies and MCPs partner to ensure smooth handoffs and effective transitions between Transitional Rent and BHSA Housing Interventions.

1. Can my county behavioral health agency contract with one or more MCPs to be a network provider of the Housing-Related Community Supports?

Yes. County behavioral health agencies are strongly encouraged to contract with their local MCP(s) to provide Housing-Related Community Supports.

A provider contracting relationship offers an ideal way to facilitate effective sequencing of Housing-Related Community Supports and BHSA Housing Interventions. As an MCP-contracted Transitional Rent Provider, county behavioral health agencies can continue to serve BHSA eligible individuals receiving Housing-Related Community Supports while complying with the statutory prohibition on the use of BHSA funds for housing interventions covered by an MCP provided by W&I Code section 5830, subdivision (c)(2).

County behavioral health agencies should contact their local MCPs now to discuss becoming a Community Supports Provider.

2. Why should my county behavioral health agency enter contracts with my local MCPs to be a Transitional Rent Provider?

A Transitional Rent Provider is the entity that issues payment for housing for Medi-Cal members receiving Transitional Rent, or directly provides housing for Medi-Cal members. County behavioral health agencies and other county agencies should develop contracts with their local MCPs to provide Transitional Rent in order to:

- » Provide seamless access to Transitional Rent and the other Housing-Related Community Supports for BHSA clients. In addition, county behavioral health

agencies that are contracted to serve as Transitional Rent Providers will be permitted to make a temporary determination that the Medi-Cal member is qualified to receive Transitional Rent, known as a “streamlined provisional authorization.” This will expedite the process for individuals to receive this service. See additional details in Part IV, Question 3.

- » Reduce the risk that individuals are “lost to services” in handoffs between MCPs and county-based providers.
- » Ensure county compliance with W&I Code section 5830, subdivision (c)(2), which prohibits BHSA Housing Interventions from covering housing interventions that can be covered by an individual’s Medi-Cal MCP.

Importantly, in each county in which an MCP operates, the MCP is **required** to offer the county behavioral health agency, or their designated county department or agency, a contract to serve as a Transitional Rent Provider. See the [Community Supports Policy Guide Volume 2](#), for more information about MCP expectations for contracting with county behavioral health agencies.

Part III: Considerations for County Behavioral Health Agencies as Funders of BHSA Housing Interventions

1. Can my county behavioral health agency use BHSA Housing Interventions to fund rent payments, even though Transitional Rent is provided as a Housing-Related Community Support?

Yes. County behavioral health agencies can use BHSA Housing Interventions to fund rental assistance for an individual who is BHSA eligible and:

- » Received the maximum coverage of Transitional Rent available under Medi-Cal (six months) and is, thus, not currently eligible to receive Transitional Rent; or
- » Has a clinical need for placement in a setting not covered under Transitional Rent, such as assisted living or licensed board and care (see Part I, Question 6); or
- » Is enrolled with an MCP, but does not meet the eligibility criteria for Transitional Rent; or
- » Is enrolled in Medi-Cal Fee-for-Service; or
- » Is not eligible for Medi-Cal.

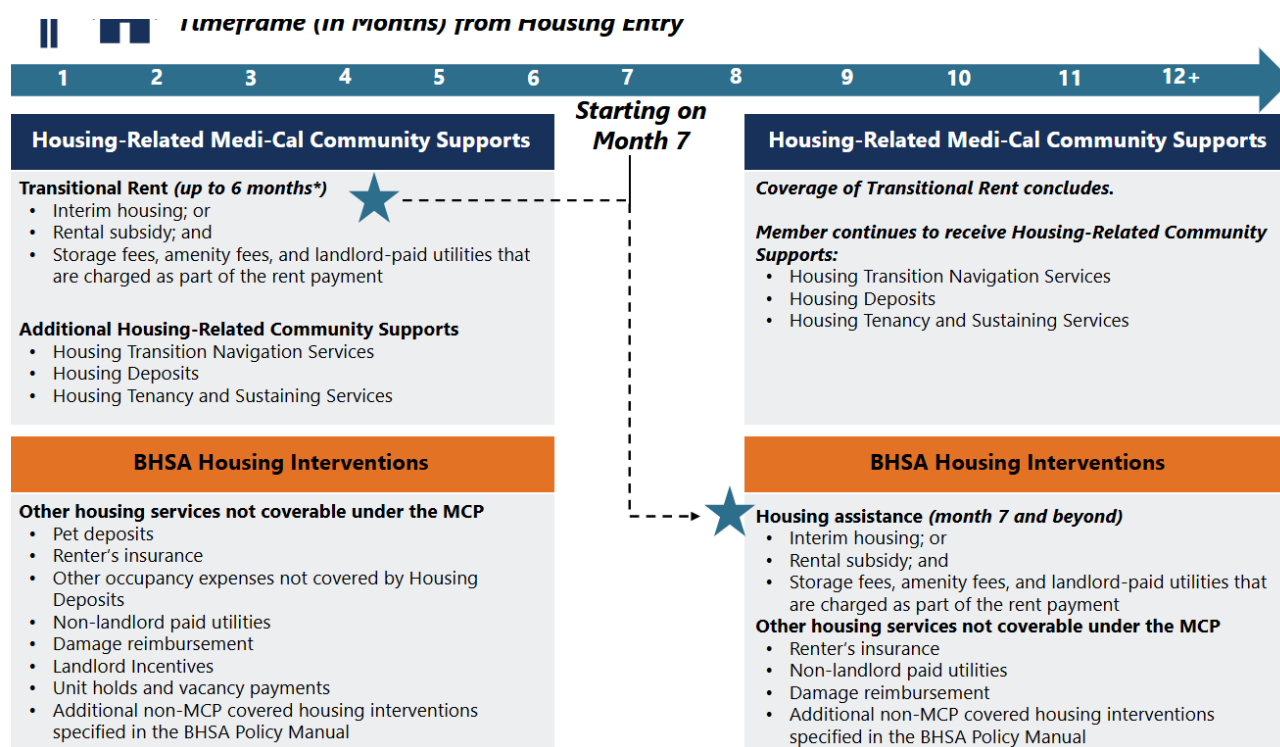
2. For a Medi-Cal member who is currently receiving Transitional Rent, what can my county behavioral health agency use BHSA Housing Interventions to fund?

BHSA eligible Medi-Cal members who are receiving Transitional Rent from their MCP can receive simultaneous BHSA Housing Interventions, so long as those services are not covered by the member's Medi-Cal MCP. County behavioral health agencies and MCPs are encouraged to work together to address members' housing needs through effective braiding of Housing-Related Community Supports and BHSA Housing Interventions.

For example, if a Medi-Cal member is receiving Transitional Rent through their MCP, BHSA Housing Interventions funding can be used for:

- » Pet deposits;
- » Renter's insurance;
- » Other move-in or occupancy expenses not covered by Housing Deposits;
- » Utilities, when not included as part of rental cost;
- » Damage reimbursement, beyond what is covered in the security deposit;
- » Landlord incentives, unit hold related costs and vacancy payments
- » Additional non-MCP covered housing interventions outlined in the BHSA Policy Manual

Figure 1. Sequencing Housing Supports for Medi-Cal Members Receiving Transitional Rent and BHSA Housing Interventions



*Transitional Rent funding is subject to the global cap on coverage of room and board services as described in [Part 1, Question 5](#).

3. Can my county behavioral health agency use BHSA Housing Interventions to fund rent payments for a Medi-Cal member who is eligible for both Transitional Rent and BHSA Housing Interventions but declines to receive Transitional Rent through their MCP?

No. Even if the member declines to receive Transitional Rent, the county cannot use BHSA Housing Interventions to fund rent payments for that member so long as they remain eligible for Transitional Rent. Doing so would violate W&I Code section 5830, subdivision (c)(2).

4. Can my county behavioral health agency use BHSA Housing Interventions to fund additional rental subsidies to be provided directly to the landlord for a Medi-Cal member who is currently receiving Transitional Rent?

No, BHSA Housing Interventions cannot be used to cover any portion of a member's rent payment that is greater than what is covered by Transitional Rent (i.e. BHSA cannot "top-off" the rental subsidy provided under Transitional Rent). BHSA Housing

Interventions can fund costs that are not covered by Transitional Rent such as landlord incentives and damage reimbursement for a Medi-Cal member receiving Transitional Rent (see Part III, Question 2 for additional information).

5. What if an additional rental subsidy funded by BHSA Housing Interventions was provided directly to the Transitional Rent Provider?

The payment is prohibited, regardless of whether it is provided to the landlord or the Transitional Rent Provider. An individual currently receiving Transitional Rent may not receive or be the beneficiary of a rental subsidy provided under BHSA Housing Interventions.

6. Can my county behavioral health agency use BHSA Housing Interventions to fund expenses that a Medi-Cal member needs that are not covered under Housing Deposits?

Yes, BHSA Housing Interventions can be used to fund expenses not covered by the member's MCP (e.g., pet deposits). BHSA Housing Interventions can also be used to fund expenses for a Medi-Cal member who has reached the cap on Housing Deposits coverage (see additional details on Housing Deposits cap above).

7. Are there time limitations on BHSA Housing Interventions funding for Medi-Cal members in interim settings?

Yes, BHSA Housing Interventions funding for interim settings is **limited to six months** for Medi-Cal members who have exhausted the Transitional Rent benefit and **12 months** for individuals not eligible for Transitional Rent. At that point, an individual must be transitioned to a permanent setting to continue receiving BHSA Housing Interventions funding for housing. DHCS strongly encourages MCPs and county behavioral health agencies to work with Medi-Cal members to find permanent housing placements.

8. Is my county behavioral health agency required to use BHSA Housing Interventions to continue funding permanent rental subsidies or interim housing for every BHSA eligible Medi-Cal member who uses the full six months of Transitional Rent?

County behavioral health agencies are encouraged, but not obligated, to use BHSA Housing Interventions for BHSA eligible Medi-Cal members who are transitioning out of Transitional Rent. DHCS recognizes that BHSA funding limitations may mean this is not possible. However, county behavioral health agencies and MCPs will need to coordinate

prior to MCP authorization of Transitional Rent for members in interim settings (see Part IV, Question 2).

9. What are the expectations for data sharing between county behavioral health agencies and MCPs with respect to the Housing-Related Community Supports and BHSA Housing Interventions? Where can we find additional guidance and resources to support our efforts to exchange data with MCPs?

County behavioral health agencies and MCPs are expected to share data to support bi-directional referrals and care coordination, including as it relates to BHSA Housing Interventions and the Housing-Related Community Supports. County behavioral health agencies should utilize the data sharing policies and processes they have already put in place under the Memorandums of Understanding (MOU) with their local MCPs.

To facilitate effective data exchange with MCPs and other system partners, county behavioral health agencies are strongly encouraged to sign on to the [Data Exchange Framework](#) (DxF). (MCPs are required signatories to the DxF.)

County behavioral health agencies are also encouraged to take advantage of the resources available on the [DHCS Data Exchange and Data Sharing](#) page, including the Data Sharing Authorization Guidance (DSAG), the DSAG Medi-Cal Housing Support Services Toolkit.

Part IV: County role in Transitional Rent Eligibility and Authorization

1. If my county behavioral health agency believes an individual may be eligible for Transitional Rent, but the individual is not enrolled in Medi-Cal, what is the county required to do?

County behavioral health agencies must refer the individual to the county Department of Social Services (DSS) for Medi-Cal eligibility screening and enrollment support. For additional details see [Section 6.C.2.2](#) of the BHSA Policy Manual. Before an individual is enrolled in Medi-Cal, they may receive services funded by BHSA Housing Interventions, without regard to W&I Code section 5830, subdivision (c)(2).

2. What does my county behavioral health agency need to know about the MCP's process for authorizing Transitional Rent?

County behavioral health agencies may be engaged by MCPs in two specific parts of the Transitional Rent authorization process:

- » **Housing Support Plan:** As part of the authorization process for any member to receive Transitional Rent, MCPs require a comprehensive Housing Support Plan (HSP) for each member. The HSP outlines a permanent housing solution for the member. While not required, MCPs or MCP-contracted providers may engage county behavioral health agencies if needed for input on the housing support plan and specifically, on the availability of supports under BHSA Housing Interventions (both at the expiration of and during the receipt of Transitional Rent). Additional information about the required components of the housing support plan be found in the Community Supports Policy Guide Volume 2.
- » **Interim settings:** MCPs must ensure the member can secure a long-term rental subsidy following receipt of Transitional Rent. To do this, the MCP will need to inquire with the member's county behavioral health agency as to whether the member is BHSA-eligible and will be able to transition to BHSA Housing Interventions at the expiration of Transitional Rent. If the county behavioral health agency reports that the individual is not BHSA-eligible or that it cannot commit to seeking to fund continued interim or permanent housing for the individual at the expiration of Transitional Rent, the MCP cannot provide the member with Transitional Rent in an interim setting unless the member has or is able to secure another long-term rental subsidy such as a HUD Housing Choice Voucher for use at the expiration of Transitional Rent.
- » County behavioral health agencies should expect to receive inquiries from MCPs as part of the Transitional Rent authorization process for members in interim settings. DHCS recognizes that the ability of county behavioral health agencies to transition Medi-Cal members to BHSA Housing Interventions is subject to funding availability. County behavioral health agencies are expected to respond to MCP inquiries, regardless of funding availability.

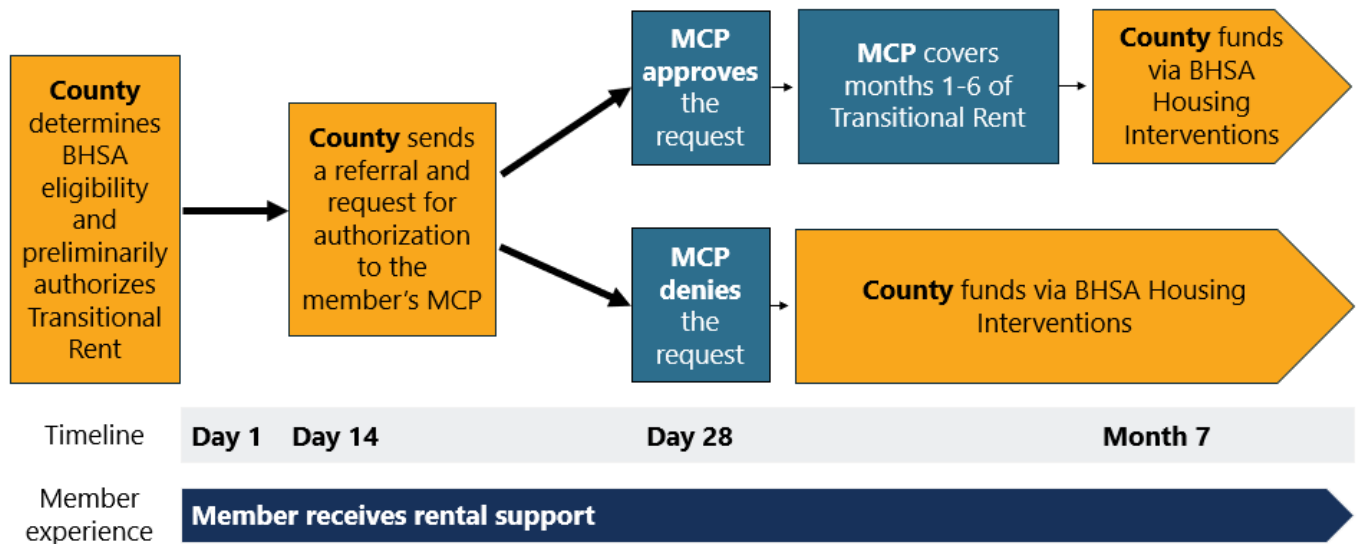
3. Streamlined provisional authorizations for Transitional Rent

a. What is "streamlined provisional authorization" for Transitional Rent?

To support the use of county behavioral health agencies as an entry point for Transitional Rent and reduce delays in the process that may hinder utilization, county behavioral health agencies will be permitted to conduct "streamlined provisional authorizations" for Transitional Rent (subject to the conditions

described in Part IV, Question 3b). **Streamlined provisional authorization enables county behavioral health agencies to make a temporary determination that a Medi-Cal member is qualified to receive Transitional Rent.** For more information on streamlined provisional authorization, see [Community Supports Policy Guide Volume 2](#).

Figure 2. Example of Streamlined Provisional Authorization Timeline Flow



b. What is required of my county behavioral health agency to conduct streamlined provisional authorizations for Transitional Rent?

County behavioral health agencies can conduct streamlined provisional authorizations when the following conditions are met:

- The **county behavioral health agency is contracted with the Medi-Cal member's MCP** as a Transitional Rent Provider.
- The county behavioral health agency determines that the member is BHS-eligible and **commits to providing the Medi-Cal member with BHS Housing Interventions at the expiration of Transitional Rent**, or upon denial of the request for coverage by the MCP. Given county behavioral health agencies will have already conducted a streamlined provisional authorization, DHCS expects MCP denials to be infrequent, and occurring primarily in situations where the member has reached the MCP Global Room and Board Cap.

- The county behavioral health agency commits to sending a referral and request for authorization to the Medi-Cal member's MCP in a timely manner: at minimum, within 14 days of the county behavioral health agency's streamlined provisional authorization.
- Consistent with [APL 21-011](#), the MCP must authorize or deny coverage of Transitional Rent within the shortest applicable timeframe, but no longer than five business days from the MCP's receipt of information reasonably necessary and requested by the MCP to make a determination, not to exceed 14 calendar days from the MCP's receipt of the referral from the county behavioral health agency.

c. If my county behavioral health agency is a contracted Transitional Rent Provider, can I delegate streamlined provisional authorizations to a housing provider or other county agency?

Yes. Upon agreement with the MCP, county behavioral health agencies may delegate streamlined provisional authority to another county agency or to another organization, including but not limited to a Flex Pool.