HHIP Stakeholder Kickoff Meeting

January 31, 2022

DHCS

Agenda: Stakeholder Kickoff Meeting

- ➤ **Attendee Roll Call**

- ➤ **HHIP Program Details**
  - ○ HHIP Program Background
  - ○ Program Vision, Goals, and Strategic Approach
  - ○ Populations of Focus
  - ○ LHP Requirements
  - ○ HHIP Program Priority Areas
  - ○ Reporting and Funding
  - ○ Timeline

- ➤ **Next Steps**

Today's Goal:

Familiarize group with, and obtain feedback on, the **vision**, **goals**, and initial **strategic approach**.

HHIP Stakeholder Group

- » Anthem
- » CalOptima
- » Health Net
- » Inland Empire Health Plan
- » L.A. Care Health Plan
- » Molina Healthcare of California
- » Local Health Plans of California
- » California Association of Health Plans

- » National Alliance to End Homelessness
- » National Health Care for the Homeless Council
- » Corporation for Supportive Housing
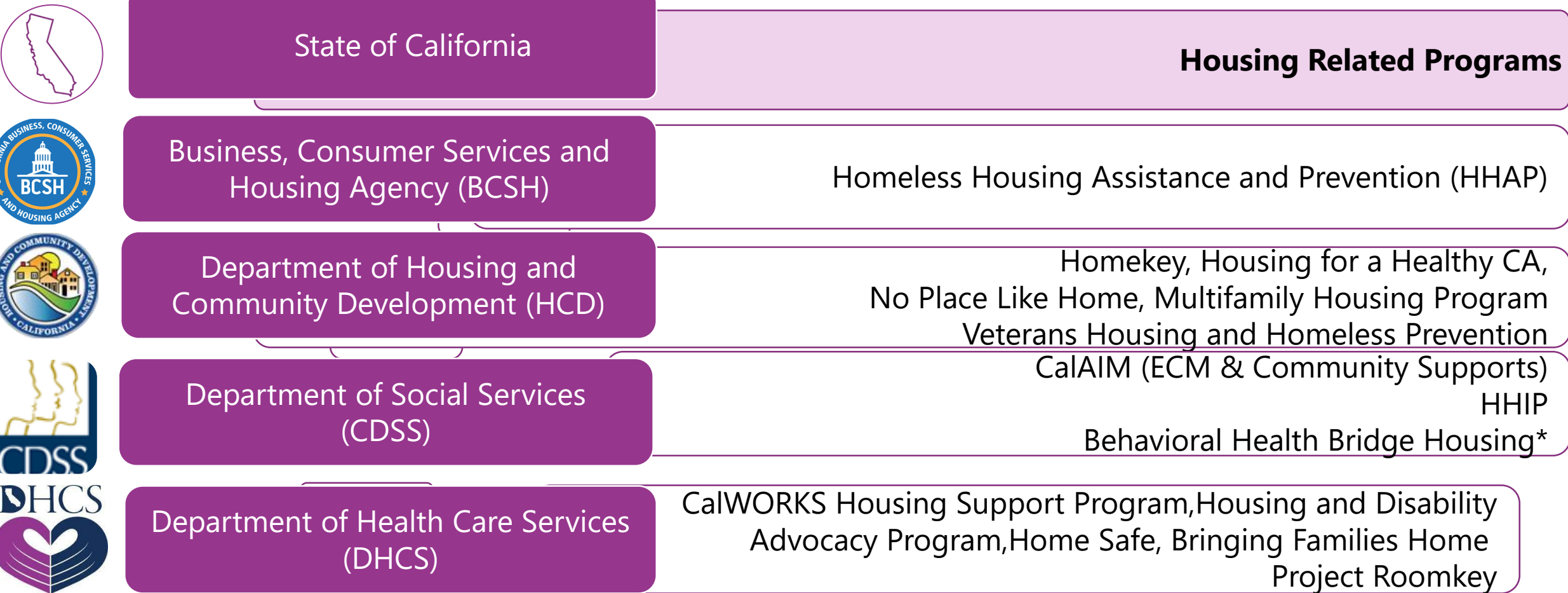- » Business, Consumer Services, and Housing Agency

HHIP Stakeholder Group

Thank you for your participation!

- » California Association of Public Hospitals
- » San Diego Regional Task Force on the Homeless
- » Ascencia
- » Brilliant Corners
- » Downtown Women's Center
- » Thc (Tenderloin Housing Clinic)
- » Interfaith Community Services
- » Dish (Delivering Innovation in Supportive Housing)
- » CA Department of Social Services

- » California Health & Human Services Agency
- » Los Angeles Homeless Services Authority
- » California Department of Housing and Community Development
- » National Health Law Program
- » Western Center on Law & Poverty
- » Mono County Dept of Social Services
- » Alameda Heath Care Services Agency

- » LA County Health Services
- » San Francisco Department of Homelessness and Supportive Housing
- » San Diego Health and Human Services Agency
- » Mendocino Health and Human Services Agency

Background: State and County Housing Related Entities & Programs

There are many existing state and county resources and programs addressing homelessness. HHIP will work to ensure coordination with and nonduplication of existing resources and programs in the targeted incentive design.

Entity	Housing Related Programs
State of California	
Business, Consumer Services and Housing Agency (BCSH)	Homeless Housing Assistance and Prevention (HHAP)
Department of Housing and Community Development (HCD)	Homekey, Housing for a Healthy CA, No Place Like Home, Multifamily Housing Program Veterans Housing and Homeless Prevention
Department of Social Services (CDSS)	CalAIM (ECM & Community Supports) HHIP Behavioral Health Bridge Housing*
Department of Health Care Services (DHCS)	CalWORKS Housing Support Program,Housing and Disability Advocacy Program,Home Safe, Bringing Families Home Project Roomkey

Proposed in the Governor's January 2022 budget for FY 22 - 23

Background: State and County Housing Related Entities & Programs

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Continuums of Care (CoCs)

» Established by the U.S. Department of Housing and Urban Development (HUD) in 1995, a CoC is a group of organizations and agencies (including community-based organizations and local government agencies) that collectively coordinate homeless assistance activities and resources in a community.

» There are currently 44 CoCs in California; most cover a single county, but a few cover a single city or two or more adjacent counties.

» CoCs develop Housing Action Plans that identify specific needs and gaps for services in their local area.

» HUD awards homeless assistance grant funds to CoCs annually.

» Many state funded housing related programs award funding to counties, cities, and CoCs (including HHAP).

» State programs are often administered through CoCs.

Housing and Homeless Incentive Program (HHIP) Background & Overview

In accordance with **section 9817 of the American Rescue Plan Act (ARPA) of 2021**, DHCS developed a Medi-Cal Home and Community-Based Services (HCBS) Spending Plan detailing a series of initiatives that will enhance, expand, and strengthen HCBS in California. *The Housing and Homelessness Incentive Program (HHIP)* is one of the HCBS Transitions initiatives, which aim to expand and enhance programs that facilitate individuals transitioning to community-based, independent living arrangements.

» **California HCBS Spending Plan: The HCBS Transitions Initiatives**
1. Community Based Residential Continuum Pilots for Vulnerable, Aging, and Disabled Populations
2. Eliminating the Assisted Living Waiver Waitlist
3. **Housing and Homelessness Incentive Program (HHIP)**
4. Community Care Expansion Program

» **HHIP Overview:** HHIP is a voluntary incentive program that will enable Medi-Cal managed care plans (MCPs) to earn incentive funds for making progress in addressing homelessness and housing insecurity as social determinants of health.

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» **HHIP Program Design:** DHCS is designing HHIP with input from stakeholders, including but not limited to, MCPs, cities, counties, local Continuums of Care, providers, nonprofits, county behavioral health, county social services, local housing departments, and community-based organizations.

» **Total Incentive Funds:** $1.288 billion one-time funds
  » ($644 million in state funds [ARPA] + $644 million in matching federal funding)

» **Funding Timeline:** Funding available through March 31, 2024

» **CMS Approval:** The California HCBS Spending Plan, including HHIP, was approved by CMS on January 4, 2022.[1]

[1] https://www.dhcs.ca.gov/Documents/CMS-Conditional-Approval-1-4-2022.pdf

About Managed Care Plan Incentive Payments

HHIP can support delivery and coordination of health and housing services for Medi-Cal members statewide. Due to the financing mechanism associated with HHIP, there are federal restrictions that must be considered throughout the design and implementation of the program.

The incentive program can:

- Support and facilitate coordination between MCPs and other entities
- Award funding to MCPs for meeting certain metrics

The incentive program cannot:

- Require MCPs to pass through funding to other entities; however, DHCS anticipates MCPs will maximize the investment and flow of incentive funding to participating partners who are leading efforts on the ground
- Pay for room and board
- Distribute funding to MCPs after March 31, 2024

About Managed Care Plan Incentive Payments

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Federal contract provisions related to payment: CFR 438.6(b)(2)

» (2) Contracts with incentive arrangements may not provide for payment in excess of 105 percent of the approved capitation payments attributable to the enrollees or services covered by the incentive arrangement, since such total payments will not be considered to be actuarially sound. For all incentive arrangements, the contract must provide that the arrangement is -

   » (i) For a fixed period of time and performance is measured during the rating period under the contract in which the incentive arrangement is applied.

   » (ii) Not to be renewed automatically.

   » (iii) Made available to both public and private contractors under the same terms of performance.

   » (iv) Does not condition MCO, PIHP, or PAHP participation in the incentive arrangement on the MCO, PIHP, or PAHP entering into or adhering to intergovernmental transfer agreements.

   » (v) Necessary for the specified activities, targets, performance measures, or quality-based outcomes that support program initiatives as specified in the State's quality strategy at § 438.340.

CA Budget: Housing Related Funding

In addition to existing funding streams, these housing-related programs are bolstered by significant resources being directed by the Governor's office through the annual state budget, including:

Housing Related Funding in the 2021 – 2022 Budget

The 2021-2022 budget included over $12B in investments for housing issues as part of the California Comeback Plan:

» **Largest investment** to address homelessness in CA history

» **$5.8B** for the Homekey project, including **$3B** in behavioral health housing funding

» **$2B** in flexible aid to local governments

» **$1.75B** in accelerating new housing options

» **$150M** for Project Roomkey for COVID-19-related emergency shelter options

Proposed Housing Related Funding in the 2022 – 2023 Budget

Key program funding includes:

» The **$1.5B Behavioral Health Bridge Housing** proposal would fund clinically enhanced bridge housing settings for people experiencing homelessness who have serious behavioral health conditions (mental health and/or substance use disorders) (DHCS)

» **$0.5B** in "encampment clean up" grants to local entities (BCSH)

» **$2.8B** in 2022-23 (in addition to 2021-22 budget funding) to implement **CalAIM**, part of which includes building out the continuum of care for people experiencing homelessness, through enhanced care management, housing supports, recuperative care, short-term post hospitalization housing and habilitation programs (DHCS)

Proposed HHIP Program Design

Drawing on the HCBS Spending Plan and the DHCS Quality Strategy, DHCS proposes the following program vision, goals, and strategic approach that will guide and shape the design and implementation of HHIP.

VISION: improve health outcomes and access to whole person care services by addressing housing insecurity and instability as a social determinant of health for the Medi-Cal population

PROPOSED GOALS

1 Ensure MCPs have the necessary capacity and partnerships to connect their members to needed housing services

2 Reduce and prevent homelessness

PROPOSED STRATEGIC APPROACH

- **Develop** partnerships between MCPs and social service agencies, counties, public health agencies, and public and community-based housing agencies to address homelessness

- **Provide** rapid rehousing for Medi-Cal families and youth, and interim housing for aging and disabled populations

- **Expand** access to housing services and street medicine programs

- **Improve** access to coordinated housing, health and other social services

- **Reduce** avoidable use of costly health care services

- **Improve** whole person health for Medi-Cal enrollees, including behavioral health treatment and resources

- **Implement** solutions that manage information to better identify populations of focus and Member needs

Proposed Definition

Individuals who are at risk of, have recently been, or are currently experiencing homelessness.

Experiencing homelessness is defined as:[1]

- An individual or family who lacks adequate nighttime residence;
- An individual or family with a primary residence that is a public or private place not designed for or ordinarily used for habitation;
- An individual or family living in a shelter;
- An individual exiting an institution into homelessness;
- An individual or family who will imminently lose housing in next 30 days;
- Unaccompanied youth and homeless families and children and youth defined as homeless under other federal statutes; or
- Individuals fleeing domestic violence.

Populations in California experiencing Homelessness in 2020[2]

- **Total:** 161,548 people experiencing homelessness, of those, 51,785 are experiencing chronic homelessness
- **Household type:** 127,661 households without children (single adults, adult couples with no children, and groups of adults)
- **Gender:** 185,737 Male; 53,505 Female
- **Race:** 87,439 White; 33,118 Black or African American
- **SMI:** 37,599 individuals
- **Chronic Substance Abuse:** 35,821 individuals

[1]Definition aligns with the ECM and Community Supports Policy Guides
[2]Source: https://files.hudexchange.info/reports/published/CoC_PopSub_State_CA_2020.pdf
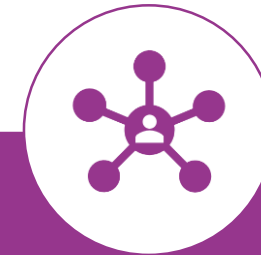
Proposed Program Priority Areas

HHIP will have three program priority areas. Priority areas will serve as the basis for program metrics that the MCPs must meet in order to earn the incentive payments.

1. Partnerships and capacity to support referrals for services

2. Infrastructure to coordinate and meet member housing needs

3. Delivery of services and member engagement

Across all Priority Areas, **MCPs will partner** with social service agencies, counties, housing agencies, public health agencies, and/or community-based organizations to address homelessness.

Proposed MCP Local Homelessness Plan (LHP) Requirements

MCPs must collaborate with local homeless Continuums of Care (CoCs) and submit a Local Homelessness Plan (LHP) to be eligible for HHIP funding.* The following requirements for the LHP focus on addressing the social determinants of health, and health disparities as they relate to housing instability and homelessness.

Proposed Local Homelessness Plan Requirements

MCPs must collaborate with local homeless CoCs and submit a Local Homelessness Plan that:

- Identifies strategies for **engaging members** and making referrals to those utilizing or in need of MCP and CoC services related to housing (including CalAIM Community Supports).
- To ensure appropriate member engagement and referrals, the LHP will detail:
  1. The **available supply** of housing services and supports, including emergency shelters, housing navigation, transitional housing, and permanent supportive housing, and the **estimated demand** for these services; and,
  2. The MCP's approach, in partnership with the local CoC, to **address identified housing and service gaps.**

*This requirements aligns with the September 17, 2021 HCBS Spending Plan - https://www.dhcs.ca.gov/Documents/Updated-HCBS-Spending-Plan-Package.pdf

Proposed MCP Local Homelessness Plan (LHP) Requirements

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Alignment with Homeless Housing Assistance and Prevention (HHAP) Grants

- DHCS expects **MCPs will align their LHPs with local HHAP grant applications** and collaborate with local homeless CoCs on this alignment.

- HHAP is a block grant that funds cities, counties, and CoCs to expand or develop capacity to address housing and homelessness challenges.

*This requirements aligns with the September 17, 2021 HCBS Spending Plan - https://www.dhcs.ca.gov/Documents/Updated-HCBS-Spending-Plan-Package.pdf

HHIP makes $1.288 billion available to distribute to MCPs, beginning in 2022 through March 31, 2024. The proposed funding allocation and reporting methodology will promote collaboration at the county level, while enabling individual MCP participation and evaluation.

Proposed Funding Allocation

The HHIP proposed funding allocation will establish the total available HHIP dollars that each MCP would be eligible to earn should they choose to participate.

The adjustments factor would be based on point in time counts of individuals experiencing homelessness in the county where the MCPs operate.

Total available HHIP dollars

⬇

Allocation based on Medi-Cal MCP enrollment and/or revenue

⬇

Adjustment made based on point in time count of individuals experiencing homelessness in MCP's county

⬇

Total available HHIP dollars for MCP in the county

Proposed Funding and Reporting

HHIP makes $1.288 billion available to distribute to MCPs, beginning in 2022 through March 31, 2024. The proposed funding allocation and reporting methodology will promote collaboration at the county level, while enabling individual MCP participation and evaluation.
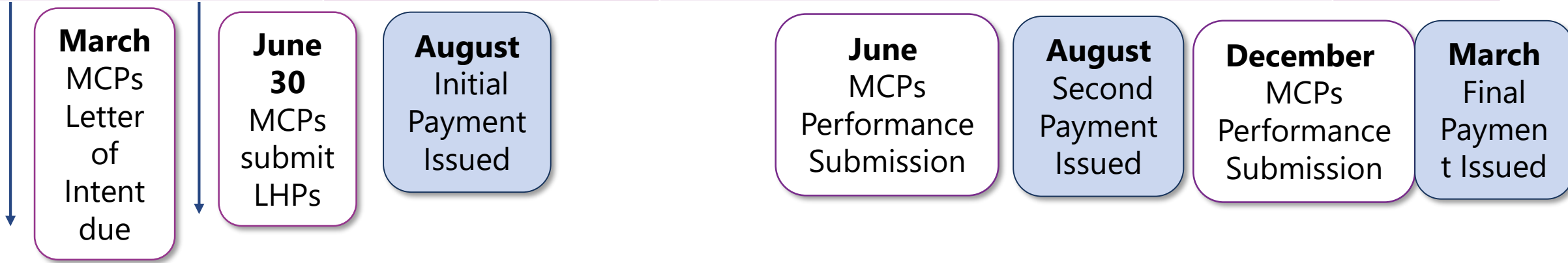
Proposed LHP Reporting Requirements

- In counties with more than one MCP, MCPs need to work together to submit <u>one LHP per county.</u>[1]

- In addition, the LHP will require MCP specific information, either via plan specific information per measure, or an appendix submission.

- Due to federal regulation, HHIP cannot require an 85% MLR. Instead, DHCS will explore other design options to maximize investments to community partners.

[1.] This requirements aligns with the September 17, 2021 HCBS Spending Plan - https://www.dhcs.ca.gov/Documents/Updated-HCBS-Spending-Plan-Package.pdf

DRAFT Program Timeline 2022 – 2024: Key Milestones

2022				2023				2024
Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Program Design & MCP Submissions		Program Year 1 Performance		Program Year 2 Performance				Closeout

March MCPs Letter of Intent due

June 30 MCPs submit LHPs

August Initial Payment Issued

June MCPs Performance Submission

August Second Payment Issued

December MCPs Performance Submission

March Final Payment Issued

January - March Stakeholder meetings

April DHCS posts APL and/or program documents

Q1 – Q2 2022
- DHCS anticipates MCPs will collaborate closely with CoCs in developing their LHPs
- Additionally, MCPs are expected to work with CoCs, counties, and cities on the development of their HHAP grant applications (due to BCSH on June 30)

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Questions & Discussion

Appendix

State Program Descriptions

CA State homelessness programs (drawn from AB 977)

- **Homekey:** temporary, emergency shelter options. Administered locally. Created for local public agencies to purchase motels and other housing types to increase their communities' capacity to respond to the COVID-19 pandemic. The purpose of the Homekey program was to provide grant funding to eligible applicants and facilitate a partnership between the state and local governments to quickly acquire, rehabilitate or master lease a variety of housing types to assist one of the most vulnerable populations impacted by COVID-19.
- **Housing for a Healthy California:** creates supportive housing for individuals who are recipients of or eligible for health care provided through the California Department of Health Care Services, Medi-Cal program
- **Home Safe:** offers a range of strategies to prevent homelessness and support ongoing housing stability for Adult Protective Services clients including rental assistance, moving costs, landlord mediation, case management.

HHAP Eligible Funding Uses
- Rental Assistance
- Rapid rehousing
- Operating subsidies
- Street outreach
- Services coordination
- Systems support
- Delivery of permanent housing and innovative housing solutions
- Prevention and shelter diversion
- New navigation centers and emergency shelters
- Interim sheltering

Source: HHAP Grants https://bcsh.ca.gov/calich/documents/hhap_rd1_4_comparison.pdf

State Program Descriptions

CA State homelessness programs (drawn from AB 977)

- **No Place Like Home:** acquire, design, construct, rehabilitate or preserve permanent supportive housing for persons who are in need of mental health services and are experiencing homelessness. Counties apply, either solely or with a housing development sponsor, and counties must commit to provide mental health services and coordinate access to other community-based supportive services . Focus on adults with SMI or children with SED.
- **Multifamily Housing Program:** assist the new construction, rehabilitation and preservation of permanent and transitional rental housing for lower income households.
- **Veterans Housing and Homeless Prevention:** affordable housing developers Acquisition, construction, rehabilitation, and preservation of affordable multifamily housing for veterans and their families to allow veterans to access and maintain housing stability.
- **Bringing Families Home Program:** locally administered, counties and tribes provide housing-related supports to eligible families experiencing homelessness in the child welfare system

CalAIM Community Supports Funded Services:
- Housing Transition Navigation Services
- Housing Deposits
- Housing Tenancy and Sustaining Services
- Short-Term Post-Hospitalization Housing

Source: HHAP Grants https://bcsh.ca.gov/calich/documents/hhap_rd1_4_comparison.pdf

State Program Descriptions

CA State homelessness programs (drawn from AB 977)
- **CalWORKs Housing Support Program:** locally administered participating counties provide housing-related supports to eligible families experiencing homelessness in the CalWORKs program
- **Housing and Disability Income Advocacy Program:** locally administered, counties provider housing related financial assistance and wrap-around supportive services to people who are experiencing homelessness and are likely eligible for disability benefits
- **Roomkey:** provides non-congregate shelter options for people experiencing homelessness, protect human life, and minimize strain on health care system capacity.

Source: HHAP Grants https://bcsh.ca.gov/calich/documents/hhap_rd1_4_comparison.pdf