



The California Behavioral Health Community-Based Continuum (CalBH-CBC) Demonstration

November 15, 2022

Agenda

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Overview: Section 1115 Demonstration Opportunity (1/2)

As part of CalAIM, California committed to pursuing a Section 1115 Demonstration to support adults with serious mental illness (SMI) and children and youth with serious emotional disturbance (SED). DHCS will submit the demonstration to the Centers for Medicare and Medicaid Services (CMS) following a robust stakeholder process.

- » **CMS' 2018 guidance** permits states to use 1115 demonstrations to receive federal financial participation (FFP) for short-term care provided to Medicaid members living with SMI/SED in qualifying institutions for mental disease (IMDs), provided states establish a robust continuum of community-based care and enhance oversight of inpatient and residential treatment settings.*
- » **California was the first state to obtain a similar waiver allowing IMD expenditure authority for SUD care provided in IMDs** in exchange for strengthening SUD services under the Drug Medi-Cal Organized Delivery System (DMC-ODS). DHCS intends to use this experience to design and implement the SMI/SED demonstration.

**Per CMS guidance, this Section 1115 opportunity is limited to short-term stays in psychiatric hospitals and mental health residential treatment settings, defined as stays that are no longer than 60 days, with a requirement for a statewide average length of stay of 30 days. See [CMS State Medicaid Director Letter](#); [CMS FAQ](#); [CMS FAQ #2](#); [CMS FAQ specific to QRTPs](#) (applicable to many STRTPs).*

Overview: Section 1115 Demonstration Opportunity (2/2)

As part of CalAIM, California committed to pursuing a Section 1115 Demonstration to support adults with serious mental illness (SMI) and children and youth with serious emotional disturbance (SED). DHCS will submit the demonstration to the Centers for Medicare and Medicaid Services (CMS) following a robust stakeholder process.

- » In October of 2021, **CMS created new flexibility to secure FFP for longer stays in Short Term Residential Therapeutic Programs (STRTPs) classified as IMDs** for youth in the child welfare system for a period of up to two years. States must submit a detailed plan with key milestones and timeframes for transitioning children out of STRTPs that are IMDs.
- » DHCS has **released an external concept paper detailing the proposed approach** to the Section 1115 Demonstration for stakeholder feedback.

Demonstration: Vision and Objectives

DHCS' vision for the CalBH-CBC Demonstration is to ensure a robust continuum of community-based behavioral health care services is available to all Medi-Cal beneficiaries living with SMI and SED across the state.

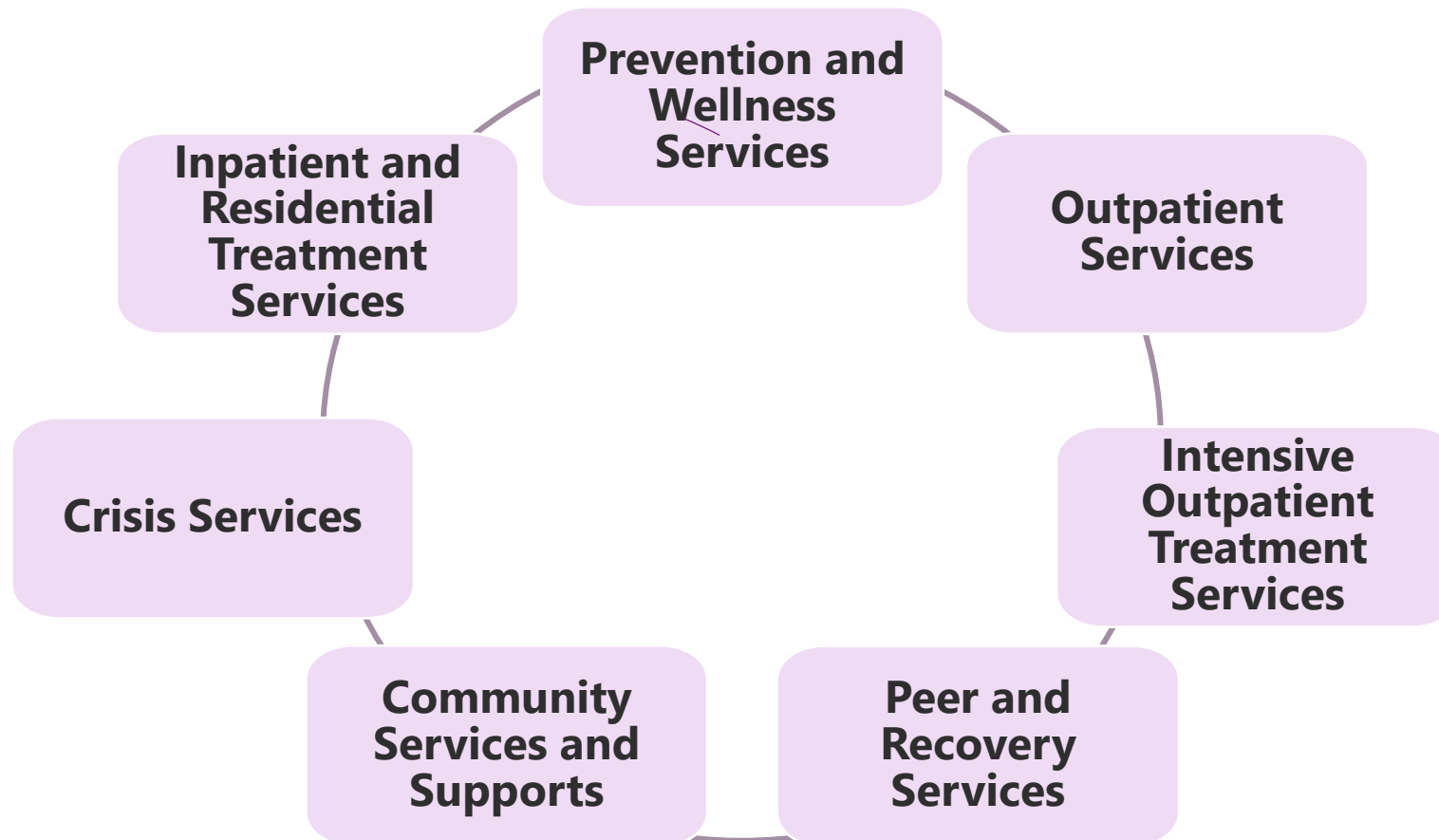
- 1** Amplify the state's ongoing investments in behavioral health and further strengthen the continuum of care.
- 2** Meet the specific mental health needs of children, individuals who are justice-involved, and individuals experiencing homelessness.
- 3** Ensure care provided in institutional settings is high-quality and time-limited.

Demonstration: Approach

- **Strengthen the statewide continuum of community-based services** and evidence-based practices available through Medi-Cal, leveraging concurrent funding initiatives, including clarifying coverage requirements for evidence-based practices for children and youth.
- **Support statewide practice transformations** and improvements in the county-administered behavioral health system to better enable counties and providers to strengthen the continuum of community-based services; to improve the quality of care delivered in residential and inpatient settings; and to strengthen transitions from these settings to the community.
- **Improve statewide county accountability** for meeting service improvement requirements and implementing new benefits through incentives, robust technical assistance, and oversight.
- **Establish a county option to enhance community-based services** through coverage of evidence-based practices that reduce the need for institutional care and improve outcomes.
- **Establish a county option to receive FFP for services provided during short-term stays in IMDs**, contingent on counties meeting robust accountability requirements; ensuring that care is provided in an institutional setting only when medically necessary and in a clinically appropriate manner; offering a full array of enhanced community-based services; and reinvesting new Medi-Cal funding into community-based care.

Demonstration: Continuum of Care (1/3)

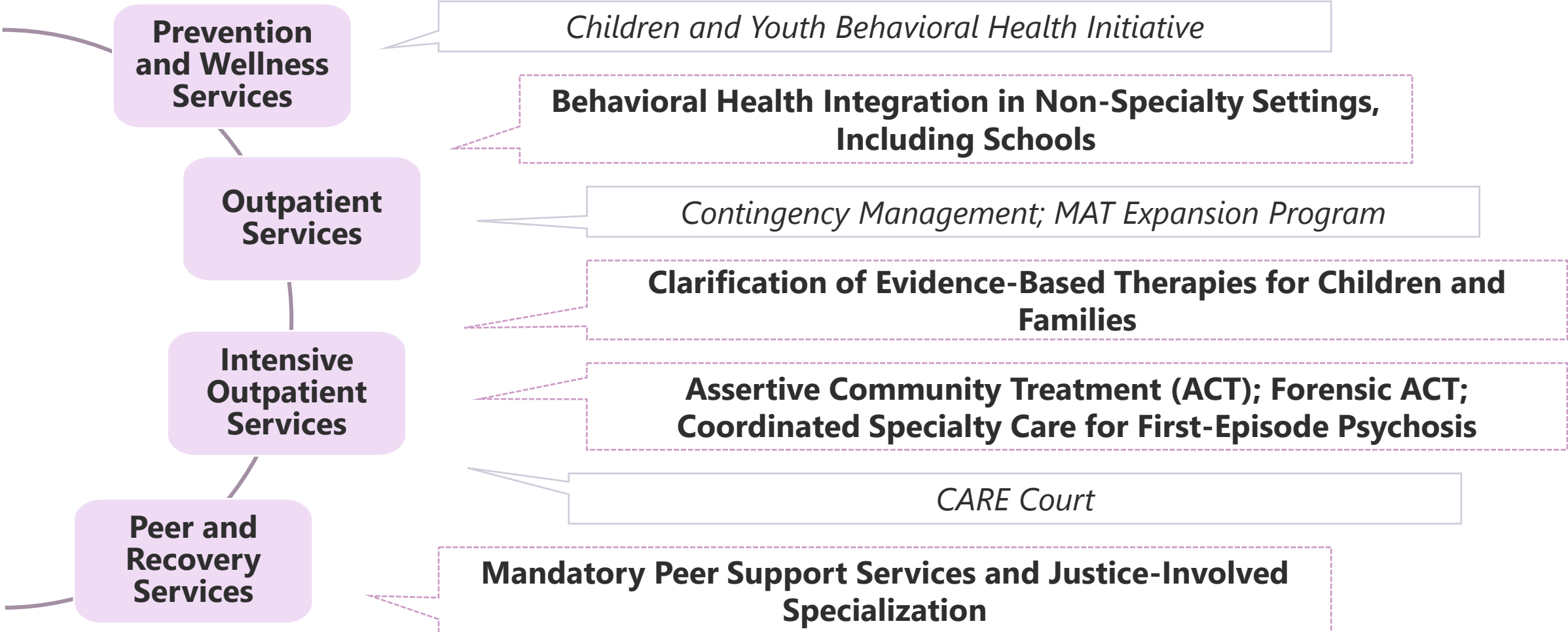
The demonstration is designed to complement and amplify the state's existing initiatives to build out the continuum of care for individuals living with SMI and SED.*



*In following slides, proposed CalBH-CBC Demonstration initiatives are in **bold**; existing initiatives are *italicized*.

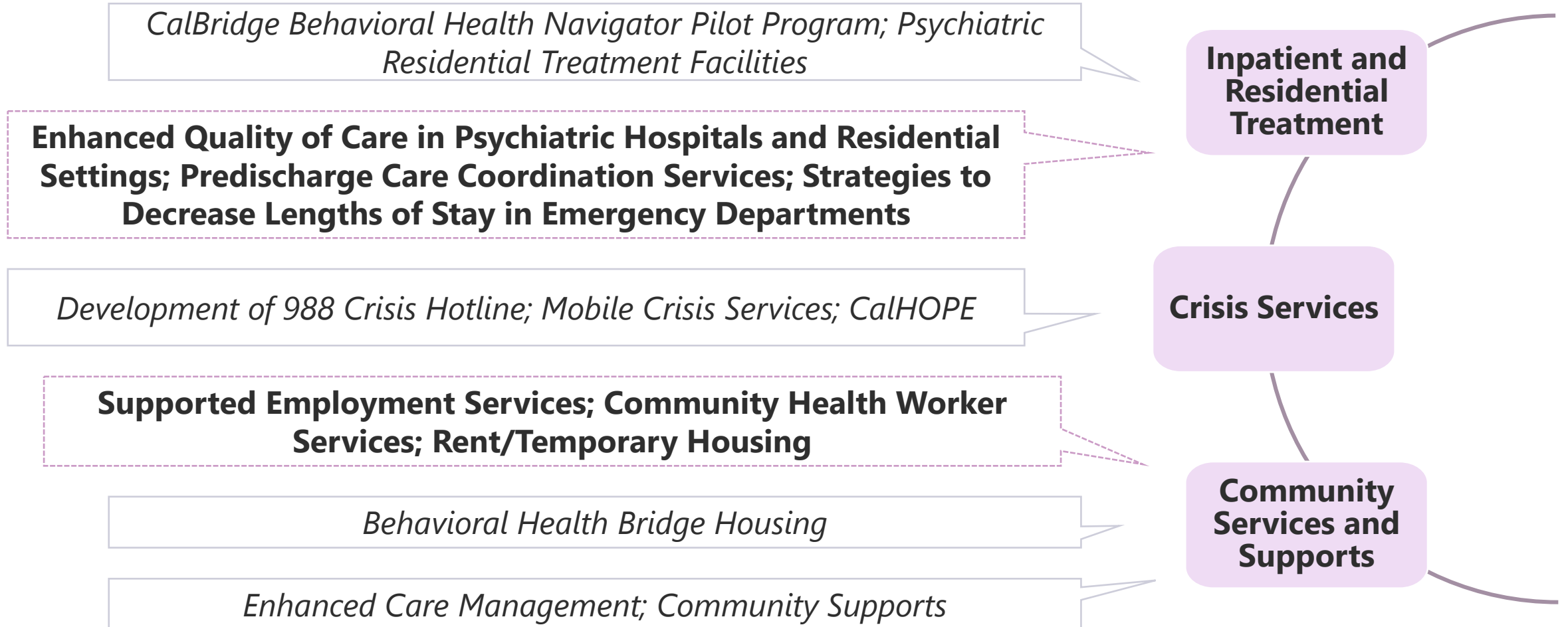
Demonstration: Continuum of Care (2/3)

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Demonstration: Continuum of Care (3/3)

The demonstration is designed to complement and amplify the state's existing initiatives to build out the continuum of care for individuals living with SMI and SED.



Demonstration: Populations of Focus (1/3)

In identifying the key elements of the demonstration, DHCS dedicated particular attention to the needs of populations that experience a disproportionate impact of behavioral health conditions. Some components will be implemented statewide, while others will be available at county option.



Children and Youth

- ✓ Clarify statewide service coverage requirements and issue guidance for specific evidence-based family and in-home therapies.
- ✓ Strengthen statewide, cross-agency coordination for youth in child welfare through a joint child welfare/specialty mental health behavioral health assessment and cross-sector incentive pool.
- ✓ Promote activity stipends for youth in child welfare to promote social and emotional well-being.

Demonstration: Populations of Focus (2/3)

In identifying the key elements of the demonstration, DHCS dedicated particular attention to the needs of populations that experience a disproportionate impact of behavioral health conditions. Some components will be implemented statewide, while others will be available at county option.



Individuals Experiencing or at Risk of Homelessness

- ✓ Establish new benefits to help beneficiaries find and keep employment and housing, including Community Health Worker services and Rent/Temporary Housing (for up to six months for beneficiaries who meet the access criteria for SMHS, DMC and/or DMC-ODS services and who are homeless or at risk of homelessness).
- ✓ Incentivize counties to reduce homelessness among beneficiaries with SMI/SED.
- ✓ Coordinate with MCPs to connect beneficiaries to Community Supports, ECM and other initiatives.
- ✓ Strengthen behavioral health services for beneficiaries with severe impairments.

Demonstration: Populations of Focus (3/3)

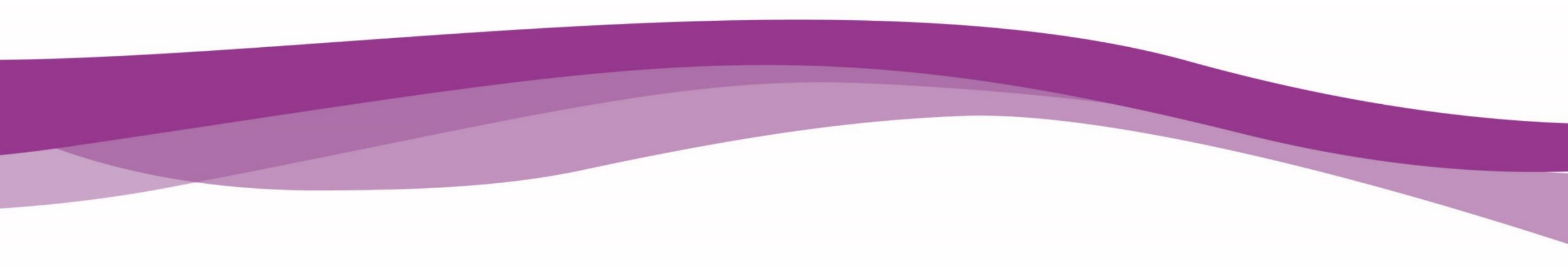
In identifying the key elements of the demonstration, DHCS dedicated particular attention to the needs of populations that experience a disproportionate impact of behavioral health conditions. Some components will be implemented statewide, while others will be available at county option.



Individuals who are Justice-Involved

- ✓ Offer new services for individuals who are justice-involved, including Forensic Assertive Community Treatment, Peer Support Services with forensic specialization, and Rent/Temporary Housing (for up to six months for beneficiaries who meet the access criteria for SMHS, DMC and/or DMC-ODS services and who are homeless or at risk of homelessness).
- ✓ Provide technical assistance to increase collaboration with law enforcement and collaborative courts, including CARE courts.
- ✓ Coordinate with other initiatives to support individuals who are justice-involved.

Demonstration Approach



Approach: Demonstration Structure (1/2)

DHCS proposes a two-pronged structure of the demonstration: statewide service improvements and supports and additional demonstration components available at county option.

Statewide Service Improvements and Supports

- **Clarification of evidence-based family and in-home therapies.** DHCS proposes to clarify coverage requirements and ensure access to specific evidence-based therapies for children and youth.
- **Targeted improvements for youth in child welfare.** DHCS intends to implement a cross-sector incentive pool, activity stipends, and an initial child welfare-specialty mental health assessment at the entry point into the child welfare system.
- **Statewide practice transformation.** Centers of Excellence, a statewide incentive program, promotion and standardization of quality of care in residential and inpatient settings, and other tools will help ensure beneficiaries receive the appropriate level of care.

Approach: Demonstration Structure (2/2)

DHCS proposes a two-pronged structure of the demonstration: statewide service improvements and supports and additional demonstration components available at county option.

Demonstration Components Available at County Option

- **Option to enhance community-based services.** Counties will have the option to offer new evidence-based practices, including Assertive Community Treatment, Forensic Assertive Community Treatment, Supported Employment, Coordinated Specialty Care for First Episode Psychosis, Community Health Worker Services, and Rent/Temporary Housing (see footnote on slide 6).
- **Option to receive FFP for short-term stays in IMDs.** Counties that agree to certain conditions can opt-in to receive FFP for short-term stays in IMDs contingent on:
 1. Complying with **all** statewide requirements (see previous slide);
 2. Implementing **all** new community-based services (see above); and
 3. Meeting other CMS requirements.

Approach: CMS Implementation Plan (1/3)

CMS has outlined a series of milestones that states and participating facilities must meet to receive IMD expenditure authority. In parallel with the demonstration application, DHCS will submit an implementation plan to CMS that explains how California will meet all CMS requirements building on the state's ongoing investments.

Statewide Milestones:

- » **Interoperability.** Develop and enhance interoperability and data sharing.
- » **Bed tracking.** Improve statewide capacity to track availability of inpatient and crisis stabilization beds.
- » **Annual assessments.** Assessments of the availability of mental health services throughout the state.
- » **Financing plan.** Plan to increase availability of non-hospital, non-residential crisis stabilization services.
- » **Assessment tool.** Use of an evidence-based patient assessment tool to help determine appropriate level of care and length of stay.
- » **Pre-discharge care coordination.** Participating IMDs provide intensive pre-discharge, care coordination services.
- » **Housing transitions.** Assess the housing situation of individuals transitioning out of participating IMDs and connect with community services.

Approach: CMS Implementation Plan (2/3)

CMS has outlined a series of milestones that states and participating facilities must meet to receive IMD expenditure authority. In parallel with the demonstration application, DHCS will submit an implementation plan to CMS that explains how California will meet all CMS requirements building on the state's ongoing investments.

Statewide Milestones (cont.):

- » **Utilization review.** MCOs ensure access to appropriate levels of care and ensure appropriate inpatient/residential admissions and lengths of stay.
- » **Screen and assess comorbid conditions.** Screen for co-morbid physical conditions and SUDs.
- » **Post-discharge contact.** Psychiatric hospitals and residential treatment settings must contact each discharged beneficiary within 72 hours of discharge.
- » **Behavioral health integration.** Increase integration in schools and primary care settings.*
- » **Children and youth.** Specialized settings and services for children and youth.*

**DHCS is already meeting milestones related to behavioral health integration and children and youth on a statewide basis through current initiatives and programs.*

Approach: CMS Implementation Plan (3/3)

CMS has outlined a series of milestones that states and participating facilities must meet to receive IMD expenditure authority. In parallel with the demonstration application, DHCS will submit an implementation plan to CMS that explains how California will meet all CMS requirements building on the state's ongoing investments.

Opt-In County Milestones:

- » **Licensing and accreditation.** Participating IMDs are licensed and accredited by a nationally recognized entity.
- » **ED Strategy.** Implement strategies to prevent or decrease lengths of stays in Emergency Departments.

Approach: Key Demonstration Components (1/2)

The demonstration may include the following initiatives. Many may be statewide while others may be implemented as part of a county option to offer an enhanced continuum of care and receive FFP for short-term stays in IMDs.



Strengthen Statewide Continuum of Community-Based Services

- ✓ Clarification of Coverage Requirements for Evidence-Based Practices for Children and Youth
- ✓ Cross-Sector Incentive Pool
- ✓ Activity Stipends
- ✓ Initial Child Welfare/Specialty Mental Health Assessment



Support Statewide Practice Transformations

- ✓ Statewide Centers of Excellence
- ✓ Statewide Incentive Program
- ✓ Statewide Tools to Connect Beneficiaries Living with SMI/SED to Appropriate Care
- ✓ Promotion and Standardization of Quality of Care in Residential and Inpatient Settings



Improve Statewide County Accountability for Medi-Cal Services

- ✓ Transparent Monitoring Approach
- ✓ Establishment of Key Performance Expectations and Accountability Standards in County Mental Health Plan Contract
- ✓ Streamlined Performance Review Process

Approach: Key Demonstration Components (2/2)

The demonstration may include the following initiatives. Many may be statewide while others may be implemented as part of a county option to offer an enhanced continuum of care and receive FFP for short-term stays in IMDs.



County Option to Enhance Community-Based Services

- ✓ Assertive Community Treatment
- ✓ Forensic Assertive Community Treatment
- ✓ Supported Employment
- ✓ Coordinated Specialty Care for First Episode Psychosis
- ✓ Community Health Worker Services
- ✓ Rent/Temporary Housing*



County Option to Receive FFP for Short-Term Stays in IMDs

- ✓ FFP for Short Term Stays in IMDs
- ✓ Requirement to Provide All Enhanced Community-Based Services for Beneficiaries Living with SMI/SED
- ✓ Incentive Program for Opt-In Counties
- ✓ Other CMS Requirements

**For up to six months for beneficiaries who meet the access criteria for SMHS, DMC and/or DMC-ODS services and who are homeless or at risk of homelessness, including individuals transitioning from institutional care, leaving incarceration, and youth transitioning out of the child welfare system.*

Next Steps

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Demonstration: Next Steps

DHCS is committed to working with stakeholders to ensure the CalBH-CBC Demonstration is aligned with the needs of beneficiaries living with SMI/SED across the state.

- » **Concept Paper Feedback.** Stakeholders are invited to submit written feedback to the CalBH-CBC Demonstration concept paper by email to CalBHCBC@dhcs.ca.gov by January 13, 2023. Please include “CalBH-CBC Demonstration Feedback” in the subject of the email.
- » **Public Comment.** DHCS intends to release the CalBH-CBC Demonstration application for public comment following the concept paper feedback period.
- » **Submission of Demonstration Application and Implementation Plan.** DHCS intends to submit the final CalBH-CBC Demonstration application and implementation plan to CMS following stakeholder review, CalBH-CBC Demonstration webinar sessions, and incorporating feedback received during public comment.

Questions?

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Appendix

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Context: Major Behavioral Health Initiatives

The CalBH-CBC Demonstration will complement and amplify ongoing state initiatives and investments in behavioral health care.

CalAIM Initiatives	CalAIM BH Initiatives	2022-23 Budget	Other Programs
<ul style="list-style-type: none">✓ Justice-Involved Initiative✓ Community Supports✓ Enhanced Care Management✓ Peer Support Services	<ul style="list-style-type: none">✓ Contingency Management✓ BH Payment Reform✓ No Wrong Door✓ Screening and Transition Tools✓ Updated SMHS Criteria✓ Documentation Redesign✓ DMC-ODS Renewal	<ul style="list-style-type: none">✓ Behavioral Health Bridge Housing✓ MAT Expansion Program✓ Complex Care Dollars for IST Populations✓ CARE Court✓ Mobile Crisis Services Benefit	<ul style="list-style-type: none">✓ Psychiatric Residential Treatment Facilities✓ Children and Youth Behavioral Health Initiative✓ BH Continuum Infrastructure Program✓ BH Integration Incentives Program✓ Housing and Homelessness Incentive Program

Context: Crisis Initiatives

The CalBH-CBC Demonstration can help to link DHCS, CalHHS and other state partner initiatives across 988, mobile crisis services and other efforts into one coordinated statewide strategy for integrating a robust crisis continuum into the broader behavioral health continuum of care.

Crisis Call Center (988)

- ✓ CalHHS is leading a stakeholder process to support implementation of the 988 crisis call center line.

Mobile Crisis

- ✓ DHCS submitted a State Plan Amendment that establishes a new Medi-Cal mobile crisis services benefit in October 2022.*
- ✓ DHCS distributed BHCIP Round 1 funding for mobile crisis planning and implementation grants.

Crisis Receiving and Stabilization Services/Ongoing Crisis Treatment

- ✓ DHCS is proposing a practice change for crisis residential treatment to align with national standards.
- ✓ BHCIP Round 5 "Crisis Continuum" Request for Application available November 2022.

**Many counties already operate mobile crisis teams*