State of California

Department of Health Care Services

American Rescue Plan Act

Increased Federal Medical Assistance Percentage (FMAP) for Home- and Community-Based Services (HCBS)

Semi-Annual Reporting on HCBS Spending Plan Narratives

for

Federal Fiscal Year 2022-2023, Quarter 1

(Updated on November 3, 2022)

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OVERVIEW

A variety of health and human services can be delivered through home- and community-based services (HCBS), which comprise person-centered care delivered in the home and community. In turn, HCBS programs address the needs of people with functional limitations who need assistance with everyday activities, serving as a source of assistance to many individuals, including senior citizens, and those with physical disabilities and serious behavioral health conditions.

California's HCBS Spending Plan builds on the bold health and human services proposals that were anchored in California's Comeback Plan, by expanding on or complementing the proposals to achieve improved outcomes for individuals served by the programs. Historically, these proposals independently provided one-time investments to build capacity and transform critical safety net programs to support and empower Californians.

It is this tradition of investing in such programs and services that propels California's HCBS Spending Plan. Rooted in both the Olmstead Supreme Court decision of 1999 [(*Olmstead v. L.C.,* 527 U.S. 581 (1999)] and in California's values of inclusion, access, and equity, California's HCBS Spending Plan manifests the state's deep and longstanding commitment to advancing the health and well-being of all in our state, promoting economic mobility and overall social stability.

Enhanced Federal Funding Authorized by the ARPA

On March 11, 2021, President Biden signed ARPA (Pub. L. 117-2). Section 9817 of the ARPA provides qualifying states with a temporary 10 percentage point increase to the federal medical assistance percentage (FMAP) for certain Medicaid expenditures for HCBS programs from April 1, 2021 through March 31, 2022.

This law requires states to use the federal funds attributable to the increased FMAP to supplement, not supplant, existing state funds expended for Medicaid HCBS in effect as of April 1, 2021. In addition, states must use state funds equivalent to the amount of federal funds attributable to the increased FMAP to implement or supplement the implementation of one or more activities to enhance, expand, or strengthen HCBS under the Medicaid program.

States will be permitted to use the equivalent to the amount of federal funds attributable to the increased FMAP through March 31, 2025, on activities aligned with the goals of section 9817 of the ARPA and as listed in CMS' guidance. Under ARPA, states can implement a variety of activities, including enhancements to HCBS services, eligibility, infrastructure, and reimbursement methodologies, to enhance, expand, or strengthen

Medicaid HCBS.

Initial Submission of California's HCBS Spending Plan

On July 12, 2021, the Department of Health Care Services (DHCS) submitted to the Center for Medicare and Medicaid Services (CMS) California's original Initial HCBS Spending Plan Projection and original Initial HCBS Spending Plan Narrative as to certain initiatives for Medicaid home- and community-based services, consistent with the directives outlined in CMS' letter, "Implementation of American Rescue Plan Act of 2021 Section 9817," dated May 13, 2021 (State Medicaid Director Letter (SMDL) #21-003).

On September 17 and October 27, 2021, responsive to CMS' September 3 and October 26, 2021 feedback regarding certain initiatives and request for additional information, California submitted updates of the foregoing documents for CMS' review or approval. On January 4, 2022, CMS informed DHCS that the CA HCBS Spending Plan received conditional approval.

Notably, the enhanced federal funding provides California with an opportunity to make substantial investments in the programs that serve our most vulnerable population; which includes the aging, disabled, and homeless, and those with severe behavioral health needs. These investments further bolster the investments made in health and human services programs as part of the 2021 state budget that were designed to begin addressing the health, economic, and racial inequities that were exacerbated by the COVID-19 pandemic. Collectively, these investments chart a path to a system where social services—such as housing supports, food, and childcare—are linked to the health and behavioral health services. These services are person-centered, they will help address the social, cultural, and linguistic needs of the individuals they serve. Finally, these proposals independently help bolster critical safety net programs that support and empower Californians.

Regular Reporting on California's HCBS Spending Plan

CMS requires participating states to report regularly, by way of quarterly fiscal reports and semi-annual narratives, that the state has implemented and/or intends to implement activities to enhance, expand, or strengthen HCBS under the Medicaid program, to demonstrate that the state is supplementing, but not supplanting, existing state funds expended for Medicaid. (See SMDL-#21-003-at-https://www.medicaid.gov/federal-policy-guidance/downloads/smd21003.pdf and SMDL #22-002-at https://www.medicaid.gov/federal-policy-guidance/downloads/smd22002.pdf.

This multi-department report on California's HCBS Spending Plan updates CMS on the remaining initiatives in the following five categories of services:

- Workforce: Retaining and Building Network of HCBS Direct Care Workers
- HCBS Navigation
- HCBS Transitions
- Services: Enhancing HCBS Capacity and Models of Care
- HCBS Infrastructure and Support

As noted in the initial submission, California's HCBS Spending Plan reflects stakeholder feedback, having incorporated suggestions from advocates, providers, consumers, caregivers, community-based organizations, managed care plans, and foundations. The state's Spending Plan also reflects priorities from the state Legislature. Further, the initiatives included in this Spending Plan will be sustained through many ongoing investments, reflecting the collective vision of the state and its stakeholders.

CATEGORIES of SERVICES and HCBS SPENDING PLAN INITIATIVES

Workforce: Retaining and Building Network of Home- and Community-Based Direct Care Workers

Critical to all endeavors to expand home- and community-based services is a robust direct care workforce. The state recognizes this workforce's cultural and linguistic strengths as valuable and finds it serves as a model as the state develops this network. Without an investment in the state's workforce, the HCBS initiatives and services discussed later in this document would not be viable.

In addition, turnover among the workforce who are directly involved with consumers prevents the development of trusting relationships and causes instability in services for the consumer. Targeted investments are needed to recruit, train, and retain a network of highly skilled workers to improve consumer experience and outcomes.

These proposals work to expand workforce supply and HCBS provider types, including homeless service workers; providers of HCBS wrap services to keep people in their homes and community; and home-based clinical direct care. In addition, these proposals will increase training, ensuring a skilled and linguistically and culturally responsive workforce, while supporting a career ladder that allows HCBS workers to develop their skills and training.

Initiatives include:

- *In Home Supportive Services (IHSS) Career Pathways*
- *Direct Care (Non-IHSS) Workforce - Training and Stipends*
- *IHSS HCBS Care Economy Payments*
- *Non-IHSS HCBS Care Economy Payments*
- *Increasing Home and Community-Based Clinical Workforce*
- *Providing Access and Transforming Health (PATH) funds for Homeless and HCBS Direct Care Providers*
- *Traumatic Brain Injury (TBI) Program*

IHSS Career Pathways
Funding: $295.1M enhanced federal funding ($295.1M TF) [One-Time] Lead Department(s): California Department of Social Services (CDSS), with DHCS

A. Overview

Through this initiative, CDSS will provide one-time incentive payments to providers for completion of training and/or to incentivize providers working for IHSS recipients with complex care needs in the areas of their training.

The training opportunities will be voluntary and include, but not be limited to, learning pathways in the areas of general health and safety, caring for recipients with dementia, caring for recipients with behavioral health needs, and caring for recipients who are severely impaired.

The objectives of the learning pathways include promotion of recipient self-determination principles and of the recipient and provider; the advancement of health equity and reduced health disparities for IHSS recipients; and assisting in the development of a culturally and linguistically competent workforce – to meet the growing racial and ethnic diversity of an aging population increasing IHSS provider retention to maintain a stable workforce, for the improvement of the health and well-being of IHSS recipients (including quality of care, quality of life, and care outcomes), and to ensure meaningful collaboration between an IHSS recipient and provider regarding care and training.

CDSS will determine the process by which any required contracting and payment to identified training programs occurs. Efforts will also be made to ensure specialized trainings are linked to existing career pathways, licensing, and certification to further expand IHSS providers' opportunities for career advancement.

County IHSS programs and/or IHSS Public Authorities will provide outreach to providers regarding training opportunities, assist interested providers to connect with training, track completion of training, and issue stipend payments, as well as any other identified administrative activities. Additionally, Public Authority registries should be enhanced to capture completed training pathways for registry providers.

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CDSS worked with stakeholders in the summer of 2021 to define career pathways and program objectives. The State, through Assembly Bill 172, added Welfare & Institutions Code (W&IC) section 12316.1 to administer the Career Pathways Program for the IHSS providers. It outlines a pilot project for the Career Pathways Program that will be implemented by no later than September 1, 2022 and remain operative until March 31, 2024. Providers who have completed provider enrollment and are eligible to work for a recipient, including registry and emergency backup providers, may participate in the Career Pathways Program. Providers will be paid for the hours they spend in training; those who successfully complete coursework in their selected career pathway and those who then apply the coursework to the IHSS programs will be eligible to receive incentive payments.

CDSS held three public listening sessions with IHSS providers, recipients, and advocates to discuss the IHSS Career Pathways Program and obtain feedback in December 2021, January 2022, and March 2022.

On March 11, 2022, CDSS released a Request for Proposal (RFP) to competitively bid training vendor services. Bidders were required to submit their proposals by April 29, 2022. Currently, CDSS is in the process of evaluating the bids and anticipates releasing the Intent to Award in June 2022.

In addition to seeking training vendor services through the RFP, CDSS is in discussions with Counties and Public Authorities to seek additional training courses. CDSS anticipates classes will be provided in multiple formats, including online, hybrid, in-person, and in multiple languages. CDSS is pursuing two additional contracts. The first contract is with a vendor to provide career coaching and support for program participants, marketing and outreach, and tracking of program information and data. CDSS is still in the process of finalizing this contract. The second contract is with High Road Alliance for consulting services to identify and build career ladders related to the established career pathways. This contract has been executed.

Payments to providers will be issued through the IHSS automated system, known as the Case Management, Information and Payrolling System (CMIPS). CGI Technologies and

Solutions, the vendor who maintains and operates the CMIPS on behalf of the State, is in the process of implementing system changes to the CMIPS in order to process the additional timesheets and incentive payments for the Career Pathways Program. System changes will be completed prior to the program's implementation.

The Career Pathways Pilot Program will be implemented no later than September 1, 2022, and remain operative until March 31, 2024.

Direct Care Workforce (non-IHSS) Training and Stipends
Funding: $150M enhanced federal funding ($150M TF) [One-Time] Lead Department(s): California Department of Aging (CDA), with DHCS, CDSS, Office of Statewide Health Planning and Development (OSHPD), now named as the Department of Health Care Access and Information (HCAI)

A. Overview

Direct Care Workforce (non-IHSS) providers render services to Medicaid participants in a range of home- and community-based settings. In this initiative, training and stipends will be available to these providers in order to improve quality of care, respond to severe worker shortages in the sector, and prevent unnecessary institutionalization. These training and stipends for workers of the Direct Care Workforce (non-IHSS), who serve people participating in Medicaid and receiving services to remain living in the home and community and avoid institutions, will improve the skills, stipend compensation, and retention of the direct care workforce sector that is either employed by Medicaid HCBS waiver programs (e.g., CBAS, MSSP, PACE) or delivering the direct care services to Medicaid participants who are referenced in Appendix B.

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California Department of Aging's (CDA) Non-IHSS Direct Care Workforce program is referred to as California GROWs (Growing a Resilient Outstanding Workforce in the Home and Community).

Program Framework: California GROWs will include a two-pronged approach to training and incentives:

Leverage the IHSS Career Pathways Program's Five Training Pathways program, enabling access to the curriculum offered through the IHSS training pathways, including stipends to participate.

CA GROWs Innovation Fund: The CA GROWs Innovation Fund will supplement the Five Training Pathways program with innovations in training, curriculum, and workforce

retention initiatives. Organizations will have the opportunity to apply for funding to develop curriculum or administer training that meet the specialized and culturally competent needs of California's home and community-based Direct Care Workforce.

Target Population: The target population will include non-IHSS Direct Care Workers providing direct support to Medi-Cal recipients in the home and community, including home care aides, social workers, personal care assistants, activities coordinators, care coordinators, transportation providers, among others. We are seeking input on other job categories that may be overlooked.

Stakeholder Engagement: Through the support of a consultant, the CDA has engaged providers, workers, and subject matter experts in developing and refining the program concept.

Vendor/Third Party Administrator: CDA is in the process of executing a contract with a vendor to act as Third-Party Administrator for the training and stipends program, as well as the CA GROWs Innovation Fund.

Timeline: CDA estimates that a contract will be executed with a Third-Party Administrator in July. The program is expected to launch in the fall of 2023.

IHSS HCBS Care Economy Payments
Funding: $165.79M enhanced federal funding ($295M TF) [One-Time] Lead Department(s): CDSS

A. Overview

The IHSS HCBS Care Economy Payments are a one-time incentive payment of $500 to each current IHSS Provider that provided IHSS to program Recipient(s) for a minimum of two months between March 1, 2020, and March 31, 2021. The payment will be issued through the IHSS automated system, known as the Case Management, Information and Payrolling System (CMIPS), and will focus on payment for retention, recognition, and workforce development.

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CGI Technologies and Solutions, the vendor that maintains and operates CMIPS on behalf of the State, designed and implemented system changes to the CMIPS in order to process the one-time IHSS HCBS Care Economy Payment. A newly created special transaction type, known as the Provider One Time Payment, was used to pay out the Care Economy Payment. Notices were emailed to all IHSS Providers informing them of

the upcoming IHSS Care Economy Payment. Paper letters were mailed to Providers that did not have an email address. Each notice included the qualifications required to receive the payment.

The one-time payment was in January 2022 to 574,730 providers. Some additional payments were issued for IHSS Providers who were found eligible since the payments were issued in January.

Non-IHSS HCBS Care Economy Payments
Funding: $6.25M enhanced federal funding ($12.5M TF) [One-Time] Lead Department(s): DHCS, with CDA

A. Overview

This funding would provide a one-time incentive payment of $500 to each current direct care, non-In-Home Supportive Services (IHSS) provider of Medi-Cal home and community-based services during the specific timeframe of at least two months between March 2020 and March 2021. Providers eligible for this incentive payment are currently providing, or have provided, the services listed in Appendix B of the SMDL #21-003, including, but not limited to, Personal Care Services (PCS), homemaker services, and Case Management. This proposal will expand access to providers and could increase retention of current providers, covering 25,000 direct care HCBS providers in the Multipurpose Senior Services Program Waiver (MSSP), Community Based Adult Services program (CBAS), Home and Community-Based Alternatives (HCBA) Waiver, Assisted Living Waiver (ALW), HIV/AIDS Waiver, Program of All-Inclusive Care for the Elderly (PACE), and the California Community Transitions program (CCT), and would focus on payment for retention, recognition, and workforce development. This effort can help alleviate financial strain and hardships suffered by California's HCBS direct care workforce, which were exacerbated by the COVID-19 Public Health Emergency (PHE). The PHE has worsened the direct care workforce shortage, driven by high turnover, and limited opportunities for career advancement. This proposal, coupled with California's other proposals, can lead to a more knowledgeable, better trained, and sufficiently staffed HCBS workforce to provide high-quality services.

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DHCS has identified that payment processes will be complex and likely require a mix of fiscal intermediary facilitated payments and DHCS direct payments due to the fee-for-service, capitation, and provider models (in most cases, provider agencies claim or receive capitated payment for services provided by employed direct care staff). DHCS is collaborating with the California Department of Social Services (DSS) and California Department of Aging (CDA), to identify the most effectual route to identify eligible

recipients and implement systems to process payments.

This initiative is a one-time payment meant to help alleviate financial strain and hardships suffered by California's HCBS direct care workforce during the COVID-19 PHE and expand access to providers and incentivize retention of current California's existing HCBS direct care workforce.

Increasing the Home and Community Based Clinical Workforce
Funding: $75M enhanced federal funding ($75M TF) [One-Time] Lead Department(s): OSPHD/HCAI, with DHCS, California Department of Public Health (CDPH), CDA

A. Overview

The goals of this initiative are to increase the HCBS clinical workforce of Home Health Aides (HHAs), Certified Nurse Assistants (CNAs), Licensed Vocational Nurses (LVNs), and Registered Nurses (RNs); and to increase racial and language diversity; access to health services in rural communities, for children with complex medical conditions and individuals with disabilities; and access to geriatric care for aging adults for the Medi-Cal population.

To attain this goal, HCAI is working with a consulting firm to develop and execute a contract. Once a contract is in place, the consulting firm will conduct needs assessment and stakeholder engagement to identify data needs and gaps, and to inform and develop HCBS clinical workforce objectives, recommendations, proposed timelines, and project implementation plan.

HCAI has contracted with a consultant, effective November 1, 2021, to conduct a needs assessment and assist with the design and development of initiatives or programs to increase the HCBS clinical workforce.

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Activities

- August 26, 2021 – HCAI conducted a HCBS Spending Plan – Cross Department kick-off meeting with CDA, CDPH, and DHCS to coordinate among state agencies regarding the HCBS project goal related to increasing clinical workforce, to start identifying data needs and other stakeholders, and identify next steps across departments.

- HCAI will continue to engage other departments when doing the stakeholder engagement and data needs analysis.

- November 12, 2021 – HCAI informed all potential stakeholders about the HCBS initiative and encouraged them to participate in upcoming interview and design and development sessions.

- February 10, 2022 – Based on stakeholder feedback, Consultant presented HCAI with a list of twelve recommendations for programs or initiatives to increase the clinical workforce. HCAI prioritized these recommendations, considering programs or initiatives to implement in the near term and those that require a longer period to build. To validate HCAI's priorities, stakeholders were surveyed.
- March 2, 2022 – HCAI approved a final list of prioritized recommendations. The top recommendations are:

    - Fund low-income student's expenses and wrap-around support and/or services.
    - Fund new and existing staff bonuses and stipends.
    - Develop career pathways and pipelines**.**
    - Target outreach in shortage areas and in diverse communities.
    - Fund programs that support upskilling and mentorship.
    - Develop campaigns that increase awareness about the valuable work of HHAs and CNAs.
    - Develop programs and stipends that increase the pool of instructors and faculty in clinical training sites.

- Meetings continue with a variety of stakeholders whose programs align with HCAIs prioritized recommendations.

- March 18, 2022 – a meeting was held with an organization that proposed a new three-year program to increase the CNA and HHA workforce.

- April 18, 2022 – an initial meeting was held with an organization that represents California SNF's to discuss program development to add CNA clinical training sites that will incorporate upskilling and earn and learn components.

- April 22, 2022 – a meeting was held with an adult education consortium to discuss opportunities to increase the health instructor pool for CNA and HHA training programs.

- May 15, 2022 – second meeting held with an organization that represents

California SNF's to address developing a proposal that would increase the number of SNF's that offer CNA clinical training and adds an upskilling and earn and learn component.

- May 15, 2022 – a meeting was held with the Dean of a California Community College to discuss their pilot program that offers RN and Advanced Practice Nursing students an opportunity to become instructors.

- June 3, 2022 – received a proposal from an organization that proposed a new four-year program to increase the LVN and RN workforce that includes the opportunity for CNAs and HHAs to upskill in these roles. HCAI is currently reviewing this opportunity.

- June 16, 2022 – HCAI received a proposal from an organization that represents California SNFs to increase clinical training programs at SNFs and includes an upskilling and earn and learn component.

Program Implementation

HCAI has executed a three-year grant agreement with LeadingAge California that will award a total of $11M in HCBS funding to support The Gateway-In Project. This program aligns with HCAIs workforce priorities and will:

- Add 2,700 CNA and HHA students.
- Add 10 new clinical training sites across throughout the state that funds student tuition.
- Supports low-income students through wrap-around services that include transportation, education materials, career-coaching, and provide English as a second-language education.
- The Grant Agreement was effective June 15, 2022, and we anticipate that the first release of funds will occur in August 2022. (This actual expenditure will be reflected as an adjustment in the Q2 FFY 2022-2023 update.)

Consultant Contract

- Contract was executed and effective November 1, 2021.
- As of December 15, 2021 – Consultant has conducted 15 stakeholder engagement interviews.
- As of February 18, 2022 – Consultant conducted and completed 27 stakeholder engagement interviews. In parallel, Consultant has completed and presented series of four (4) landscape analyses.
- Consultant is continuing to work with HCAI to plan program development and to

establish and facilitate cross-departmental collaborative workgroups to coordinate initiatives and to address barriers.

HCAI has contracted with a consultant to assist in developing a multi-year plan beyond March 31, 2024.

HCAI anticipates releasing initial funding opportunities in Q3 of FFY 2022-2023.

Providing Access and Transforming Health (PATH) Funds for Homeless and HCBS Direct Care Providers
Funding: $50M enhanced federal funding ($100M TF) [One-Time] Lead Department(s): DHCS, with CDSS and OSHPD/HCAI

A. Overview

PATH funds will support a multi-year effort to shift delivery systems and advance the coordination and delivery of quality care and services authorized under DHCS' Section 1115 and 1915(b) waivers. California is proposing a significant expansion of the homeless system of care that will create over 2,000 direct service jobs for those providing services to homeless and formerly homeless individuals through investments in California Department of Social Services programs.

Additionally, Medi-Cal is planning to expand Enhanced Care Management (ECM) and long-term services and supports statewide through CalAIM Community Supports (formerly known as In Lieu of Services (ILOS)). To successfully implement these new investments, local governments and community-based organizations will need to recruit, onboard, and train a new workforce. In particular, there is a need for a workforce with experience/expertise in working with the disabled and aging populations. Funding will support outreach efforts to publicize job opportunities, workforce development strategies to train staff in evidenced based practices, implement information technology for data sharing, and support training stipends. Funds will also support ECM and Community Supports provider capacity building (e.g., workflow development, operational requirements and oversight) and delivery system infrastructure investments (e.g., certified EHR technology, care management document systems, closed-loop referrals, billing systems/services, and onboarding/enhancements to health information exchange capabilities).

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DHCS has submitted the operational protocols for the PATH program to CMS for review.

The activities funded in this initiative are foundational to the successful implementation of Enhanced Care Management and Community Supports, such as Housing Support and Navigation Services, Respite Services, Day Habilitation Programs, Community Transition

Services, Personal Care and Homemaker Services, and Environmental Accessibility Adaptions, by building further capacity and infrastructure. The services are being implemented in California's Medi-Cal Managed Care Delivery System, with the goal of implementing Managed Long Term Services and Supports statewide in 2027.

DHCS anticipates the application process and funding distribution to begin in Q3 of FFY 2022-2023.

Traumatic Brain Injury (TBI) Program
Funding: $5M enhanced federal funding ($5M TF) [One-Time] Lead Department(s): Department of Rehabilitation (DOR)

A. Overview

The DOR Traumatic Brain Injury (TBI) Program provides five core services designed to increase independent living skills to maximize the ability of individuals with TBI to live independently in a community of their choice. These core services are also preventative as many TBI survivors who do not have access to a network of services and supports are at a higher risk of chronic homelessness, institutionalization, imprisonment, and placement in skilled nursing facilities due to an inability to perform activities of daily living and impaired emotional regulation. State law requires that 51% of the individuals served in the TBI program must be Medi-Cal recipients.

The HCBS Expanding TBI Provider Capacity Proposal will expand the capacity of existing TBI sites and stand up new TBI sites in alignment with HCBS surrounding transition and diversion through community reintegration, personal care services through supported living services, and other supportive services to improve functional capabilities of individuals with TBI.

The proposal includes funding to expand capacity of six (6) existing TBI sites and to award up to six (6) additional TBI sites in unserved/underserved areas.

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DOR issued a Request for Application (RFA) for the selection of California TBI Program sites under California Welfare and Institutions Code (WIC) section 4357.1, with a term of April 1, 2022, through June 30, 2024. Nine (9) qualified applicants applied to the RFA, and the highest ranking six (6) were determined to be California's TBI Program Sites to receive state funding.

All nine (9) applicants that responded to the RFA were awarded contracts utilizing the

HCBS Spending Plan funding. This includes the six (6) state-funded TBI Program Sites to expand their capacity and three (3) new HCBS TBI Program Sites in underserved/underserved areas. All nine (9) TBI Program Sites will use HCBS Spending Plan funding to serve underserved/unserved areas beginning April 2, 2022 for encumbrance or expenditure until March 31, 2024. Program contracts identify underserved/unserved geographic areas and target populations they will serve.

DOR is currently in the process of hiring a staff position to support the TBI Program HCBS Spending Plan initiative with anticipated expenditures beginning July 2022.

The HCBS Spending Plan TBI Program is anticipated as a one-time investment to build the capacity of TBI services providers to serve individuals with TBI. TBI services will be provided ongoing through WIC section 4357.1 and new funding sources.

Home and Community Based Services Navigation

To improve access to HCBS, these HCBS Navigation initiatives work to development a variety of statewide HCBS navigation systems, including screening and assessment tools, referral and navigation systems, coordination of services, and outreach campaigns.

HCBS Navigation Initiatives include:

- *No Wrong Door System/Aging and Disability Resource Connections (ADRCs)*
- *Dementia Aware and Geriatric/Dementia Continuing Education*
- *Language Access and Cultural Competency Orientations and Translations*
- *CalBridge Behavioral Health Pilot Program*

No Wrong Door/Aging and Disability Resource Connections (ADRCs)
Funding: $5M enhanced federal funding ($5M TF) [One-Time] Lead Department(s): CDA, with DHCS, DOR

A. Overview

California is establishing a state-wide “No Wrong Door” system (or Aging and Disability Resource Connections), so the public can easily find information, person-centered

planning, and care management for older adults and adults with disabilities across the range of home and community services provided by health plans (i.e., CalAIM “In Lieu of Services”/Community Supports) community-based organizations (CBOs), homeless Continuums of Care, and counties. This investment supports the interoperability between the proposed ADRC technology and data systems with CBOs, health plans, and counties in line with the CalAIM goals for statewide Managed Long-Term Services and Supports for all Californians participating in Medi-Cal and with the new Office of Medicare Innovation and Integration.

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CDA is in the process of developing a statewide client relationship management (CRM) system that will be used by all of the states Aging and Disability Resource Connection (ADRC) programs. The system will allow for statewide reporting on ADRC activities, ad hoc reporting and self-service functionality, and reduced system maintenance costs. CDA is currently completing system mapping and alternatives analysis. CDA plans to send a contract solicitation in January/February 2023, with a projected award date of May/June 2023.

Dementia Care Aware and Geriatric/Dementia Continuing Education
Funding: $25M enhanced federal funding ($25M TF) [One-Time] Lead Department(s): DHCS, with OSHPD/HCAI, CDPH

A. Overview

The state budget addresses the recommendations put forward by the Governor’s Task Force on Alzheimer’s Prevention and Preparedness. This Spending Plan makes additional investments to further this work by screening older adults for Alzheimer’s and related dementias, to ensure early detection and timely diagnosis, while also connecting individuals and families to community resources.

The aims of Dementia Care Aware are to develop an annual cognitive health assessment that identifies signs of Alzheimer's disease or other dementias in Medi-Cal beneficiaries; to develop provider training in culturally competent dementia care; to develop a referral protocol on cognitive health and dementia for Medi-Cal beneficiaries, consistent with the standards for detecting cognitive impairment under the federal Medicare Program and the recommendations by the American Academy of Neurology, the California Department of Public Health’s Alzheimer’s Disease Program, and its 10 California Alzheimer’s Disease Centers (CADC).

The aim of Geriatric/Dementia Continuing Education, for all Licensed Health/Primary Care Providers, is to make continuing education in geriatrics/dementia available to all

licensed health/primary care providers, in partnership with Department of Consumer Affairs and OSHPD, by 2024. This education of current providers complements the Administration's geriatric pipeline proposals for future providers; it is needed to close the gap between current health professionals with any geriatric training and the rapidly growing and diversifying 60-plus population.

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DHCS has renamed the initiative "Dementia Care Aware," to focus on providing care to our beneficiaries and to avoid confusion with the Dementia Society of America's Dementia Aware America public-facing education and awareness campaign.

DHCS executed a contract with its Dementia Care Aware contractor, University of California San Francisco (UCSF), on April 11, 2022. UCSF will provide project management of all Dementia Care Aware deliverables. Additionally, UCSF will create a Cognitive Health Assessment (CHA) with evidence-based tools, a training for Medi-Cal providers on team-based use of the CHA, a toolkit for care planning once dementia is diagnosed, and practice-support coaching to learn how to implement the CHA and toolkit effectively. UCSF continues to work with several DHCS divisions including IT staff to ensure the online training will be ready for launch by July 1, 2022.

To provide critical expertise and address key deliverables, as well as provide support for Dementia Care Aware implementation in their local areas, several sister University of California (UC) campuses will be major partners in UCSF's efforts including UC Irvine, UC Los Angeles (UCLA), Harbor UCLA, UC Fresno, and UC San Diego, and additional campuses will be connected to the program including UC Davis's Family Caregiver Institute. The Alzheimer's Association will also be a major partner in ensuring adequate outreach and practice support activities for the entire state, especially in those areas not reached by the UC partners.

To inform Dementia Care Aware activities, the initiative has launched a Clinical Advisory Board (CAB), comprised of key stakeholders including members from primary care provider organizations, community-based organizations, and dementia experts from UC campuses, the CADCs, the CDPH Alzheimer's Disease Program, and the Alzheimer's disease and Related Disorders Advisory Committee of California Health and Human Services (CalHHS). The Dementia Care Aware CAB has so far met five (5) times from March through May 2022, with additional meetings scheduled monthly throughout the rest of the year.

In addition, on May 11, 2022, DHCS attended the California Healthy Brain Initiative Final Convening and presented an update on Dementia Care Aware activities including the recently executed contract with UCSF. On June 6, 2022, DHCS shared information about

the Dementia Care Aware initiative on a California Department of Aging webinar, and, on June 9, 2022, DHCS shared an update with the CalHHS Alzheimer's Disease and Related Disorders Advisory Committee and solicited feedback on the Cognitive Health Assessment and training.

Regarding Q1 of FFY 2022-2023, Dementia Care Aware is planning in the month of October to launch a "warm line" for provider support Monday through Friday during regular clinic hours. The warm line will be maintained by the UCSF project management team and include software to track and review all activities for internal review and quality control. Additionally, throughout the quarter, the initiative will conduct interviews with Medi-Cal providers on implementation constraints for the Dementia Care Aware CHA and toolkit. The findings from these interviews will be used to then iterate and improve the CHA and toolkit.

Every six months, UCSF will produce a report to DHCS on training completion and feedback, any available stakeholder interview data, and practice support activities. The first report will be due January 1, 2023.

Language Access and Cultural Competency Orientations and Translations
Funding: $27.5M enhanced federal funding ($45.8M TF), $10M GF Ongoing Lead Department(s): DDS

A. Overview

COVID-19 highlighted the continued need to assist families of children who are regional center consumers from underserved communities to navigate systems – to improve service access and equity and meet basic needs. The Budget includes funding for language access and cultural competency orientations and translations for regional center consumers and their families. This additional investment may be used for identification of vital documents for translation, regular and periodic language needs assessments to determine threshold languages, coordination and streamlining of interpretation and translation services, and implementation of quality control measures to ensure the availability, accuracy, readability, and cultural appropriateness of translations.

B. Quarterly Report for Quarter 1 of FFY 2022-2023

On April 6, 2022, DDS issued a directive to regional centers to develop Language Access and Cultural Competency Plans that include assessments, engaging with and listening to individuals and families from diverse communities, measurements of outcomes and

progress reports. The focus of the funding is for regional centers to improve consumer and family experience and to facilitate more consistent access to information and services for multi-lingual, monolingual, and diverse cultural groups. Regional center plans were submitted to DDS in June 2022. Once approved by DDS, regional center Language Access and Cultural Competency Plans will be available on their website. DDS is monitoring progress on stated goals, objectives, and activities. DDS will provide technical assistance as needed after review of semi-annual reports due in December 2022.

Funding beyond March 2024 is included in the multi-year budget plan.

CalBridge Behavioral Health Pilot Program
Funding: $40M enhanced federal funding ($40M TF) [One-Time] Lead Department(s): DHCS

A. Overview

The CalBridge Behavioral Health Navigator Pilot Program provides grants to acute care hospitals to support hiring trained behavioral health navigators in emergency departments to screen patients and, if appropriate, offer intervention and referral to mental health or substance use disorder programs. Applicants will include general acute care hospitals or health systems, hospital foundations, or physician groups. The funding would also support technical assistance and training for participating emergency departments and support for DHCS to administer the program.

While CalBridge is not a new program, the proposed funding is dedicated to new activities (expanding the role of the navigator to better address mental health conditionsas well as substance use disorders), new services (covering the costs for hospitals already participating in CalBridge to add a new navigator and expand hours of coverageor patients served), and new grantees (expanding CalBridge to hospitals that have not yet participated).

While the funding will affect services that are not themselves included in the State Plan services listed in Appendix B, such affected services are nonetheless directly related to the services listed in Appendix B. Specifically, BH Navigators in emergency departments provide screening, brief assessments, and referral to ongoing SUD and mental health treatments on release from the ED, all of which fall into and count among the rehabilitative services identified in Appendix B. While the services of the BH Navigators are not billable as rehabilitative services, they are serving to enhance and strengthen HCBS in Medicaid, by identifying patients who could benefit from rehabilitative treatment (both MH and SUD treatment) and then helping the patients access those services.

B. Quarterly Report for Quarter 1 of FFY 2022-2023

DHCS finalized the contract with the Public Health Institute (PHI) on April 15, 2022 to manage the grant process and provide technical assistance, grant oversight, and reporting for the CalBridge BH Navigator Program. PHI conducted outreach to hospital and emergency department leadership to promote the funding opportunity available through the Bridge Navigator Program. DHCS released a Request for Proposal on April 27, 2022 for $8.5 million to solicit participation in the CalBridge BH Navigator Program. The deadline to submit applications was May 31, 2022.

While the focus of the CalBridge BH Navigator Program is to specifically fund salaries of BH navigators in the hospital setting, it is the DHCS expectation that many of the funded hospitals will continue to support navigators beyond the conclusion of this initiative. State Plan Amendment 22-0001 was submitted for federal approval to add community health worker (CHW) services to support the navigator program as a Medi-Cal covered benefit. A core component of the CalBridge BH Navigator Program is to have DHCS' third-party administrator, PHI, perform technical assistance on sustainability to hospital grantees as part of their contracted activities. Additionally, PHI, through their State Opioid Response-funded California Bridge Program, has developed and promoted a number of technical assistance resources on sustainability of BH navigators, which will be made available to CalBridge BH Navigator Program grantees.

Home and Community-Based Services (HCBS) Transitions

The HCBS Transition initiatives expand and enhance community transition programs to additional populations or settings and facilitate individuals transitioning from an institutional or another provider-operated congregate living arrangement (such as a homeless shelter) to a variety of community-based, independent, living arrangements. The proposals include transitions from skilled nursing facilities to home or assisted living environments, preventing long-term care placements, transitions from homeless to housed, transitions from incarceration to home or residential programs, and diversion for those at risk of incarceration because of their health care (primarily behavioral health) needs.

These HCBS initiatives invest in reducing health disparities among older adults, people with disabilities, and homeless individuals. They include initiatives to test alternative payment methodologies or the delivery of new services that are designed to address social determinants of health and inequities. These new services may include housing-related supports, such as one-time transition costs, employment supports, and community integration as well as providing more intensive care coordination for individuals with significant socioeconomic needs.

HCBS Transition Initiatives include:

- *Community Based Residential Continuum Pilots for Vulnerable, Aging and Disabled Populations*
- *Eliminating the Assisted Living Waiver Waitlist*
- *Housing and Homelessness Incentive Program*
- *Community Care Expansion Program*

Community Based Residential Continuum Pilots for Vulnerable, Aging, and Disabled Populations
Funding: $110M enhanced federal funding ($298M TF) [One-Time] Lead Department(s): DHCS, with CDSS

A. Overview

The Community Based Residential Continuum Pilots would provide medical and supportive services in the home, independent living settings including permanent supportive housing, and community care settings (e.g., home, adult residential facilities (ARFs), residential care facilities for the elderly (RCFEs), affordable housing) to avoid unnecessary healthcare costs, including emergency services and future long-term care placement in a nursing home. This program would ensure individuals are able to live in the least restrictive setting possible by ensuring access to home-based health and other personal care services for vulnerable populations, including seniors and people with disabilities.

Pilot funding would be provided to managed care plans to provide these benefits to members and coordinate with county partners. Managed care plans would contract with licensed providers to provide needed medical and/or behavioral health services to beneficiaries in their own home, in coordination with any authorized IHSS services or personal care/homemaker services.

B. Quarterly Report for Quarter 1 of FFY 2022-2023

California will no longer be pursuing this initiative; this initiative has been eliminated from our HCBS Spending Plan. There are several factors that have led to the elimination of this initiative. We are now projecting less HCBS increased FMAP to be claimed and therefore are removing this item from the plan to align spending with projected claiming. Although DHCS remains committed to the goals of the initiative, given operational complexity have decided to remove from the HCBS Spending Plan.

Eliminating Assisted Living Waiver Waitlist

Funding: $85M enhanced federal funding ($255M TF), $38M Ongoing
Lead Department(s): DHCS

A. Overview

California's Assisted Living Waiver (ALW) is a Medicaid HCBS waiver program, authorized in §1915(c) of the Social Security Act. ALW is designed to assist Medi-Cal beneficiaries to remain in their community as an alternative to residing in a licensed health care facility. Adding 7,000 slots to ALW will help in the effort to eliminate the current ALW waitlist while furthering the vision of the Master Plan for Aging. The ALW capacity is 5,744 slots; of which 5,620 were filled as of May 1, 2021. There were approximately 4,900 beneficiaries on the waitlist as of May 1, 2021, and an additional 1,300 beneficiaries approved for enrollment in the ALW but waiting for an available assisted living facility placement to complete enrollment. The proposed addition of 7,000 slots will enable DHCS to provide sufficient ALW capacity to enroll all waitlisted beneficiaries and to clear pending enrollments while still providing a cushion for continued growth.

Additionally, DHCS intends to temporarily modify enrollment criteria for the additional 7,000 slots to promote flexibility. To promote cost neutrality, as well as significant savings to the State by transitioning clients out of Skilled Nursing Facilities (SNFs), California requires new enrollments into the ALW to be processed at a ratio of60% institutional transition to 40% community enrollments. DHCS plans to temporarily remove this requirement until the existing waitlist has been cleared. DHCS does not plan on modifying services offered to ALW clients in the current CMS-approved ALW. Current services align with Appendix B of the SMDL #21-003 for Section 1915(c), listed under HCBS authorities. Current ALW services include:

- Assisted Living Services - Homemaker; Home Health Aide; Personal Care
- Care Coordination
- Residential Habilitation
- Augmented Plan of Care Development and Follow-up
- NF Transition Care Coordination

Notably, ALW-eligible individuals are those who are enrolled in Medi-Cal and meet the level of care provided in a nursing facility due to their medical needs. The proposal to eliminate the ALW waitlist will not impact eligibility requirements and will not allow enrollees who are not already Medicaid eligible to enroll into the waiver program. DHCS does not intend to provide funding for services other than those listed in Appendix B). The proposed commitment to ALW growth will also likely encourage participation of RCFE and ARF providers in the ALW program, as the waitlist has been previouslycited as a

barrier to provider participation. DHCS will work with stakeholders to ensure care coordination and transition as beneficiaries are enrolled in ALW.

B. Quarterly Report for Quarter 1 of FFY 2022-2023

In May 2022, DHCS released a Policy Letter to ALW providers and its administrative program delegates, known as Care Coordination Agencies (CCAs), which provide guidance on processing their waitlists. The guidance outlined DHCS expectations of CCAs, the methods in which DHCS will be releasing ALW waitlist slots, and recommended outreach to individuals on the waitlist in preparation of waitlist slot releases. To date, roughly 1,600 slots have been released for transitioning individuals for placement into the Program.

DHCS received HCBS Spending Plan budget authority to establish 15.0 limited-term (LT) full-time positions to address the substantive workload increases the ALW expansion is generating. To sustain the permanent and ongoing workload increases associated with the ALW expansion, DHCS is requesting permanent position authority to fund these 15.0 full-time positions. The permanency of these positions will ensure continued support for essential efforts to monitor and oversee ALW to ensure high quality health care services continues to be delivered as the program continues to grow and expand.

Enhanced Transition Service Bundles for Laguna Honda Hospital Residents
Funding: $600K enhanced federal funding ($600K TF) [One-time] Lead Department(s): DHCS

A. Overview

CMS approved DHCS' proposal to utilize HCBS Spending Plan funding to transfer Medicaid-funded residents of Laguna Honda Hospital (LHH) to new care settings, on the heels of CMS' decertification of the facility. In recognition of the size of the LHH population that needs to be transferred, the limited availability of Medi-Cal skilled nursing facility (SNF) beds in San Francisco,[1] and the complex needs of the population, DHCS will utilize ARPA funding to provide Enhanced Transition Service Bundles (ETSBs) to LHH residents who need "bridge services" to support safe and sustainable transfers.

The intent of the service bundles is to combine community living alternatives with intensive care management and housing navigation services to LHH residents transitioning to a community setting. These services will work in conjunction with Medi-Cal and other waiver-related funding but will not overlap or duplicate such services.

[1] As of June 10, 2022, only eight out of the 340 Medi-Cal SNF beds in San Francisco were available.

After assessing the needs and goals of each resident, the contacted care coordination entity will provide one or more of the following ETSBs until long-term care and housing are in place, for a maximum duration of six months.

1. Enhanced Care Coordination Bundle (transitional Behavioral Health assistance can be included, when necessary)
2. Housing Set-Up Bundle (Environmental Accessibility Adaptations can be included, when necessary)
3. Tenancy Sustaining Services Bundle
4. Recuperative Care Bundle
5. Meals Bundle

None of the services included in the ETSBs will replace or be duplicative of Medi-Cal services a beneficiary can access through the state plan and/or an HCBS waiver. However, LHH residents may utilize services included in ETSBs when they are required to ensure a safe and sustainable transition but are not available through the system of care in which they are enrolled (e.g., Managed Care Plan, fee-for-service, HCBS waiver).

The services included will not be utilized to pay for ongoing room and board costs. To assistant beneficiaries in transitioning, the Housing Set-Up bundle will include the option to pay for first month's rent as required by landlord for occupancy. Per recent CMS guidance, states can use the state equivalent funds under ARP section 9817 to pay for first month's rent and utilities for individuals transitioning out of institutions as these are allowable expenditures under section 1915(k) Community First Choice.

The State will not draw down federal enhanced match funding authorized under Section 9817 for the ETSBs provided to residents transitioning from LH, payments for providing ETSBs will be issued on a quarterly basis. The bundled payment amounts are based on the California Advancing and Innovating Medi-Cal (CalAIM) Community Supports Non-Binding Pricing Guidance, Whole Person Care Pilot Program expenditures, California's Money Follows the Person (MFP) grant program, and 1915(c) Waiver services.

B. Quarterly Report for Quarter 1 of FFY 2022-2023

The contract between DHCS and the San Francisco Department of Public Health is still being processed; as a result, no payments have been made for ETSBs provided to LHH residents.

Housing and Homelessness Incentive Program
Funding: $650M enhanced federal funding ($1.3B TF) [One-Time] Lead Department(s): DHCS

A. Overview

As a means of addressing social determinants of health and health disparities (as listed in Appendix D of SMDL #21-003), Medi-Cal managed care plans would be able to earn incentive funds for making investments and progress in addressing homelessness and keeping people housed. Housing instability is a key issue in the Economic Stability domain of Healthy People 2030, negatively affecting physical health and making it harder to access health care including services in Appendix B of SMDL #21-003. Managed care plans would be encouraged to ensure that at least 85% of earned funds go to beneficiaries, providers, local homeless Continuums of Care, counties, and other local partners who are leading efforts on the ground. Funds would be allocated in part by Point in Time counts of homeless individuals and other housing related metrics determined by DHCS. Managed care plans would have to meet specified metrics to earn available funds.The target populations for this program would be aging adults; individuals with disabilities; individuals with serious mental illness and/or SUD needs at risk for, or transitioning from incarceration, hospitalization, or institutionalization; families; individuals reentering from incarceration; homeless adults; chronically homeless individuals; persons who have/had been deemed (felony) incompetent to stand trial; Lanterman-Petris Short Act designated individuals; and, veterans. This furthers the proposals included in the state budget relating to housing and homelessness.

Managed care plans and the local homeless Continuums of Care, in partnership with local public health jurisdictions, county behavioral health, Public Hospitals, county social services, and local housing departments must submit a Homelessness Plan to DHCS. The Homelessness Plan must outline how Housing and Homelessness Incentive Program activities and supports would be integrated into the homeless system. This would include a housing and services gaps/needs assessment and how to prioritize aging and disabled homeless Californians (including those with a behavioral health disability). Plans should build off of existing local HUD or other homeless plans and be designed to address unmet need. In counties with more than one managed care plan, plans would need to work together to submit one plan per county.

The Homelessness Plans must include mapping the continuum of services with focus on homelessness prevention, interim housing (particularly for the aging and/or disabled population), rapid re-housing (particularly for families and youth), and permanent supportive housing. While the funding will be based on incentive payments, managed care plans may invest in case management or other services listed in Appendix B of SMDL #21-003, as well as other services that enhance HCBS by supporting housing stability such as home modifications or tenancy supporting services.

The Homelessness Plans must identify what services will be offered, how referrals will be made, how other local, state, and federal funding streams will be leveraged, and how progress will be tracked towards goals, including numbers served and other incentive performance measures. The Homelessness Plans should build on existing

homelessness plans and articulate how CalAIM services are integrated into homeless system of care and how theywill address equity in service delivery.

The funding under this incentive program would not include payment for room and board; instead, the funds will incentivize managed care plans to meet operational and performance metrics as authorized under 42 CFR § 438.6(b)(2). California anticipates implementing the program in two phases: a Planning Phase, which will culminate with the submission of the Local Homelessness Plans (LHPs) in June 2022, a Homelessness Investment Plan (HIP) in August 2022, and a Performance Phase. Plans will be able to earn incentive payments applicable to each phase for successfully achieving specified metrics, with the first payments targeted to occur in September 2022, and a second round of payments are targeted for November 2022.

B. Quarterly Report for Quarter 1 of FFY 2022-2023

DHCS engaged a diverse group of stakeholders including representatives from plans, counties, community-based organizations, housing and homelessness advocates, State partners, and others to develop the program design and performance metrics. DHCS finalized the operational and performance metrics that Medi-Cal managed care plans (MCPs) will be expected to meet to earn incentive funding, which is outlined within the published All Plan Letter 22-007 issued on May 5, 2022, along with program documents that were sent to MCPs on May 9, 2022. The participating MCPs are required to submit their LHP for each county in which they are participating to DHCS by June 30, 2022, and a HIP by August 31, 2022.

Community Care Expansion Program
Funding: $53.4M enhanced federal funding ($53.4M TF) [One-Time] Lead Department(s): CDSS

A. Overview

The Community Care Expansion (CCE) Program provides $805M over a three-year period to counties and tribes for the acquisition, or rehabilitation, or construction of Adult and Senior Care Residential Facilities (ARFs), Residential Care Facilities for the Elderly (RCFEs) and Residential Care Facilities for the Chronically Ill (RCFCIs). These facilities provide a structured home-like environment for people who might otherwise require institutional care. Funded settings will be fully compliant with the home and community-based settings criteria to ensure community integration, choice, and autonomy, and will thereby expand access to community-based care.

ARFs, RCFEs and RCFCIs are part of a continuum of long-term care supports providing non-medical care and supervision to adults who may have a mental, physical, or

developmental disability and to those age sixty and over who require additional supports. Many of the residents in these settings are age 65 or older, are blind and/or have disabilities, and may receive Supplemental Security Income/State Supplementary Payment (SSI/SSP). California has a shortage of ARFs, RCFEs and RCFCs that accept SSI/SSP recipients and has experienced a decline in the number of SSI/SSP recipients who reside in adult and senior care facilities. The goal of the CCE program is to expand and preserve Adult and Senior Care facilities that can serve people experiencing homelessness as well as stabilize existing settings that serve people at risk of homelessness or unnecessary institutionalization in skilled nursing facilities.

Funds will be prioritized for the creation of new and expanded settings but may also be used to fund capital investment and rehabilitation costs for existing settings at risk of closure. Applicants will be required to demonstrate commitments to supportive services to assist with the stability of those placed in assisted living settings. Facilities that receive acquisition funding may be purchased and owned by the grantee or may be transferred to a new owner/operator and facilities that receive rehabilitation funding may continue to be owned by an existing owner/ operator. Facilities will maintain covenants to certify their intended use/resident population and the length of the covenants associated with the facilities will be tiered based on the level of funding awarded.

B. Quarterly Report for Quarter 1 of FFY 2022-2023

In January 2022, the California Department of Social Services (CDSS) released a Request for Applications (RFA). This RFA encompasses $570 million of CCE Capital Expansion funds.

An informational webinar occurred in February 2022, with over 1,400 individuals and organizations attending the webinar. Additionally, CDSS held a webinar for small licensed facilities to address topics specific to licensees that operate facilities with fifteen or fewer beds. The RFA portal is open and accepting applications. The CCE administrative entity, Advocates for Human Potential, Inc., is currently conducting pre-application consultations and reviewing applications received across the state. The CDSS anticipates initial awards being announced in June or July 2022, and awarded projects to begin construction later in 2022 after award agreements are finalized.

An additional $195 million of CCE Preservation Funds will be made available via a Notice of Funding Availability in June 2022. These funds are intended for rehabilitation to preserve existing residential adult and senior care facilities that currently serve the target population.

The CDSS is working with Advocates for Human Potential, Inc. to assist CCE projects and grantees with ongoing technical assistance and training throughout the entirety of a

project. Areas of support include but are not limited to programmatic best practices with regard to serving the target or prioritized population, facility-siting, permit and licensing requirements, construction plans and project readiness, oversight and management, and budgeting best practices.

Applicants will be required to demonstrate commitments to supportive services to assist with the stability of those placed in assisted-living settings. Facilities that receive acquisition funding may be purchased and owned by the grantee or may be transferred to a new owner/operator, and facilities that receive rehabilitation funding may continue to be owned by an existing owner/operator. Facilities will maintain covenants to certify their intended use/resident population. Moreover, the length of the covenants associated with the facilities will be tiered based on the level of funding awarded.

Note: The projected funding for the CCE program is expected to be released via a notice of funding availability (NOFA) in early 2022. Projected expenditures by quarter will be available by mid-2022.

Services: Enhancing Home and Community-Based Services Capacity and Models of Care

By innovating and improving HCBS models of care to meet the needs of the individuals it serves, the state can increase capacity in the HCBS system, allowing more individuals, particularly those in the aging and disabled communities, to access services. In addition, some of these initiatives will allow existing HCBS programs to serve existing clients better as well as expand to serve more individuals who meet eligibility criteria.
Initiatives include:

- *Alzheimer's Day Care and Resource Centers*
- *Older Adult Resiliency and Recovery*
- *Adult Family Homes for Older Adults*
- *Coordinated Family Support Service*
- *Enhanced Community Integration for Children and Adolescents*
- *Social Recreation and Camp Services for Regional Center Consumers*
- *Developmental Services Rate Model Implementation*
- *Contingency Management*

Alzheimer's Day Care and Resource Centers
Funding: $5M enhanced federal funding ($5M TF) [One-Time] Lead Department(s): CDA, with CDSS, CDPH, DHCS

A. Overview

For this initiative, these funds would be used to provide dementia-capable services at licensed Adult Day Programs (ADP) and Adult Day Health Care (ADHC) centers, allowing for community-based dementia services that would include, but not be limited to: caregiver support and social and non-pharmacological approaches that would expand and expand HCBS services by preventing or delaying the need for individuals with dementia and Alzheimer's to be placed into institutional care settings. These activities will include a one-time payment to providers (i.e., ADP and/or ADHCs) for operational and administrative expenditures in providing services by a qualified multidisciplinary team within the funding period through March 2024.

B. Quarterly Report for Quarter 1 of FFY 2022-2023

CDA is currently preparing the Request for Application to post for potential grant recipients. CDA intends to award up to eight (8) sites in fall of 2022. This program is modeled after a previous General Fund program that was defunded in 2008; and intends to further builds on promising practices and current innovations in providing dementia-capable services in the community setting.

The State has been intending to pilot and evaluate the success of this model and consider opportunities to further sustain success as established models of dementia care delivery.

Older Adult Resiliency and Recovery
Funding: $106M enhanced federal funding ($106M TF) [One-Time] Lead Department(s): CDA

A. Overview

The one-time augmentation of $106 million, to be spent over three years (2021-22, 2022-23 and 2023-24), strengthen older adults' recovery and resilience from the severe isolation and health impacts from staying at home for over a year due to the Coronavirus pandemic.

Funding allocations are proposed as follows:

- Senior Nutrition $20.7 million
- Senior Legal Services $20 million
- Fall Prevention and Home Modification $10 million
- Family Caregiving Support $2.8 million
- Digital Connections $17 million

- Senior Employment Opportunities $17 million
- Aging and Disability Resource Connections $9.4 million
- Behavioral Health Line $2.1 million
- Elder Abuse Prevention Council $1 million
- State Operation Resources: $6 million

B. Quarterly Report for Quarter 1 of FFY 2022-2023

CDA released a contract for the full amount of funding included in the Senior Nutrition ($20.7M), Senior Legal Services ($20M), Fall Prevention and Home Modifications ($10M), and Family Caregiver Support ($2.8M) in June 2022. Area Agencies on Aging (AAAs) opted into the programs that they could support within their Planning and Service Area. CDA expects to release payments to the AAAs beginning in Quarter 1 of FFY 2022-23.

Digital Connections ($17M) will be an extension of a previously released CHAT program that provided tablets, internet service, technical assistance, and training to older adults throughout California. This funding opportunity will be released to participants of AAA programs, MSSP programs, and CBAS in the Quarter 2 of FFY 2022-2023.

CDA has executed contracts with the providers for the Senior Employment Opportunities ($17M) funding to AAAs. The AAAs have utilized the funding to enhance and expand their infrastructure to bring on more slot participants beginning July 1, 2022. CDA has begun reimbursing the AAA providers for their work on this investment.

Aging and Disability Resource Connection ($9.4M). CDA will be assessing the solutions for a single, statewide web portal and a customer contact solution for the ADRC program. The web portal would allow for bi-directional communication between ADRC staff and customers where customers could request program information and services through the portal and the program staff could send information and referrals to customers through the portal. The contact center would operate in a similar fashion except information and referrals would be exchanged via telephone versus a web portal. CDA plans to conduct assessment activities from July-December 2023, examine alternatives from January-June 2023 and prepare contract materials for the remainder of 2023.

The Behavior Health Line ($2.1M) was utilized in fall 2021. CDA entered into a two-year contract that would allow isolated and lonely seniors to engage in a “warm call.” Expenditures have been reported and reimbursed to the contractor and will continue to be paid during the life of the contract.

Elder Abuse Prevention Council ($1M): CDA is working with the National Center on Elder Law and Rights to develop a contract for statewide training and technical assistance

focused on elder rights, prevention of abuse, and legal advocacy. We anticipate a contract executed by fall.

CDA is utilizing $2.1M of the available $6M of State Operations Resources with the California Association of Area Agencies on Aging (C4A) to further strengthen the AAA network leadership, capabilities, and capacity toward activities that integrate social and healthcare services, in alignment with the California Advancing and Innovating Medi-Cal (CalAIM) goals. These activities have begun and will continue through the HCBS Spending Plan funding period.

Adult Family Homes for Older Adults
Funding: $9M enhanced federal funding ($9M TF), $2.6M Ongoing Lead Department(s): CDA, with Department of Developmental Services (DDS)

A. Overview

This initiative, referred to as Adult Family Homes, offers the opportunity for up to two adult individuals to reside with a family and share in the interaction and responsibilities of being part of a family unit, while the family receives a stipend and support from a local Family Home Agency (FHA) for caregiving for the adult individual(s). California will pilot Adult Family Homes for older adults in one county, with the Department of Developmental Services (DDS) assisting the Department of Aging (CDA) in developing and operating the program. This pilot is based on the successful program serving adults with developmental disabilities currently run by the DDS. Interested family homes are assessed and receive background clearances from a non-profit FHA under contract with a Regional Center. DDS performs oversight over the Regional Center and the FHA. CDA will mirror this model with Area Agencies on Aging and the existing non-profit FHAs.

B. Quarterly Report for Quarter 1 of FFY 2022-2023

CDA has acquired policies, procedure, and contracts from DDS on Family Homes Project, upon which CDA's Adult Family Homes program is modeled. CDA has been meeting with DDS on the scope of this project, potential locations where CDA and a local Area Agency on Aging could work with and leverage the expertise of a Regional Center and an FHA could help implement this program. CDA plans to select a county pilot site and an AAA and FHA to operate this program by fall 2022 and launch the program by winter of 2022.

Coordinated Family Support Service

Funding: $25M enhanced federal funding ($42M TF); [One-Time], $25M GF [Ongoing]
Lead Department(s): DDS

A. Overview

Currently, adults living outside the family home have more coordinated supports than individuals living with their family. DDS data shows a significantly higher percentage of adults who identify as non-white (75%) live with their family as compared to adults who are white (52%). To improve service equity for adults who live with their family, and improve individual supports at home, this proposal would pilot a new service for families similar to supported living services provided outside the family home. The pilot would assist families in coordinating the receipt/delivery of multiple services.

B. Quarterly Report for Quarter 1 of FFY 2022-2023

DDS has assembled an internal team to lead this initiative. An operational plan has been developed. Stakeholder engagement and input concluded on 6/30/2022. Meetings were held with stakeholders of various ethnicities and languages, including self-advocate groups. Utilizing information obtained from stakeholder engagement, the Department will focus on determining the scope of the pilot, issue guidance to the Regional Centers to commence the Request for Proposal process, explore a standardized assessment tool for tailoring the service, and consider a pre/post outcome measurement tool for effectiveness of this service.

This pilot program will be reviewed for equity in consumer access and outcomes. Ongoing funding will be determined through the state's annual budget process.

Enhanced Community Integration for Children and Adolescents

Funding: $12.5M enhanced federal funding ($12.5M TF) [One-Time]
Lead Department(s): DDS

A. Overview

Children with intellectual and developmental disabilities (IDD) are frequently left out from participation in community programs, but both the child with IDD and children without IDD greatly benefit from opportunities to develop friendships. This proposal would support community social recreational connections for children through a multi-year grant program. The grant program will be for regional centers to work with CBOs and local park and recreation departments to leverage existing resources and develop integrated and collaborative social recreational activities.

B. Quarterly Report for Quarter 1 of FFY 2022-2023

During the months of October through December 2022, the initiative's workgroup will focus on reviewing grant proposals submitted by regional centers. Regional centers will submit grant proposals to the Department by September 30, 2022. The workgroup anticipates informing regional centers of approved grant proposals by December 23, 2022.

DDS anticipates programs started through these grants will continue beyond the grant period through collaboration with local entities, regional centers, and families, to sustain integrated social recreational activities.

Social Recreation and Camp Services for Regional Center Consumers
Funding: $78.2M enhanced federal funding ($121.1M TF) Ongoing Lead Department(s): DDS

A. Overview

This initiative would support expanded options for individuals who have a developmental disability to include camping services, social recreation activities, educational therapies for children ages 3-17, and nonmedical therapies such as social recreation, art, dance, and music. Additionally, the proposal provides increased options for underserved communities.

B. Quarterly Report for Quarter 1 of FFY 2022-2023

DDS required each regional center to develop a communication plan that describes how the center will share information with its community and include strategies for connecting with individuals/families in communities of color and/or whose primary language is not English. Regional centers were also required to revise Purchase of Service (POS) policies, as needed. Each regional center has submitted a communication plan and its POS policy. To date, DDS has reviewed and approved most plans and policies. DDS will continue to review plans through the reporting period.

Funding beyond March 2024 is included in the multi-year budget plan.

Developmental Services Rate Model Implementation
Funding: $945M enhanced federal funding ($1.4B TF); $1.2B Ongoing Lead Department(s): DDS

A. Overview

This investment will improve and stabilize the services directly impacting consumers, build the infrastructure to support consumers and their families through person-centered practices and supports. Additionally, a prevailing need and challenge within the developmental service system is moving from a compliance-based system to an outcome-based system. To accomplish this conversion, DDS will need to build infrastructure and modernize methods for collecting and analyzing information about consumer services and outcomes. This proposal implements rate models recommended by the 2019 Rate Study completed by DDS, with the help of a consultant. The state will maintain HCBS provider payments at a rate no less than those in place as of March 31, 2022; however, rates may be adjusted based on reviews or audits. The rate models would allow for regular updates based on specified variables, address regional variations for cost of living and doing business, enhance rates for services delivered in other languages, and reduce complexity by consolidating certain serviced codes. To improve consumer outcomes and experiences and measure overall system performance, the rate reform reflects the following goals: consumer experience, equity, quality and outcomes and system efficiencies. The department will implement a quality incentive program to improve consumer outcomes, service provider performance, and the quality of services with input from stakeholders.

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DDS will work with regional centers, providers, and stakeholders to address questions related to rate adjustments that were effective April 1, 2022. Additionally, DDS will continue working toward next steps to prepare for the July 1, 2023 rate adjustments, which equal one-half of the difference between rates in effect March 31, 2022, and the fully funded rate model for each provider.

The 2021-22 budget for DDS identified multi-year funding to implement the 2019 Rate Study by July 1, 2025, and includes an ongoing quality incentive program.

Contingency Management
Funding: $31.7M enhanced federal funding ($58.5M TF) [One-Time] Lead Department(s): DHCS

A. Overview

Unlike alcohol and opioid addiction, there are no medications that work for stimulant use disorder. Overdose deaths from stimulants equal deaths from fentanyl in California, and rates continue to rise, causing high social costs (in terms of criminal justice involvement and foster care placement) and high medical costs (stimulant use disorder leads to high ED and hospital costs for infections, lung and heart disease). The lack of effective community-based treatments for stimulant use results in increased utilization of

residential treatment services, particularly in the Medi-Cal program. DHCS proposes to offer contingency management via a pilot, as it is the only behavioral therapy repeatedly shown in studies to work for stimulant use disorder.

Contingency management (CM) uses small motivational incentives combined with behavioral treatment as an effective treatment for stimulant use disorder. The Department proposes to implement the motivational incentives through the Drug Medi-Cal Organized Delivery System. Counties will apply to opt into the pilot program, and will designate participating providers in their network. The providers will assess patients, determine that they meet criteria for the program (a diagnosis of stimulant use disorder), and offer counseling services and urine drug testing. The motivational incentives will be offered to patients through a mobile app, accessible to patients through smart phones, tablets or computers. For patients without access to a smart phone, the motivational incentives will be managed through a statewide database, accessed through the treatment provider.

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DHCS completed the application process for Drug Medi-Cal Organized Delivery System (DMC-ODS) counties choosing to opt into the contingency management (CM) pilot. To date, 24 DMC-ODS counties have chosen to participate in the CM pilot. DHCS is developing policy guidance after receiving stakeholder input on a published issue paper and will be finalizing that policy guidance in summer 2022. The CM training and technical assistance opportunities for participating counties and providers launched and will continue over the summer.

The pilot was scheduled to begin July 1, 2021; however, inadvertent issues in the procurement of an Incentive Manager have resulted in the issuance of a notice of the intention to cancel the procurement (Invitation for Proposal #22-20047 Contingency Management Incentive Manager) and initiate a new procurement. Although the new procurement will delay implementation of the Contingency Management benefit until fall 2022, programmatic activities including training and capacity-building for counties and providers will continue.

The state will determine whether to utilize other state funds to maintain this benefit after March 31, 2024, based on an evaluation of the implementation and utilization of the benefit during the pilot period.

Hence, there have been no changes in the program, and only a potential three-month delay in the start date.

Home and Community-Based Services Infrastructure and Support

The following infrastructure investments will support the growth of HCBS services, to allow existing HCBS programs to serve existing clients better as well as expand to serve more individuals who meet eligibility criteria.

Initiatives include:

- *Long-Term Services and Supports Data Transparency*
- *Modernize Developmental Services Information Technology Systems*
- *Access to Technology for Seniors and Persons with Disabilities*
- *Senior Nutrition Infrastructure*

Long-Term Services and Supports Data Transparency
Funding: $4M enhanced federal funding ($4M TF) [One-Time] Lead Department(s): DHCS, with CDPH, CDSS, CDA, OSHPD/HCAI

A. Overview

This is a multi-department initiative to improve long-term services and supports (LTSS) data transparency, including utilization, quality, and cost data. This will be accomplished by creating a LTSS Dashboard linked with statewide nursing home and HCBS utilization, quality, demographic, and cost data. The goal of increased transparency is to make it possible for regulators, policymakers, and the public to be informed while we continue to expand, enhance and improve the quality of LTSS in all home, community, and congregate settings. Nationwide core and supplemental standards for HCBS quality measurements do not exist, are long overdue, and would go a long way in improving our understanding of what works, where there are quality gaps, etc. As such, there are no current outcome-based HCBS quality measures or routine data publishing for HCBS in use at DHCS. Including HCBS quality measures in the LTSS Dashboard will enhance and strengthen the provision of HCBS under Medi-Cal. Similarly, including HCBS utilization measures will enable us to examine and ultimately improve access and reduce disparities in who utilizes these vital HCBS services in Medi-Cal.

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DHCS conducted a survey and interviews with twenty-two external stakeholders from across 16 agencies and 18 internal stakeholders from March and April of 2022. Stakeholder survey and interview data were analyzed to identify stakeholder priorities related to LTSS utilization, cost, and quality; their intended use for the LTSS Dashboard; LTSS Dashboard functionality preferences; and potential metrics.

The first iteration of the LTSS Dashboard will be published by DHCS in the fall of 2022. Updated and more comprehensive iterations of the LTSS Dashboard will then be made available through March 2024. During May and June 2022, DHCS solicited feedback on the list of measures slated for inclusion in the first iteration of the LTSS Dashboard from external stakeholders including other state departments (i.e., Department of Social Services, Department of Aging, Department of Developmental Services, and Department of Rehabilitation).

Each of the measures for the fall 2022 LTSS Dashboard will be published as separate Excel spreadsheets. Future iterations of the dashboard will incorporate a more sophisticated visualization and user experience. DHCS is currently developing a scope of work for a LTSS dashboard data visualization contract.

To further develop the list of measures to include in future iterations of the dashboard, DHCS through its Money Follows the Person (MFP) Gap Analysis and Multiyear Roadmap contract will require an external vendor to provide recommendations by January 2023 on which demographic, utilization, access, quality, and equity measures to include in future iterations of the state's LTSS dashboard. DHCS aims to execute this MFP contract before August 2022.

Regarding Q1 of FFY 2022-2023, following the launch of the first iteration of the LTSS Dashboard, DHCS will work with internal and external stakeholders throughout the quarter to receive feedback on the usefulness of the dashboard in order to identify opportunities for further improvement. DHCS plans to leverage data from the dashboard to assess utilization and conduct statewide quality improvement activities.

Modernize Developmental Services Information Technology Systems
Funding: $6M enhanced federal funding ($7.5M TF) [One-Time] Lead Department(s): DDS

A. Overview

The one-time investment supports the initial planning process to update the regional center fiscal system and implement a statewide Consumer Electronic Records Management System.

Uniform Fiscal System – The current information technology systems for billing and case management are disjointed and unable to quickly adapt tochanging needs given the age of the systems and lack of standardization. Changes require DDS and regional centers to create and apply patches independently to each individual regional center (RC) system. The process for reporting data from the regional centers to the department is delayed, resulting in significant data lags that can delay identification of problems and hinder

decision-making given outdated information. The existing fiscal system was implemented in 1984. Replacement of the RC fiscal system, which processes provider payments, will improve efficiencies as the system is modernized and provide more detailed expenditure data consistent with CMS payment system expectations.

Consumer Electronic Records Management System – The regional centers do not have a statewide standardized client case management system. Securing timely and accurate data is extremely challenging due to system differences. Additionally, there is not an outward-facing option for self-advocates and families to access their information, such as IPPs, current authorizations, appointments, outcomes data, etc.; instead, that information is being delivered by mail or email. This proposal will increase the availability and standardization of information to include, measures/outcomes, demographics, service needs, special incident reports, etc. Lastly, the system will allow consumers, via the web or app, to access their records. This investment will also support the efforts to develop an outcomes-based system for purchase of services.

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The projects will both be validating the mid-level requirements gathered during stakeholder meetings held throughout the previous six months. At the same time the project teams will be assembling and posting a Request for Information (RFI) document inviting system solution providers to respond with a proposal and demonstration that helps to educate the project team about available solutions on the market. This input will inform the project team about additional mid-level functionality we may want to include as well as clarify any limitations of available solutions.

The 2021-22 budget for DDS identified the initial multi-year funding for this effort. Additional resources will go through the State of California's budgeting process for information technology projects.

Access to Technology for Seniors and Persons with Disabilities
Funding: $50M enhanced federal funding ($50M TF) [One-Time] Lead Department(s): CDA

A. Overview

This initiative includes $50 million to fund the Access to Technology Program for Older Adults and Adults with Disabilities pilot program. The purpose of this program is to provide grants directly to county human services agencies that opt to participate in the pilot program and to increase access to technology for older adults and adults with disability in order to help reduce isolation, increase connections, and enhance self-confidence. California proposes to pay for devices, training, and ongoing internet connectivity costs

for low-income older and disabled adults for two years, as part of the activity to provide Access to Technology for Seniors and Persons with Disabilities. Internet connectivity will enhance, expand, and strengthen HCBS services and outcomes by providing low-income older adults and individuals with disabilities in community settings access to vital services on-line such as telehealth, social engagement/isolation prevention, and information about services in their communities such as nutrition, transportation, and long-term services and supports.

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CDA has completed work with the County Welfare Director's Association to determine allocation methodology, participating counties, scope of work, allowable expenditures, and reporting requirements. CDA is also finalizing a grant application that will allow the counties to share with CDA how they intend to use the funding in support of the goals and objectives of this funding investment. This grant application will be released in July 2022, with CDA reviewing the proposals in August/September 2022. CDA will review submitted applications and issue contracts no later than October 2022. Funding will be released in fall 2022.

Senior Nutrition Infrastructure
Funding: $40M enhanced federal funding ($40M TF) [One-Time] Lead Department(s): CDA

A. Overview

This initiative includes $40 million to fund capacity and infrastructure improvement grants for senior nutrition programs under the Mello-Granlund Older Californians Act. The grants shall prioritize purchasing, upgrading, or refurbishing infrastructure for the production and distribution of congregate or home-delivered meals, including, but not limited to, any of the following: Production-scale commercial kitchens; warming, refrigeration, or freezer capacity and equipment; food delivery vehicles; improvements and equipment to expand capacity for providers of meals; and technological or data system infrastructure for monitoring client health outcomes. Congregate meals sites are based in the community, offered in senior centers, schools, churches, farmers markets, and other community

settings. In addition to a hot meal, congregate meals in the community offer participants opportunities for socialization and building stronger informal support networks in the communities in which participants live. Grants are intended to be awarded through Area Agencies on Aging (AAAs). All contracted meal-providers and AAAs are directed to work collaboratively to develop a coordinated and consolidated request for proposal on behalf of each Planning and Service Area to obtain funding through this grant program. CDA may make additional grants, to CBOs or local governments, if needed to ensure equitable access to funds. California does not plan to pay for major building modifications or ongoing internet connectivity as part of the Senior Nutrition Infrastructure activities.

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CDA is in the process of reviewing and approving grant proposals submitted by the AAAs for this funding opportunity. The grant proposals include the equipment requests that AAAs, Meals on Wheels, and other meal-providing subcontractors would like to purchase to enhance and expand their nutrition programs. Stakeholder engagement, reporting requirements, and funding allocations has been finalized. Contracts will be executed for the full allocation amount in July 2022, with funding released in Quarter 1 of FFY 2022-2023.