State of California
Department of Health Care Services

Medicaid Section 1115 Demonstration Amendment Request

California Advancing & Innovating in Medi-Cal (CalAIM) Transitional Rent Services Amendment

DRAFT FOR PUBLIC COMMENT

August 2023

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Introduction

The California Department of Health Care Services (DHCS) is seeking an amendment to the California Advancing and Innovating Medi-Cal (CalAIM) Section 1115 demonstration to authorize transitional rent services as a new Community Support for qualifying individuals in the Medi-Cal Managed Care (MCMC) delivery system.

Through the CalAIM Section 1115 demonstration and Section 1915(b) waiver approvals in December 2021, California received authority to implement a range of new population health and whole-person care initiatives and transitioned authority for California's managed care delivery systems — MCMC, Dental Managed Care, Specialty Mental Health Services (SMHS), and Drug Medi-Cal Organized Delivery System (DMC-ODS) — from the State's longstanding Section 1115 demonstration to authority under the CalAIM 1915(b) waiver. The approvals included authority to implement a menu of 14 "Community Supports," which are services that can be covered by managed care plans and offered by local community-based providers as appropriate, cost-effective alternatives to traditional medical services or settings. Twelve of the Community Supports are approved under managed care regulatory authority as "in lieu of services," effectuated through the Section 1915(b) waiver. The remaining two Community Supports are approved under Section 1115 demonstration authority.

California's Community Supports include a range of housing-related services, including housing transition navigation services, housing deposits, and housing tenancy and sustaining services. These services help individuals find and retain housing and are essential to the treatment and recovery of individuals who are homeless or at risk of homelessness. Through the CalAIM Section 1115 demonstration, California also offers short-term post-hospitalization housing and recuperative care services as Community Supports to provide cost-effective and medically appropriate alternatives to hospitalization or institutionalization for individuals who otherwise would not have a safe or stable place to receive treatment.

To further improve the well-being and health outcomes of Medi-Cal members during critical transitions or who meet high-risk criteria, DHCS is seeking an amendment to the CalAIM Section 1115 demonstration to provide up to six months of transitional rent services to eligible individuals who are homeless or at risk of homelessness and transitioning out of institutional levels of care, congregate residential settings, correctional facilities, the child welfare system, recuperative care facilities, short-term post-hospitalization housing, transitional housing, homeless shelters or interim housing, as well as those who meet the criteria for unsheltered homelessness or for a Full Service Partnership (FSP) program. These individuals have historically experienced disparities in healthcare access and health outcomes, often resulting in higher rates of hospital readmissions and emergency department (ED) visits. A recent California-wide study showed high rates of acute and emergent health service utilization for individuals experiencing homelessness: in the prior six months, 38 percent of participants in the statewide study reported an ED visit that didn't result in a hospitalization. In comparison,

approximately 22 percent of Americans aged 18 and older had visited the ED at least once in the *prior year.*[1] On average the life expectancy of people experiencing homelessness is 42 to 52 years of age.[2] To ensure a "no wrong door" approach to accessing key housing services for high need enrollees who are homeless or at risk of homelessness and experiencing transitions as well as those who meet the criteria for unsheltered homelessness or for a FSP program, DHCS is requesting authority to provide transitional rent services for qualifying individuals enrolled in the SMHS, DMC, and DMC-ODS delivery systems through the California Behavioral Health Community-Based Organized Networks of Equitable Care and Treatment (BH-CONNECT) demonstration.

Section I. Program Description

Background

California has taken bold steps to address the State's growing homelessness crisis and severe housing shortage through a series of legislative and budgetary actions, among others, to promote housing affordability and stability.[3] Building on these efforts and in recognition of housing as a key social driver of health, California received authority in December 2021 to implement three Community Supports that aim to help Medi-Cal members at risk of, or currently experiencing, homelessness to obtain housing and maintain tenancy.[4] Housing transition navigation services assist Medi-Cal members with securing housing, including identifying members' housing needs and barriers to successful tenancy and with completing housing applications. Housing deposits support members with establishing residence, such as funding security deposits and utility set-up fees, pest eradication, and air conditioners. Housing tenancy and sustaining services provide members with services that aim to maintain safe and stable tenancy, which includes services such as coaching on maintaining key relationships with landlords, linking to community resources to prevent eviction, and health and safety visits. Through the CalAIM Section 1115 demonstration, California also implements short-term post-hospitalization housing and recuperative care services as Community Supports to provide cost-effective and medically appropriate alternatives to hospitalization or

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[1] Kushel, M., Moore, T., Birkmeyer, J., Dhatt, Z., Duke, M., Knight, K. R., Ponder, K. Y., *Toward a New Understanding: The California Statewide Study of People Experiencing Homelessness.* (2023, June). Benioff Homelessness and Housing Initiative, University of California San Francisco. https://homelessness.ucsf.edu/sites/default/files/2023-06/CASPEH_Report_62023.pdf

[2] Brown, R. T., Evans, J. L., Valle, K., Guzman, D., Chen, Y., & Kushel, M. B. (2022, August). *Factors Associated with Mortality Among Homeless Older Adults in California: The HOPE HOME Study.* JAMA Internal Medicine, 182(10),1052-2060. https://jamanetwork.com/journals/jamainternalmedicine/article-abstract/2795475

[3] California Department of Housing & Community Development. (2022, March). *A Home for Every Californian: 2022 Statewide Housing Plan.* JAMA Internal Medicine. https://storymaps.arcgis.com/stories/94729ab1648d43b1811c1698a748c136

[4] Department of Health Care Services. (2023, January). Medi-Cal Community Supports, or In Lieu of Services (ILOS), Policy Guide. https://www.dhcs.ca.gov/Documents/MCQMD/DHCS-Community-Supports-Policy-Guide.pdf

institutionalization for individuals who are homeless or at risk of homelessness and who otherwise would not have a safe or stable place to receive treatment.

DHCS seeks to expand on these efforts to ensure eligible individuals enrolled in Medi-Cal have access to a safe and stable home following critical transitions, as well as those who meet the criteria for unsheltered homelessness or for a FSP program. Evidence shows that access to stable housing leads to positive health outcomes, including improved mental health, better management of chronic diseases, and healthy emotional and behavioral development among young children.[5,6] In particular, individuals transitioning out of institutional care and congregate settings, correctional facilities, the child welfare system, or temporary/interim/transitional housing are at higher risk of homelessness and adverse health outcomes compared to the general population. For example, formerly incarcerated individuals are 7 to 13 times more likely to experience homelessness compared to the general population.[7] Youth aging out of foster care are also at high risk of experiencing homelessness—one study found that 31 to 46 percent of individuals transitioning out of foster care had been homeless at least once by age 26.[8] One study found that among individuals exiting homeless shelters, approximately 20 percent of individuals remained homeless.[9] These groups are also likely to experience worse health outcomes compared to the general population. Individuals reentering their communities after being incarcerated are likely to have higher rates of infectious and chronic diseases, serious mental illness, and substance use disorders.[10] Studies have also shown that mortality rates due to homicide, suicide, and overdose are higher among formerly incarcerated individuals shortly after release from carceral settings.[8,11] Youth exiting the foster care system are more likely to report poor or fair

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[5] Maqbool, N., Viveiros, J., & Ault, M. (2015, April). *The Impacts of Affordable Housing on Health: A Research Summary.* Center for Housing Policy. https://nhc.org/wp-content/uploads/2017/03/The-Impacts-of-Affordable-Housing-on-Health-A-Research-Summary.pdf

[6] Schupmann, W. (2017, October). *How Housing Quality Affects Child Mental Health.* Housing Matters. https://housingmatters.urban.org/articles/how-housing-quality-affects-child-mental-health

[7] Peiffer, E. (September 2020). *Five Charts That Explain the Homelessness-Jail Cycle—and How to Break It.* Urban Institute. https://www.urban.org/features/five-charts-explain-homelessness-jail-cycle-and-how-break-it

[8] Dworsky, A., Napolitano, L., & Courtney, M. (2013). *Homelessness during the transition from foster care to adulthood*. American Journal of Public Health, 103 Suppl 2(Suppl 2), S318–S323. https://doi.org/10.2105/AJPH.2013.301455

[9] Caton, C., Dominguez, B., Schanzer, B., Hasin, D., Shrout, P., Felix, A., McQuistion, H., Opler, L., & Hsu, E. (2005). *Risk Factors for Long-Term Homelessness: Findings From a Longitudinal Study of First-Time Homeless Single Adults*. American Journal of Public Health*, 95,* 1753-1759. https://doi.org/10.2105/AJPH.2005.063321

[10] Office Assistant Secretary for Planning and Evaluation. (2023, January). *Health Care Transitions for Individuals Returning to the Community from a Public Institution: Promising Practices Identified by the Medicaid Reentry Stakeholder Group.* https://aspe.hhs.gov/sites/default/files/documents/d48e8a9fdd499029542f0a30aa78bfd1/health-care-reentry-transitions.pdf

[11] Lim, S., Seligson, A. L., Parvez, F. M., Luther, C. W., Mavinkurve, M. P., Binswanger, I. A., & Kerker, B. D. (2012). *Risks of drug-related death, suicide, and homicide during the immediate post-release period among people released from New York City jails, 2001-2005*. American Journal of Epidemiology, 175(6), 519–526. https://doi.org/10.1093/aje/kwr327

health, have health conditions or disabilities that limit their daily living activities, reduced access to care, and increased prevalence of mental health and substance use disorders.[12]

By providing transitional rent services to these populations, the State seeks to improve physical and behavioral health outcomes, promote preventive care, and reduce the utilization of and costs associated with potentially avoidable, high acuity health care.[13,14] The request for transitional rent services will help to ensure that Medi-Cal members currently experiencing homelessness or at risk of homelessness have access to the care they need in a supportive and safe community.

Summary of Current Demonstration

On December 29, 2021, CMS approved the CalAIM demonstration. This five-year demonstration authorized the renewal of components of the State's prior Medi-Cal 2020 Section 1115 demonstration, in addition to new authorities, to continue advancing the State's goal of improving health outcomes and reducing health disparities for Medicaid and other low-income populations in the State. Building on the successes of the Medi-Cal 2020 demonstration, California has moved to implement whole person care strategies statewide through the State's CalAIM 1915(b) managed care delivery system (with some aspects authorized through Section 1115 demonstration authority) and moved other aspects of the Medi-Cal 2020 demonstration into the Medi-Cal State Plan. The CalAIM Section 1115 demonstration initiatives include:

- Renewing the Global Payment Program (GPP) to streamline funding sources for care for California's remaining uninsured population with a renewed focus on addressing social needs and responding to the impacts of systemic racism and inequities on the uninsured populations served by California's public hospitals.
- Authorizing Community Supports services for recuperative care and short-term post-hospitalization housing.
- Authorizing the Providing Access and Transforming Health (PATH) Supports expenditure authority to (1) sustain, transition, and expand the successful Whole Person Care (WPC) Pilot and Health Home Program (HHP) services initially authorized under the Medi-Cal 2020 demonstration as they transition to become Enhanced Care Management (ECM) and Community Supports and (2) sustain justice-involved pre-release and post-release services provided through

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[12] Courtney, M. E., Dworsky, A. L., Cusick, G. R., Havlicek, J., Perez, A., & Keller, T. E. (2007). *Midwest evaluation of the adult functioning of former foster youth: Outcomes at age 21*. https://pdxscholar.library.pdx.edu/cgi/viewcontent.cgi?article=1059&context=socwork_fac

[13] U.S. Department of Housing and Urban Development. (2014, May). *Housing for Youth Aging Out of Foster Care.* https://www.huduser.gov/portal/publications/pdf/youth_hsg_main_report.pdf

[14] U.S. Department of Housing and Urban Development Office of Policy Development and Research. (2022, April). *Why Housing Matters for Successful Reentry and Public Safety.* https://www.huduser.gov/portal/pdredge/pdr-edge-frm-asst-sec-041922.html

existing WPC pilots and support Medi-Cal pre-release application planning and IT investments.
- Continuing short-term residential treatment services to eligible individuals with a substance use disorder (SUD) in the Drug Medi-Cal Organized Delivery System (DMC-ODS).
- Authorizing Contingency Management as a DMC-ODS benefit, to offer Medi-Cal members this evidence-based, cost-effective treatment for SUD that combines motivational incentives with behavioral health treatments.

On June 29, 2022, CMS approved an amendment to the CalAIM 1115 demonstration to permit the state to increase and eventually eliminate asset limits for certain low-income individuals whose eligibility is not determined using the modified adjusted gross income (MAGI)-based financial methods.

On January 29, 2023, CMS approved an amendment to the CalAIM 1115 demonstration to permit the state to provide in-reach services to justice-involved populations for up to 90-day prior to release, leverage federal funding of Designated State Health Programs (DSHPs) to support the non-federal share funding for the PATH program, and update California's budget neutrality methodology consistent with CMS' budget neutrality framework for services to address Health-Related Social Needs (HRSN).

California has a pending request with CMS to amend the CalAIM 1115 demonstration to implement county-based model changes in its Medi-Cal Managed Care program. This request is in conjunction with related changes to the CalAIM Section 1915(b) waiver.

California also has requested authority to offer traditional healer and natural helper services in Medi-Cal; this request is still pending with CMS.

Demonstration Amendment Goals

DHCS seeks to improve the well-being and health outcomes of Medi-Cal members who are homeless or at risk of homelessness during critical transitions from institutional levels of care, congregate residential settings, correctional facilities, the child welfare system, recuperative care facilities, short-term post-hospitalization housing, transitional housing, homeless shelters or interim housing, as well as those who meet the criteria for unsheltered homelessness or for a FSP program. California's goals for the demonstration amendment align with CMS' guidance related to demonstrations that authorize HRSN services and the existing goals for Community Supports authorized under the CalAIM Section 1115 demonstration, including the following for Medi-Cal members:

- Addressing unmet housing needs;
- Reducing long-term homelessness;
- Increasing utilization of preventive and routine care;
- Reducing utilization of and costs associated with potentially avoidable, high acuity health care services; and

- Improving physical and behavioral health outcomes.

Proposed Demonstration Amendment

DHCS is seeking to cover rent for up to six months for eligible high-need Medi-Cal members. The CalAIM amendment would authorize these transitional rent services as a new Community Support for qualifying individuals in the MCMC delivery system. The California BH-CONNECT demonstration would cover these transitional rent services for individuals in the SMHS, DMC, and DMC-ODS delivery systems; DHCS will establish processes to avoid duplication of transitional rent services across delivery systems. Together, these authorities would ensure a "no wrong door" approach to access for key housing services for high need enrollees who are homeless or at risk of homelessness and experiencing critical transitions, as well as those who meet the criteria for unsheltered homelessness or for a FSP program. Transitional rent services will be closely coordinated across delivery systems, with other housing-related supports offered as Medi-Cal Community Support services, and with other non-Medi-Cal funded housing services.

DHCS is seeking expenditure authority up to an aggregate cap of $764,860,000 over the final two years of the CalAIM demonstration period (January 1, 2025 – December 31, 2026) to cover transitional rent services in the MCMC delivery system. Coverage of transitional rent services is an integral piece of the state's strategy to promote community integration, treatment, and recovery for individuals who are homeless or at risk of homelessness and experiencing critical transitions.

Scope of Services

Transitional rent services will be available for a period of no more than six months; must be cost-effective; and will be provided only if it is determined to be medically appropriate using clinical and other HRSN criteria. Transitional rent services will be voluntary for the Medi-Cal managed care plans to offer and for Medi-Cal members to use.

Eligibility Criteria

Within MCMC plans that offer the services, Medi-Cal enrollees will be eligible for transitional rent services if they:

- Meet HUD's current definition of homelessness or at-risk of homelessness as codified at 24 CFR 91.5, with two modifications:
    - If exiting an institution, individuals are considered homeless if they were homeless immediately prior to entering that institutional stay, regardless of the length of the institutionalization; and
    - The timeframe for an individual or family who will imminently lose housing is extended from fourteen (14) days for individuals considered homeless

and 21 days for individuals considered at-risk of homelessness under the current HUD definition to thirty (30) days; **AND**

- Meet one or more of the following criteria:
  - Are transitioning out of an institutional care or congregate residential setting, including but not limited to an inpatient hospital stay, an inpatient or residential substance use disorder treatment or recovery facility, an inpatient or residential mental health treatment facility, or nursing facility;
  - Are transitioning out of a correctional facility;
  - Are transitioning out of the child welfare system;
  - Are transitioning out of recuperative care facilities or short-term post-hospitalization housing;
  - Are transitioning out of transitional housing;
  - Are transitioning out of a homeless shelter/interim housing;
  - Meet the criteria of unsheltered homelessness as described at 24 CFR part 91.5[15]; or
  - Meet eligibility criteria for a Full Service Partnership (FSP) program.[16]

Sections II–V. Demonstration Eligibility, Delivery System, Benefits, and Cost Sharing

The proposed demonstration amendment would not modify the parameters for Medi-Cal eligibility, care delivery systems, or cost-sharing. The amendment would add transitional rent services as an optional benefit for MCMC plans to offer and for eligible MCMC members to take up.

Medi-Cal Eligibility

The State is not proposing any changes to Medi-Cal eligibility requirements.

Medi-Cal Delivery System

The State is not proposing any changes to the delivery systems employed in Medi-Cal.

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[15] Defined as, "An individual or family with a primary nighttime residence that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings, including a car, park, abandoned building, bus or train station, airport, or camping ground."

[16] FSP is a comprehensive and intensive mental health program for individuals with persistent mental illness that have demonstrated a need for an intensive FSP program, including individuals who are experiencing or at risk of homelessness, those who are justice-involved, and high-utilizers of emergency or high-acuity mental health services. An estimated 71,000 individuals are currently enrolled in FSP programs (.5% of the Medi-Cal population).

Medi-Cal Covered Benefits

The State is proposing to add up to six months of transitional rent services as an optional benefit for MCMC plans to offer and for Medi-Cal members to take up if they meet the eligibility criteria.

Medi-Cal Cost-Sharing

The State is not proposing any changes to cost-sharing under the Medi-Cal program.

Section VI. Implementation of Demonstration Amendment

Transitional rent services will be delivered consistent with CMS' requirements for HRSN services, the Medi-Cal managed care contract, and DHCS guidance applicable to all Community Supports. In line with these requirements, transitional rent services in MCMC will be administered in a manner that is: (1) cost effective and medically appropriate; (2) voluntary for the Medi-Cal managed care plans to offer and the Medi-Cal member to use; and (3) offered exclusively through managed care plans. Transitional rent services will be closely coordinated across delivery systems, with other housing-related supports offered as Medi-Cal Community Support services, and with other non-Medi-Cal funded housing services. In addition, the State will have partnerships with other state and local entities (e.g., HUD Continuum of Care Program, local housing authorities, SNAP state agency) to assist Medi-Cal members in obtaining non-Medicaid funded housing and/or nutrition supports.

Section VII. Demonstration Amendment Financing and Budget Neutrality

DHCS requests expenditure authority up to an aggregate cap of $764,860,000 (total computable) over the final two years of the CalAIM demonstration period (January 1, 2025 – December 31, 2026). Consistent with CMS' budget neutrality framework for HRSN services and the approved budget neutrality approach for recuperative care and short-term post hospitalization housing, California is seeking capped hypothetical budget neutrality treatment for the transitional rent services. Through the CalAIM Section 1115 amendment request, the State is not proposing any changes to Medicaid eligibility requirements. As such, the amendment is not expected to affect enrollment trends, which will continue to be determined largely by demographic changes and economic conditions. The State anticipates approximately 135,000 Medi-Cal members are homeless or at risk of homelessness and experience critical transitions or meet the criteria for unsheltered homelessness or for a FSP program in a given year, and will be potentially eligible for the transitional rent services in MCMC. The following table shows the proposed expenditure authority cap across the two Demonstration Years (DYs).

Table 1. Proposed Expenditure Authority Cap

	Demonstration Years (DYs)		
Proposed Expenditure Authority Cap	**DY 21 (CY 2025)**	**DY 22 (CY 2026)**	**Total**
Transitional Rent Services in MCMC	$372,624,000	$392,236,000	$764,860,000
Total	$372,624,000	$392,236,000	$764,860,000

Section VIII. List of Proposed Waivers and Expenditure Authorities

DHCS is requesting expenditure authority up to an aggregate cap of $764,860,000 over the final two years of the CalAIM demonstration period (January 1, 2025 – December 31, 2026) to cover up to six months of transitional rent services for qualifying individuals enrolled in a Medi-Cal managed care plan that elects to provide the services. DHCS is also seeking waivers of statewideness, comparability and amount, duration and scope for optional coverage of transitional rent services during this same two-year period. Please note DHCS is requesting the same authorities for transitional rent as were approved for HRSN services/community supports under the current CalAIM Section 1115 STCs.

To the extent that CMS advises the State that additional authorities are necessary to implement the programmatic vision and operational details described in this amendment, the State is requesting such waiver or expenditure authority, as applicable. California's negotiations with the federal government, as well as State legislative/budget changes, could lead to refinements in these lists as we work with CMS to move CalAIM transitional rent services forward.

Waiver Authorities

Under the authority of Section 1115(a)(1) of the act, the following waivers shall enable California to implement this CalAIM Section 1115 amendment to cover transitional rent services from January 1, 2025 through December 31, 2026.

Table 2. Proposed Waiver Authorities

Waiver Authority	Use for Waiver
§ 1902(a)(1) Statewideness	To enable the State to provide transitional rent services only in certain geographic areas where Medi-Cal managed care plans elect to offer these services.

Waiver Authority	Use for Waiver
§ 1902(a)(10)(B) and § 1902(a)(17) Amount, Duration, and Scope and Comparability	To enable the state to provide transitional rent services that are not otherwise available to all beneficiaries in the same eligibility group.

Expenditure Authority

Under the authority of Section 1115(a)(2) of the act, California is requesting the following expenditure authority through December 31, 2026:

Expenditures to provide transitional rent services to Medi-Cal managed care enrollees who meet the eligibility criteria specified in the STCs and any related requirements.

Section IX. Evaluation and Demonstration Amendment Hypotheses

The table below provides a preliminary plan to evaluate the amendment. The hypotheses are aligned with the existing hypotheses for recuperative care and short-term post-hospitalization housing, the two Community Supports/HRSN services currently approved under the CalAIM demonstration. Across all HRSN services, DHCS will evaluate whether the services achieve the following objectives among Medi-Cal members:

- Address unmet housing needs;
- Reduce long-term homelessness;
- Increase utilization of preventive and routine care;
- Reduce utilization of and costs associated with potentially avoidable, high acuity health care services; and
- Improve physical and behavioral health outcomes.

These hypotheses and plan are subject to change and will be further defined as California works with CMS to develop an evaluation design consistent with the STCs and CMS policy.

Table 3. Proposed Evaluation Hypotheses, Approach, and Data Sources

Hypotheses	Evaluation Approach	Data Sources
Unmet transitional housing needs among individuals in MCMC who are homeless or at-risk of homelessness and transitioning out of	• Housing status among eligible Medi-Cal members following transition from institutional levels of	• MCP reporting on housing status, and Community Supports service utilization,

Hypotheses	Evaluation Approach	Data Sources
institutional levels of care, congregate residential settings, correctional facilities, the child welfare system, recuperative care facilities, short-term post-hospitalization housing, transitional housing, homeless shelters or interim housing, or meet the criteria for unsheltered homelessness or for a FSP program, will be addressed over the course of the demonstration.	care, congregate residential settings, correctional facilities, the child welfare system, recuperative care facilities, short-term post-hospitalization housing, transitional housing, homeless shelters or interim housing, as well as those who meet the criteria for unsheltered homelessness or for a FSP program. • Number and proportion of Medi-Cal members who have utilized transitional rent services in the MCMC delivery system.	including Transitional Rent
Reduce long-term homelessness among individuals in MCMC who are homeless or at-risk of homelessness and transitioning out of institutional levels of care, congregate residential settings, correctional facilities, the child welfare system, recuperative care facilities, short-term post-hospitalization housing, transitional housing, homeless shelters or interim housing, or meet the criteria for unsheltered homelessness or for a FSP program.	• Change in housing status pre-/post-demonstration among eligible Medi-Cal members following transition from institutional levels of care, congregate residential settings, correctional facilities, the child welfare system, recuperative care facilities, short-term post-hospitalization housing, transitional housing, homeless shelters or interim housing, as well as those who meet the criteria for unsheltered homelessness or for a FSP program.	• Surveys of Medi-Cal members who are homeless or at risk of homelessness and transitioning out of institutional levels of care, congregate residential settings, correctional facilities, the child welfare system, recuperative care facilities, short-term post-hospitalization housing, transitional housing, homeless shelters or interim housing, or meet the criteria for unsheltered homelessness or for a FSP program

Hypotheses	Evaluation Approach	Data Sources
		• Pre- and post-implementation surveys to track changes and progress over time
Utilization of preventive and routine care will increase among individuals in MCMC who are homeless or at-risk of homelessness and transitioning out of institutional levels of care, congregate residential settings, correctional facilities, the child welfare system, recuperative care facilities, short-term post-hospitalization housing, transitional housing, homeless shelters or interim housing, or meet the criteria for unsheltered homelessness or for a FSP program.	• Analyze the number and percentage individuals who are homeless or at-risk of homelessness and experiencing transitions who are utilizing preventive, routine, and behavioral health care services before and after the demonstration.	• Medi-Cal encounter data
Utilization of potentially avoidable, high acuity care will decrease among individuals in MCMC who are homeless or at-risk of homelessness and transitioning out of institutional levels of care, congregate residential settings, correctional facilities, the child welfare system, recuperative care facilities, short-term post-hospitalization housing, transitional housing, homeless shelters or interim housing, or meet the criteria for unsheltered homelessness or for a FSP program.	• Analyze the number of emergency department and inpatient visits and skilled nursing facility (SNF) stays for individuals who are homeless or at-risk of homelessness and experiencing transitions before and after the demonstration.	• Medi-Cal encounter data

Hypotheses	Evaluation Approach	Data Sources
Physical and behavioral health outcomes will improve among individuals in MCMC who are homeless or at-risk of homelessness and transitioning out of institutional levels of care, congregate residential settings, correctional facilities, the child welfare system, recuperative care facilities, short-term post-hospitalization housing, transitional housing, homeless shelters or interim housing, or meet the criteria for unsheltered homelessness or for a FSP program.	• Analyze physical and behavioral health outcomes, as reported through the CMS Core Measures set, for individuals who are homeless or at-risk of homelessness and experiencing transitions before and after the demonstration.	• Medi-Cal encounter data • CMS Core Set Measures

Consistent with CMS guidance and the current CalAIM STCs for HRSN services, the State will report on a slate of health equity metrics to be defined by CMS, stratified by race/ethnicity, language, geography, disability status, sexual orientation, and/or gender identity. The State also will examine whether and how state and local investments in housing change over time in concert with new Medicaid funding toward those services and will conduct a cost analysis to help develop comprehensive and accurate cost estimates of covering these services.

Section X. Oversight, Monitoring, and Reporting

DHCS will comply with CMS' oversight, monitoring, and reporting requirements for HRSN services, as currently outlined in the CalAIM Section 1115 STCs for HRSN services.

Section XI. Public Notice Process

In August 2023, DHCS released the requisite notices for the CalAIM amendment and launched a state public comment period from August 1, 2023 through August 31, 2023. DHCS will present and discuss the CalAIM amendment proposal and implementation during two public hearings, the first on August 11, 2023 from 10:00 to 11:30 AM PT and the second on August 24, 2023 from 9:30 to 11:30 AM PT. The meetings will take place in-person and have online video streaming and telephonic conference capabilities to

ensure accessibility. In addition, DHCS plans to cover this proposal in the next quarterly Tribal and Designees of Indian Health Programs Quarterly webinar on August 30, 2023.

Section XII. Demonstration Amendment Administration

Pleases see below for contact information for the State's point of contact for this demonstration amendment:

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