



California Department of Health Care Services

Short-Term Residential Therapeutic Program Grants

Frequently Asked Questions (FAQs):



Mental Health Plan (MHP) Short-Term Residential Therapeutic Program (STRTP) Grants are available to MHPs if the Department of Health Care Services (DHCS) determines that a STRTP located in an applicable county MHP is no longer eligible for federal financial participation because deemed the STRTP to be an institution for mental disease (IMD).

DHCS developed these FAQs to give additional information to MHPs regarding the allocation and distribution of these grants.

1. Where is this funding coming from?

The legislature appropriated \$7,478,000 in FY 22/23 to DHCS to support MHPs that provide specialty mental health services to children in STRTPs that have been determined to be IMDs.

2. What fiscal years are eligible for this funding?

MHP STRTP Grant funds are only available in FY 2022-23.

3. How can my MHP gain access to this funding?

MHPs don't need to do anything to receive payment. DHCS will calculate the amount to distribute to each MHP based on the federal share of payments made to each MHP for Specialty Mental Health Services provided in Fiscal Year 2020-21 to beneficiaries residing in STRTPs deemed to be an IMD. Total funding of \$7,478,000 will be apportioned between all counties with STRTPs deemed to be an IMD and is not intended to replace all federal funding.

4. How much will each MHP be paid?

The \$7,478,000 will be allocated to MHPs based on each MHP's percentage of federal funds paid to MHPs for Specialty Mental Health Services provided in Fiscal Year 2020-21 to beneficiaries residing in STRTP facilities that lost federal funding after their IMD determination in calendar year 2022. The Allocation Schedule will be posted on the DHCS website in the [MEDCCC library](#) under **Links to Other MEDCCC Pages** when it becomes finalized in January of 2023.

5. My county reimbursed STRTPs providing mental health services to children in placements and received federal financial participation (FFP), will the county still receive federal reimbursement if the facility is determined to be an IMD?

No. Once an STRTP is determined to be an IMD, the county will no longer receive federal reimbursement for Specialty Mental Health Services provided to Medi-Cal beneficiaries while residing in the STRTP.

6. When will the county receive payments?

To maintain compliance with federal Medicaid rules, including the longstanding prohibition of claiming FFP for Medi-Cal services delivered to beneficiaries residing in IMDs, DHCS anticipates completing assessments of STRTPs to determine if they are IMDs in December of 2022. Once completed, DHCS will create the allocation schedule and begin processing payments. Payment will take approximately 45-60 days after an allocation schedule is



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developed. Counties could expect payment as soon as the end of January of 2023. All payments should be complete by the end of March of 2023.

7. Is DHCS providing support to STRTPs attempting to create a transition plan?

DHCS will continue reviewing proposed STRTP transition plans and providing direct technical assistance to providers on their transition proposals. The California Department of Social Services is distributing allocations for the \$10,375,000 approved by legislation to providers who have submitted transition plans pursuant to Foster Care Audits and Rates Letter 2021-02 and have received requests for funding that exceed the current allocation.

8. When will the IMD determinations take place?

DHCS anticipates completing assessments of STRTPs in December of 2022. DHCS has informed each STRTP of the deadline for their determination by an emailed letter.

9. Will the state provide a 100% match for beds that lose funding?

No. The state will allocate \$7,478,000 across MHP based upon each MHP's percentage of federal funds paid to all MHPs in Fiscal Year 2020-21 for Specialty Mental Health Services provided to beneficiaries residing in STRTP facilities that DHCS determined to be an IMD.