

DEPARTMENT OF HEALTH CARE SERVICES

PROPOSED TRAILER BILL LANGUAGE

Community-Based Mobile Crisis Response Services

FACT SHEET

Summary: Community-Based Mobile Crisis Response Services. The Department of Health Care Services (DHCS) is proposing to repeal and recast state law as it relates to the Community-Based Mobile Crisis Response Services benefit, effective April 1, 2027.

Background: Existing federal law authorizes state Medicaid programs to offer “qualifying” community-based mobile crisis response services for a five-year period beginning on April 1, 2022, through March 31, 2027 (Section 1396w–6 of Title 42 of the United States Code). Federal law also allows states to be reimbursed at an enhanced 85 percent Federal Medical Assistance Percentage (FMAP) for the first 12 fiscal quarters during the five-year period in which qualifying community-based mobile crisis response services are offered. To constitute a “qualifying” service for purposes of the 85 percent FMAP, a state’s mobile crisis benefit must meet rigorous standards established by the Centers for Medicare and Medicaid Services (CMS) and the state’s approved Medicaid State Plan. These requirements include the provision of mobile crisis services in community-based locations by qualified providers with specific training, who must be available 24 hours a day, 7 days a week, and 365 days a year. DHCS’ enhanced 85 percent FMAP period is for dates of service January 1, 2024, through December 31, 2026.

Pursuant to Welfare and Institutions Code (WIC) section 14132.57, California received CMS approval of Medicaid State Plan Amendment [22-0043](#) to include “community-based mobile crisis response services” that correspond with CMS’ requirements for “qualifying” services. In alignment with the federally authorized time frame for the benefit, WIC section 14132.57 requires DHCS to implement the benefit until March 31, 2027, and all county Mental Health Plans, Drug Medi-Cal Organized Delivery System Plans, and Drug Medi-Cal Counties (collectively called “Medi-Cal behavioral health delivery systems”) are contractually required to provide or arrange for community-based mobile crisis response services as specified in the State Plan and DHCS guidance. Unless state statute is amended, the benefit will expire after March 31, 2027.



Justification for the Change:

DHCS proposes repealing WIC section 14132.57 effective April 1, 2027, and replacing it with revised benefit authority that reframes the requirements of the benefit and continues it after April 1, 2027. Mobile crisis response is a critical part of a comprehensive crisis continuum of care for Medi-Cal members with behavioral health needs, and a key component of behavioral health transformations, including conservatorship reform and Behavioral Health Transformation. However, due to the forthcoming expiration of enhanced Medicaid reimbursement, the most sustainable path forward is to redesign the community-based mobile crisis response service benefit as an optional benefit in counties that agree to participate and provide the necessary nonfederal share funding for community-based mobile crisis response services with local fund sources. This proposal will also grant DHCS authority to access other appropriated funds outside the General Fund to cover, in full or in part, the nonfederal share. DHCS will consult with counties and other stakeholders to consider revisions to the current requirements, including modifications that address operational challenges. These changes will aim to support all counties that opt-in to deliver sustainable community-based mobile crisis response services.

Specifically, the trailer bill language would:

- Make the existing section that governs “qualifying community-based mobile crisis response services,” inoperative on March 31, 2027, and subsequently repeal effective April 1, 2027 (WIC Section 14132.57(i)).
- Recast WIC section 14132.57 to define and authorize the redesigned Medi-Cal mobile crisis services benefit, effective April 1, 2027, in the following ways:
 - Require DHCS to seek all necessary federal approvals to provide community-based mobile crisis response services to eligible Medi-Cal members in counties that voluntarily agree to provide the benefit (WIC Section 14132.57(a)).
 - Clarify that counties are not required to provide community-based mobile crisis response services and counties that do opt to provide community-based mobile crisis response services do so voluntarily (WIC Section 14132.57(b)(1)).
 - Establish that counties that opt to provide community-based mobile crisis response services agree to fund the nonfederal share of any applicable expenditures (WIC Section 14132.57(b)(2)).
 - Clarify that community-based mobile crisis response services implemented under this section are not considered a state mandate of a new program or higher level of service under the 2011 realignment legislation.(WIC Section 14132.57(b)(3)).

- Establish that General Fund money cannot be used for the nonfederal share of any expenses for community-based mobile crisis response services.
- Establish requirements for the receipt of community-based mobile crisis response services in counties that agree to participate, and requirements for authorized providers of these services, and require DHCS to oversee and enforce the requirements (WIC Section 14132.57(c)).
- Authorize DHCS, until June 30, 2031, to enter into exclusive or nonexclusive contracts, or amend existing contracts, on a bid or negotiated basis to implement the section (WIC Section 14132.57(d)).
- Clarify that the section, and the redesigned benefit, will only be implemented to the extent all federal approvals have been granted, and federal financial participation is available (WIC Section 14132.57(e)).
- Provide DHCS with bulletin authority to implement the section and the redesigned benefit (WIC Section 14132.57(f)).
- Define “Medi-Cal behavioral health delivery system” (WIC Section 14132.57(g)(1)).
- Define “community-based mobile crisis response services” as “services to provide rapid response, individual assessment, and community-based stabilization to Medi-Cal beneficiaries who are experiencing a mental health or substance use disorder crisis” (WIC Section 14132.57(g)(2)).

Summary of Arguments in Support:

- Allows DHCS to redesign the benefit to facilitate the continuation of a redesigned community-based mobile crisis response service benefit on an opt-in basis.
- Continues statutory authority for the benefit without interruption in counties that opt to participate while maintaining California’s use of the enhanced FMAP funding during the qualifying period in which funds are available.
- Does not generate ongoing State General Fund costs.

BCP or Estimate Issue # and Title: PC 2329: Medi-Cal Mobile Crisis Services Benefit