



DATE: November 25, 2025

Behavioral Health Information Notice No: 25-041

TO:

- California Alliance of Child and Family Services
- California Association for Alcohol/Drug Educators
- California Association of Alcohol & Drug Program Executives, Inc.
- California Association of DUI Treatment Programs
- California Association of Social Rehabilitation Agencies
- California Consortium of Addiction Programs and Professionals
- California Council of Community Behavioral Health Agencies
- California Hospital Association
- California Opioid Maintenance Providers
- California State Association of Counties
- Coalition of Alcohol and Drug Associations
- County Behavioral Health Directors
- County Behavioral Health Directors Association of California
- County Drug & Alcohol Administrators

SUBJECT: Community Transition In-Reach Services Implementation

PURPOSE: To provide guidance regarding implementation of Medi-Cal Community Transition In-Reach Services by county Behavioral Health Plans (BHPs).

REFERENCE: Welfare & Institutions Code (W&I), § 14184.400, subd. (c) and § 14184.101, subd.(d)

BACKGROUND:

The [Behavioral Health Community-Based Organized Networks of Equitable Care and Treatment \(BH-CONNECT\) Initiative](#) is designed to increase access to and strengthen the

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California Health and Human Services Agency

continuum of community-based behavioral health services for Medi-Cal members living with significant behavioral health needs. It also seeks to expand the continuum of care for Medi-Cal members with significant behavioral health needs who are at risk of experiencing extended stays in institutional settings. BH-CONNECT is comprised of a five-year Medicaid Section 1115 demonstration ([No 11-W-00472/9 and 21-W00080/9](#)), State Plan Amendments (SPAs) to expand coverage of Evidence-Based Practices (EBPs) available under Medi-Cal, as well as complementary guidance and policies to strengthen behavioral health services statewide that are implemented under other existing state authority.

As part of the BH-CONNECT demonstration, the State is authorized to implement optional Community Transition In-Reach Services for qualifying Medi-Cal members in participating BHPs that are approved by DHCS to offer the services.¹ BHPs that opt in to this program will establish community-based, multi-disciplinary care transition teams ("Community Transition Teams") to provide intensive pre- and post-discharge care planning and transitional care management services to support members with significant behavioral health needs who are experiencing or at risk for extended stays in institutional settings in returning to the community.

This Behavioral Health Information Notice (BHIN) describes requirements for Community Transition In-Reach Services and outlines the steps participating BHPs shall take to implement these services.

POLICY:

Community Transition In-Reach Services ("In-Reach Services") are transitional care management services to support members with significant behavioral health needs who are returning to the community after extended stays in inpatient, subacute, and residential facilities, including in facilities that meet the definition of an Institution for Mental Diseases (IMD). Members who are experiencing or at risk of experiencing lengths of stay of 120 days or more are eligible to receive In-Reach Services, for up to 180 days prior to discharge. The goal of this program is to improve care coordination and

¹ Only BHPs that administer Specialty Mental Health Services (SMHS) are eligible to offer Community Transition In-Reach Services. These services are limited to SMHS and do not include SUD services covered under Drug Medi-Cal (DMC) or Drug Medi-Cal Organized Delivery System (DMC-ODS) plans. To qualify for Community Transition In-Reach Services, a Medi-Cal member must meet SMHS access criteria.

facilitate transitions to community-based care for Medi-Cal members with the most complex and significant behavioral health needs. In-Reach Services are additive to services offered in inpatient, subacute, or residential settings, and are provided by community-based multi-disciplinary teams, not by the inpatient, subacute, or residential settings themselves, to improve connections to community-based services and providers.

Nothing in this BHIN limits or modifies the role of facilities or their existing obligations to provide care, including care coordination and discharge planning activities. BHPs shall ensure that facilities agree to coordinate with Community Transition Teams leading up to and at the point of discharge for members receiving In-Reach Services.²

BHPs that choose to offer In-Reach Services may opt in, using the process described in this BHIN, effective November 25, 2025.

Member Eligibility Criteria

To qualify to receive In-Reach Services, a Medi-Cal member must meet **all** of the following criteria:³

- Be enrolled in Medi-Cal.
- Be aged 21 years or older or an emancipated minor.⁴
- Meet the Specialty Mental Health Services (SMHS) Program access criteria, as defined in [BHIN 21-073](#) or subsequent guidance.
- Receive care covered by a BHP that has opted to provide Community Transition In-Reach Services regardless of whether the member resides in an in-county or out-of-county facility.
- Be experiencing or at risk of experiencing an extended length of stay of 120 days or more in a qualifying facility as described below.

Eligible Medi-Cal members will reside in qualifying facilities that coordinate with the BHP to participate in In-Reach Services, as described below. They may receive services in

² [BH-CONNECT Section 1115\(a\) Demonstration Special Terms and Conditions](#), (STC 9.1 p.40).

³ [BH-CONNECT Section 1115\(a\) Demonstration Special Terms and Conditions](#), (STC 9.4 p. 40-41).

⁴ Fam. Code § 7002.

facilities located outside of their county of residence if the member's BHP has opted in to provide In-Reach Services and coordinates with the facility as described in this BHIN.

Members at Risk of Extended Length of Stay

"Members at risk of experiencing extended length of stay" is defined as members in inpatient, residential, or subacute settings with lengths of stay shorter than 120 days but who have clinical presentation and progress similar to the patient profiles of individuals whose lengths of stay exceed 120 days. Patient profiles may include but are not limited to the following:⁵

- Previous inpatient or residential stays;
- Difficulty with adherence to prescribed medication;
- Co-occurring disorders, both behavioral and physical;
- Few or limited family/friend supports in the community;
- Civil commitment;
- Guardianship/conservatorship status;
- Experience of homelessness prior to admission;
- Exhibits severe functional impairment⁶ based on clinical evaluation.

Qualifying Facilities

In-Reach Services may be provided in inpatient, residential, or subacute settings, including IMDs.⁷ BHPs must ensure that In-Reach Services are provided in facilities that have attested to their willingness to partner with Community Transition Teams. BHPs must ensure that an agreement between the BHP and the facility is in place before In-Reach Services are rendered in the facility. An optional Facility Participation Agreement template is included as Enclosure 3 with this BHIN for BHPs who wish to utilize it.

Nothing in this BHIN limits or modifies the role of facilities or their existing obligations to provide care, including care coordination and discharge planning activities.

⁵ [BH-CONNECT Section 1115\(a\) Demonstration Special Terms and Conditions](#), (STC 9.4(e)(i) p.41).

⁶ "Severe functional impairment" means that the member has significant distress or impairment in social, occupational, or other important areas of functioning.

⁷ [BH-CONNECT Section 1115\(a\) Demonstration Special Terms and Conditions](#), (STC 9.5 p.41).

Access & Privacy Requirements

BHPs must ensure that qualifying facilities provide access and privacy for Community Transition Teams to conduct In-Reach Services. Community Transition Teams may utilize existing designated visitor areas within the facility to provide services if those areas meet applicable privacy laws and are appropriate.

Scope of Services

In-Reach Services to support care transition and discharge planning consist of transitional care management services that include, but are not limited to:⁸

- Comprehensive assessment and periodic reassessment⁹ of individual needs;
- Comprehensive individualized care plan;
- Referral and related activities;
- Monitoring and follow-up activities; and
- Identifying and addressing system barriers.

Comprehensive Assessment and Periodic Reassessment

The comprehensive assessment and periodic reassessment of individual needs is used to determine the need for any medical, educational, social or other services. These assessment activities include:¹⁰

- Taking client history;
- Identifying the member's needs, including housing status, and completing related documentation; and
- Gathering information from other sources such as family members, medical providers, social workers, and educators (if necessary), to form a complete assessment of the eligible member.

⁸ [BH-CONNECT Section 1115\(a\) Demonstration Special Terms and Conditions](#), (STC 9.6 p.41-42).

⁹ As used in this BHIN, "periodic reassessment" refers to subsequent updates to the comprehensive assessment.

¹⁰ These elements are consistent with the SMHS assessment requirements outlined in [BHIN 23-068](#). This section clarifies their application within the context of Community Transition In-Reach Services under [BH-CONNECT Section 1115\(a\) Demonstration Special Terms and Conditions](#), (STC 9.6(a) p.41).

Assessments performed by Community Transition Teams must incorporate the activities above and meet the standardized assessment requirements identified in [BHIN 23-068](#) or subsequent guidance. The assessment content may be distinct from assessment performed by the qualifying facility's care team in that it may emphasize factors related to post-discharge skills and abilities, informing the care plan components as outlined below. The process must include details on action steps the team will take based on the assessment to ensure success in the community, including how a recovery-oriented approach will continue once community placement is achieved.

To avoid unnecessary duplication of assessment activities, facility staff and Community Transition Teams may share member assessment information consistent with all applicable privacy laws. Coordination between care teams is essential to align care planning and service needs, and to support placement in the least restrictive setting appropriate to the member's condition.

Comprehensive Individualized Care Plan

BHPs shall ensure that Community Transition Teams develop a comprehensive, individualized care plan for each member served based on the member's individual assessment. The individualized care plan must address readiness for discharge and indicate the anticipated post-discharge destination.

The Care Plan shall:¹¹

- Specify the self-determined goals and actions to address the medical, social, educational, and other services needed by the member;
- Include activities such as ensuring the active participation of the eligible member, and working with the member (or the member's authorized health care decision maker) and others to develop those goals and a plan for achieving those goals that reflects the member's preferences with regard to services and support and types of housing they may need to help them successfully transition out of institutions and into living and engaging in their communities; and
- Identify a course of action to respond to the assessed needs and preferences of the eligible member.

¹¹ [BH-CONNECT Section 1115\(a\) Demonstration Special Terms and Conditions](#), (STC 9.6(b) p.41-42).

BHPs shall ensure that the individualized care plan developed by Community Transition Teams incorporates the activities above. For Medi-Cal members who receive Community Transition In-Reach Services and are receiving involuntary treatment pursuant to the Lanterman-Petris-Short Act, the individualized care plan may also be developed to meet the care plan requirements identified in [BHIN 24-039](#), or subsequent guidance. In other words, DHCS does not require two separate care plans for these members; a single care plan may be developed that meets the requirements in this BHIN and in BHIN 24-039.

Referrals and Related Activities

Referrals and related activities (such as scheduling appointments for the member) may be provided to help the eligible member access needed services including activities that help link the member with medical, social, educational providers, or other programs and services that are capable of providing needed services to address identified needs and achieve goals specified in the care plan.¹²

Recommendations and referrals to services should include, as clinically appropriate, Assertive Community Treatment (ACT), Forensic ACT, the Individual Placement and Support (IPS) model of Supported Employment, Clubhouse (as applicable) and Peer Support Services. These services shall be made available to the member as specified in the BH-CONNECT STCs.¹³

Monitoring and Follow-Up

BHPs shall develop and implement monitoring and follow-up activities and contacts that are necessary to ensure the care plan is implemented and adequately addresses the eligible member's needs. Follow-up activities and contacts may be with the member, family members, service providers, or other entities or individuals. Services shall be provided as frequently as necessary, for a minimum of three months, as medically necessary and clinically appropriate. Follow-up services shall include at least one annual monitoring visit, to determine whether the following conditions are met:¹⁴

- Services are being furnished in accordance with the member's care plan;
- Services in the care plan are adequate to support them to live in stable housing and engage in their communities; and

¹² [BH-CONNECT Section 1115\(a\) Demonstration Special Terms and Conditions](#), (STC 9.6(c) p.42).

¹³ [BH-CONNECT Section 1115\(a\) Demonstration Special Terms and Conditions](#), (STC 9.2(c) p.40).

¹⁴ [BH-CONNECT Section 1115\(a\) Demonstration Special Terms and Conditions](#), (STC 9.6(d) p.42).

Changes in the needs or status of the member are reflected in the care plan. Monitoring and follow-up activities include making necessary adjustments in the care plan and service arrangements with providers.

Identifying and Addressing System Barriers

In-Reach Services shall include identifying and addressing barriers to member success, including social, financial, and systemic issues, and facilitating linkages to social supports necessary to support successful reintegration of Medi-Cal members into their communities.¹⁵

Service Provisions and Standards

In-Reach Services must be additive and not duplicative of services provided by qualifying facilities, or services provided by any other Medi-Cal provider. In-Reach Services must also be coordinated with the existing care coordination and discharge planning services that facilities and BHPs are required to provide. Community Transition Teams must work collaboratively with facilities leading up to and at the point of discharge to support coordinated care for members receiving In-Reach Services.

Service Duration

In-Reach Services are available for up to 180 days prior to discharge from a qualifying facility. If a member is not discharged after 180 days, BHPs may claim for services already rendered for up to 180 days but no further Federal Financial Participation (FFP) shall be claimed.¹⁶

If a member receiving In-Reach Services steps down from one qualifying facility to a less intensive level of care that is also a qualifying facility, the member may continue receiving In-Reach Services until the cumulative 180-day service duration across both qualifying facilities is reached.

Upon discharge to a setting that does not qualify for In-Reach Services, the Community Transition Team is required to maintain engagement for a minimum of three months as medically necessary and clinically appropriate to support the Medi-Cal member's ongoing stability as described in the Monitoring and Follow-Up section above. Should the member move to a different county of responsibility upon discharge, the

¹⁵ [BH-CONNECT Section 1115\(a\) Demonstration Special Terms and Conditions](#), (STC 9.6(e) p.42).

¹⁶ [BH-CONNECT Section 1115\(a\) Demonstration Special Terms and Conditions](#), (STC 9.7 p.42).

Community Transition Team may work with the receiving Community Transition Team (if available) and/or receiving BHP as applicable to transition care for the member.

Service Frequency

The frequency of In-Reach Services must be based on the member's individual needs and incorporated into each eligible member's comprehensive individualized care plan. In-Reach Services can be provided as frequently as determined medically necessary for Community Transition Teams to build a trusting relationship with Medi-Cal members and support care transition and discharge planning.

Community Transition Teams

Community Transition Teams must provide in-reach and post-discharge care planning, transitional care management, and community re-integration services¹⁷.

For purposes of this BHIN, allowable practitioner definitions and qualification requirements are the same as those in the California Medicaid State Plan for Rehabilitative Mental Health Services.

Provider Requirements and Team Composition

Community Transition Teams must be multi-disciplinary and, at a minimum, they must include the following practitioner types:¹⁸

- A Licensed Mental Health Professional (LMHP) as a team lead;
- A certified Peer Support Specialist or other SMHS practitioner with lived experience of recovery from a significant behavioral health condition;
- An occupational therapist¹⁹ (if not serving as team lead), unless the BHP meets the exemption described below;

¹⁷ [BH-CONNECT Section 1115\(a\) Demonstration Special Terms and Conditions](#), (STC 9.8 p.43).

¹⁸ [BH-CONNECT Section 1115\(a\) Demonstration Special Terms and Conditions](#), (STC 9.8(a-e) p.43).

¹⁹ [Per SPA 24-0041](#), practitioners permitted to render Rehabilitative Mental Health Services includes both Licensed Occupational Therapists and Clinical Trainees pursuing licensure as Occupational Therapists acting within their scope of their professional license and training and applicable State law. For the purposes of this BHIN, a Clinical Trainee is defined on page 21 of [Supplement 3 to Attachment 3.1-A](#) of the California Medicaid State Plan.

- At least one additional SMHS practitioner;²⁰ and
- Access to a prescriber for the purpose of coordinating medication management throughout the care transition.

In addition to the minimum team requirements outlined above, BHPs may elect to include additional members as needed to address a specific population.²¹

Occupational Therapist Requirement Exemption²²

BHPs may request an exemption from the occupational therapist team member requirement for a period of up to 12 months from the effective date specified in their Community Transition In-Reach Services BHP Readiness Assessment (“BHP Readiness Assessment”). To qualify for this exemption, BHPs must submit documentation with the BHP Readiness Assessment, described in the subsequent section, that demonstrates there is a shortage of occupational therapists in the county and describes how the Community Transition Teams will still be able to effectively deliver In-Reach Services during the exemption period. The exemption request must also include a plan to expand the availability of occupational therapists in the BHP’s provider network. BHPs may request renewal exemptions on an annual basis.

The exemption documentation template is included as Enclosure 2 to this BHIN and must be completed via DHCS’ website at [Opt-in-to-BH-CONNECT \(ca.gov\)](https://www.dhcs.ca.gov/Programs/Pages/Community-Transition-Teams.aspx).

BHP Approval of Community Transition Teams

BHPs shall implement an approval process to ensure that Community Transition Teams meet all requirements to deliver In-Reach Services prior to commencing service delivery.

²⁰ “SMHS practitioner” means a practitioner that is authorized to provide Rehabilitative Mental Health Services pursuant to the California Medicaid State Plan and includes counselors, clinical trainees, licensed mental health professionals, mental health rehabilitation specialists, medical assistants, peer support specialists, physician assistants, pharmacists, and other qualified providers, as defined in [Supplement 3 to Attachment 3.1-A](#) of the California Medicaid State Plan.

²¹ BHPs are responsible for ensuring the services of these additional team members are not duplicative.

²² [BH-CONNECT Section 1115\(a\) Demonstration Special Terms and Conditions](#), (STC 9.8(c)(i) p.43).

Prior to delivering services, all Community Transition Teams must be approved by the BHP.

Program Opt-In Requirements

BHPs may opt-in to provide Community Transition In-Reach Services by submitting and receiving DHCS approval of a BHP Readiness Assessment.

BHPs may submit the BHP Readiness Assessment using the template at any time on or after November 25, 2025, and shall not claim for In-Reach Services until it is approved by DHCS. In the BHP Readiness Assessment, the BHP must:²³

- Describe (1) how the BHP will assess availability of mental health and/or substance use disorder (SUD) services and housing options, and ensure that an appropriate behavioral health continuum of care is in place within the county; and (2) the process for how the assessment will inform any needed action steps based on the outcome of the assessment. A BHP may only participate in this initiative upon approval by DHCS that the appropriate continuum of care is in place for the county.
- Attest that the BHP will track and report on an annual basis – or more frequently if required by DHCS – data and trends in the number and utilization of beds across qualifying inpatient, subacute, and residential facilities (including IMDs) in which the BHP places members. These data and trends additionally will inform monitoring and evaluation efforts undertaken by the State.
- Attest that the BHP will provide Assertive Community Treatment (ACT), Forensic ACT, the IPS model of Supported Employment, and Peer Support Services, including a forensic specialization, within the county and/or ensure these services are covered by the BHP in the county where a member receiving In-Reach Services will ultimately reside upon discharge from a qualifying facility, on the timeline specified in the BHP Readiness Assessment.

The Community Transition In-Reach Services BHP Readiness Assessment addressing these criteria is included as Enclosure 1 to this BHIN. Participating BHPs must complete and submit the Assessment via DHCS' website at [Opt-in-to-BH-CONNECT \(ca.gov\)](https://www.dhcs.ca.gov/Programs/Pages/In-Reach-Connect.aspx).

²³ [BH-CONNECT Section 1115\(a\) Demonstration Special Terms and Conditions](#), (STC 9.2 p.40).

Billing and Claims

The Short-Doyle Medi-Cal claiming system will be updated to include In-Reach Services. BHPs shall not submit claims for In-Reach Services until DHCS provides additional claiming guidance and confirms systems updates are in place to claim for these services. BHPs with an approved BHP Readiness Assessment prior to completion of system updates may provide In-Reach Services per that approval and submit retroactive billing when system updates are confirmed. BHPs with an approved BHP Readiness Assessment may retroactively bill for In-Reach Services with dates of service on or after the effective date specified in their BHP Readiness Assessment.

Rates and Payment Requirements Inside Qualifying Facilities

In-Reach Services provided within a qualifying facility will be billed as a monthly bundled rate as indicated in Table 1 below.

Table 1. Community Transition In-Reach Services Monthly Rate by Demonstration Year²⁴

DY1 (2025)	DY2 (2026)	DY3 (2027)	DY4 (2028)	DY5 (2029)
\$2,800	\$2,900	\$3,100	\$3,200	\$3,400

Note: The monthly rate assumes an annual trend factor.

In order to claim the bundled rate, the Community Transition Team shall provide a minimum of four contacts on four different days in each month of service, of which at least three contacts are in-person with the member. The remainder of contact(s) rendered in each month of service may be in-person or virtual with the member or collateral. In-Reach Services are claimed in the Short Doyle Medi-Cal claiming system using HCPCS code G9012. BHPs should consult the applicable Short-Doyle Medi-Cal billing manual and service table for detailed claiming requirements for In-Reach Services.

Rates and Payment Requirements Outside Qualifying Facilities

After members have transitioned from the facility into the community, Community Transition Teams will provide post-discharge care planning and transitional care management services using existing Medi-Cal-covered outpatient behavioral health service codes. Post-discharge services must be offered for a minimum of three months

²⁴ [BH-CONNECT Section 1115\(a\) Demonstration Special Terms and Conditions](#), (STC 17.7 p.95).

as medically necessary and clinically appropriate, and include at least one annual monitoring visit, as noted in the “Monitoring and Follow-Up” section.

Service Limitations

FFP is only available for In-Reach Services provided to members who are residing in qualifying facilities, when the member meets eligibility criteria described above. FFP may be claimed for In-Reach Services furnished to members during stays in qualifying facilities for up to 180 days prior to discharge. Payments will not be made to the facility where the member resides.²⁵ FFP may not be claimed for unallowable expenditures.²⁶ Should In-Reach Services be required beyond the 180-day limit for a member in a facility, the team shall not bill Medi-Cal but may provide those services using an alternative funding source.

Prior Authorization

BHPs shall design an approval process for Community Transition Teams to deliver In-Reach Services, as described above, and also for prior authorization of services for each eligible member. Prior to delivering services, the Community Transition Team must be approved by the BHP. The Community Transition Team shall further obtain authorization to provide In-Reach Services to an eligible member through a prior authorization process established by the BHP in compliance with requirements set forth in [BHIN 22-016](#) or subsequent guidance. Upon receipt of authorization from the BHP, the Community Transition Teams may provide In-Reach Services to that member within a qualifying facility and submit claims to the BHP for review and reimbursement. For community-based services provided by the Community Transition Team after discharge, prior authorization requirements are the same as those in BHIN 22-016 or subsequent guidance.

Documentation

²⁵ [BH-CONNECT Section 1115\(a\) Demonstration Special Terms and Conditions](#), (STC 9.9 p.43).

²⁶ Unallowable expenditures include: room and board costs for inpatient, residential or subacute treatment service providers, including those that are IMDs, unless they qualify as inpatient facilities under section 1905(a) of the Act; costs for services furnished to beneficiaries who are involuntarily residing in a psychiatric hospital or residential treatment facility by operation of criminal law.

All services shall be documented in accordance with SMHS standards as outlined in [BHIN-23-068 or subsequent guidance](#).

Compliance Monitoring

BHPs are responsible for ensuring accountability and compliance with program requirements applicable to the Community Transition Teams and In-Reach Services. DHCS will first evaluate BHP compliance through approval of the BHP Readiness Assessment as described above. DHCS will continue to carry out its responsibility to monitor Medi-Cal behavioral health delivery systems and their operations as required by state and federal law. DHCS will monitor Medi-Cal behavioral health delivery systems for compliance with the requirements outlined above, and deviations from the requirements may require corrective action plans or other applicable remedies. This oversight will include verifying that services provided to Medi-Cal members are medically necessary, and that documentation complies with the applicable State and federal laws, regulations, and the BHP contract.

Please contact BH-CONNECT@dhcs.ca.gov for questions regarding this BHIN.

Sincerely,

Original signed by

Ivan Bhardwaj, Chief
Medi-Cal Behavioral Health – Policy Division

Enclosures (3)