



State of California—Health and Human Services Agency
Department of Health Care Services



GAVIN NEWSOM
GOVERNOR

August 18, 2021

The Honorable Anthony Portantino, Chair
Senate Appropriations Committee
State Capitol, Room 2206
Sacramento, CA 95814

Assembly BILL 369 (AS AMENDED June 15, 2021) – OPPOSE

Dear Senator Portantino:

The Department of Health Care Services (DHCS) must inform you of its opposition to AB 369.

AB 369 would require the State Department of Health Care Services to implement a program of presumptive eligibility for persons experiencing homelessness, under which a person would receive full-scope Medi-Cal benefits without a share of cost. The bill would require DHCS to authorize an enrolled Medi-Cal provider to issue a temporary Medi-Cal benefits identification card to a person experiencing homelessness, and would prohibit DHCS from requiring a person experiencing homelessness to present a valid California driver's license or identification card issued by the Department of Motor Vehicles to receive Medi-Cal services if the provider verifies the person's eligibility.

DHCS shares the author's concerns, and has the same goal of providing needed services to people experiencing homelessness. Currently, DHCS has a hospital presumptive eligibility program (Hospital PE), and recently released guidance, https://files.medi-cal.ca.gov/pubsdoco/newsroom/newsroom_31240.aspx to clarify Hospital PE providers may conduct off-site, targeted outreach to individuals who may be Medi-Cal eligible and assist them with a Hospital PE application, as is permissible under federal authority today. This new Hospital PE policy guidance will allow providers to conduct Hospital PE determinations in the streets, in mobile clinics, and other places outside of a hospital. Therefore, DHCS does not believe it is necessary to create a duplicative PE program for people experiencing homelessness.

The 2021-22 State Budget passed by the Legislature and signed by the Governor provided DHCS with the authorization and resources to implement the [California Advancing & Innovating Medi-Cal](#) (CaAIM) initiative. CaAIM will improve outcomes for millions of Californians covered by Medi-Cal, especially those with the most complex

needs such as people experiencing homelessness by adopting a “whole person” approach to care. Under CalAIM, DHCS will establish a new, statewide enhanced care management (ECM) benefit within the Medi-Cal managed care delivery system that will provide a whole-person approach to care that addresses the clinical and non-clinical circumstances of high-need Medi-Cal beneficiaries, including those experiencing homelessness, chronic homelessness, or who are at risk for homelessness. The ECM benefit will build on the current Health Homes Program and Whole Person Care Pilots, and transition services provided under these programs to this new statewide Medi-Cal managed care benefit.

The ECM benefit will be delivered by community-based providers contracted with Medi-Cal managed care plans and will provide multiple opportunities to engage beneficiaries by stratifying risk and need, developing care plans and strategic interventions to mitigate risk and help individuals achieve improved health and well-being. Individuals experiencing homelessness, chronic homelessness, or who are at risk of becoming homeless are one of the ECM targeted populations. DHCS supports the practice of street medicine through the ECM component of CalAIM and is engaging with community providers who are interested in becoming an ECM provider.

AB 369 would circumvent the coordination of care for members identified as homeless by allowing Medi-Cal enrolled providers to provide care that is not coordinated through the comprehensive medical case management provided by the Medi-Cal managed care plan and the primary care provider. This will result in duplication of services and payment as well as inefficient use of services.

Further, requiring different utilization controls only for homeless populations creates a comparability issue under federal Medicaid requirements. A presumptive eligibility program as described in AB 369 would require new federal approvals and changes to the existing State Plan Amendments regarding presumptive eligibility and, based on the comparability issues, would not likely be approved by the Centers for Medicare and Medicaid Services, jeopardizing federal financial participation.

We believe efforts to address the care needs of homeless individuals should be done in conjunction with CalAIM to ensure maximum coordination and effective delivery of services. DHCS welcomes feedback on implementation of the ECM benefit to ensure services are appropriately delivered. We look forward to measuring the success of this program and collaborating with stakeholders to identify any gaps in care and work to address them.

It is for these reasons that DHCS must oppose AB 369.

If you have any questions, please contact me at 440-7500.

The Honorable Anthony Portantino
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Sincerely,

O/S Carol Gallegos

Carol Gallegos
Deputy Director

cc: Senator Sydney Kamlager
Chair and Members, Senate Health Committee
Senate Republican Caucus
Assembly Democratic Caucus
Assembly Floor Analysis