



Policy Brief

CalAIM's Community Supports and Non-Binding Pricing Guidance

October 2021

A key feature of California Advancing and Innovating Medi-Cal (CalAIM) is the introduction of a new menu of health-related Community Supports (formerly “in lieu of services” or ILOS), which offer non-clinical services to address key social determinants of health, such as housing. The Department of Health Care Services (DHCS) has pre-approved fourteen ILOS and is encouraging Medi-Cal managed care organizations (MCOs) to offer them beginning January 1, 2022. The DHCS spreadsheet showing which community supports will be offered by each county MCO through July 2022 is available [here](#).

DHCS has prepared non-binding pricing guidance to help MCOs and Community Support providers engage in new contracting and payment relationships. The pricing guidance was published in August 2021 and the full document is available [here](#). This summary relies heavily on the [DHCS pricing guidance](#) along with the [DHCS Policy Guide](#). First, we provide a general review of Community Supports, followed by a review of how DHCS developed their pricing guidance. Finally, we summarize the pricing guidance for each service ([Table 1, page 3](#)).

What are Community Supports (formerly ILOS)?

- Community supports are medically appropriate and cost-effective alternatives to services covered under the California Medicaid State Plan.
- These support services are intended to address social determinants of health of Medi-Cal members and improve health equity of across California.

What Community Supports may be offered?

The DHCS has pre-approved a list of Community Supports that MCOs are strongly encouraged to offer. Approved Community Supports are expected to be a cost-effective substitute for covered Medi-Cal benefits, such as hospital care, nursing facility care and emergency department use. The list of preapproved service categories is drawn in part from the foundational work done through the Whole Person Care Pilots and Health Home Program. The fourteen pre-approved service categories include:

1. Housing Transition Navigation Services
2. Housing Deposits

3. Housing Tenancy and Sustaining Services
4. Short-term Post-Hospitalization (or Incarceration) Housing
5. Recuperative Care (Medical Respite)
6. Respite Services
7. Day Habilitation Programs
8. Nursing Facility Transition/Diversion to Assisted Living Facilities
9. Community Transition Services/Nursing Facility Transition to a Home
10. Personal Care and Homemaker Services
11. Environmental Accessibility Adaptations (Home Modifications)
12. Meals/Medically Tailored Meals
13. Sobering Centers
14. Asthma Remediation

[Appendix 1 on page 4](#) below includes descriptions of each Community Support. More information about each category of Community Support, including details about eligibility criteria, restrictions, and allowable providers is available in the [DHCS Policy Guide](#) (September 2021 version).

Can additional Community Supports be offered in the future?

- MCOs may propose additional Community Supports to the DHCS for review and approval. MCOs may choose to offer different Support services in different counties.
- MCOs may add or remove Community Supports at defined intervals: every six (6) months to add service categories and annually to remove a previously offered service.

How did the DHCS develop the (non-binding) pricing guidance?

- The DHCS considered the following cost drivers (when applicable):
 1. Necessary frequency: how often a service must be provided
 2. Necessary duration: how long a service must last
 3. Setting: where the service is provided
 4. Provider staffing qualifications: who provides the service and what are their required qualifications
 5. Provider hourly salaries: how much the staff providing the service is being paid
 6. Staffing ratios and staff caseloads: how many enrollees per staff and how many supervisors per staff
- The DHCS also considered other relevant pricing inputs (such as transportation related time and mileage for providers) and compared their estimates with relevant benchmarks (such as Home and Community-Based Services limits).
- The DHCS used statewide average cost inputs to derive rate ranges and midpoint rates, but they may not fully capture geographic variation in the cost of rent, transportation, labor, and other cost drivers.
- The DHCS worked with the actuarial firm Mercer and the law firm Manatt.
- To develop their methodology for pricing specific services in the first place, DHCS and its partners relied on the extensive stakeholder engagement, a cost input

survey, extensive guidance from the Center for Medicare & Medicaid guidance on developing rates, market research on cost inputs, and public data.

- There are several assumptions the DHCS makes about the provision of each Community Support (such as the education requirements for staff) that are consequential to their estimates, but their assumptions are clearly stated in the pricing guidance.

Table 1. Service rate guidance, pricing units, and the maximum frequency/duration for pre-approved Community Supports

Service	Rate Midpoint	Rate Range	Unit of Service	Frequency (Duration)
Housing Transition Navigation Service	\$386	\$324-\$449	Per Person per Month	As needed
Housing Deposits	\$5,000	N/A	Recommended Maximum	Once per lifetime (until maximum is reached)
Housing Tenancy and Sustaining Service	\$444	\$413-\$475	Per Person per Month	As needed
Short-Term Post-Hospitalization Housing	\$108	\$97-\$119	Per Diem	Once per lifetime (no more than six months)
Recuperative Care (Medical Respite)	\$204	\$181-\$226	Per Diem	As needed (no more than 90 continuous days)
Respite Services	\$33	\$29-\$38	Per Hour	As needed
Day Habilitation Programs	\$56	\$46-\$67	Per Diem	As needed
	\$7	\$6-\$8	Per Hour	
Nursing Facility Transition/Diversion to Assisted Living Facilities	\$459	\$422-\$496	Per Person per Month	As needed
	\$33	\$29-\$38	Per Hour	
Community Transition Services/Nursing Facility Transition to a Home	\$459	\$422-\$496	Per Person per Month	As needed (until maximum is reached)
Environmental Accessibility Adaptations (Home Modifications)	\$7,500	N/A	Cap	Once per lifetime (until maximum is reached)
Medically Tailored Meals/Medically Supportive Food	\$9.50	\$7-\$12	Per Delivered Meal	Up to 3 delivered meals per day/delivered groceries for up to 3 meals per day (as needed up to 12 weeks)
	\$66	\$52-\$81	Per Weekly Delivered Groceries	
	\$41	\$33-\$49	Per Nutritional Assessment	
Sobering Centers	\$170	\$154-\$186	Per Diem	As needed
Personal Care and Homemaker Services	\$33	\$29-\$33	Per Hour	As needed
Asthma Remediation	\$7,500	N/A	Cap	Once per lifetime (until maximum is reached)

Appendix 1. Definitions for each pre-approved Community Support

1. Housing Transition Navigation Services

Housing Transition Navigation Services are intended to assist with obtaining housing. Services include conducting a tenant screening and developing an individualized housing support plan. They may also include assistance with searching for and securing housing, identifying and securing resources to cover living expenses, and moving. Additionally, services may include assistance after the move is complete, including help securing transportation and obtaining adaptations for the living space. These services do not include the provision of room and board or rental cost payment(s).

2. Housing Deposits

Housing Deposits assist with identifying, coordinating, securing, or funding one-time services and/or modifications to help someone establish tenancy. Examples of deposits may include security deposits, utility setup fees/deposits, first month coverage of utilities, first and/or last month's rent, cleaning, pest eradication, or medically required home products such as air filters or hospital beds. These deposits do not include the provision of room and board or payment of ongoing rental costs, beyond the first and/or last month's rent coverage. Housing deposits are only available once in an individual's life.

3. Housing Tenancy and Sustaining Services

Housing Tenancy and Sustaining Services are intended to help a tenant sustain safe and stable residency. Covered services may include education for the tenant and landlord, coaching to help improve the tenant/landlord relationship, assistance in resolving disputes with landlords and/or neighbors, tenant advocacy, assistance with accessing benefits and/or entitlements, assistance with lease compliance, and unit habitability inspections. These services are available from the initiation of services through the time when the individual's housing support plan determines they are no longer needed. They are only available for a single duration in an individual's life.

4. Short-Term Post-Hospitalization (or Incarceration) Housing

Short-Term Post-Hospitalization Housing is intended to help people without a residence continue their medical/psychiatric/substance use disorder recovery immediately after exiting an institution (e.g., inpatient hospital, nursing facility, or correctional facility). This short-term housing may be an individual or shared setting where residents can receive ongoing support for recuperation. Individuals would have the opportunity to regain their ability to perform activities of daily living, receive necessary medical/psychiatric/substance use disorder care, receive case management services, and begin accessing other housing supports such as Housing Transition Navigation. These services are available once in an individual's life and must not exceed a duration of six (6) months.

5. Recuperative Care (Medical Respite)

Recuperative Care is interim residential care for individuals who no longer require hospitalization to recover from injury or illness and whose recovery would be jeopardized by an unstable or unsafe living environment. At minimum this interim housing includes a bed, meals, and ongoing monitoring of the individuals medical and/or behavioral health. This service is primarily for individuals experiencing homeless or those who are too ill or frail to recover in their usual living setting. Recuperative care may be utilized jointly with other supplementary housing Community Support but may not replace or duplicate other services. It may not last longer than 90 days in continuous duration.

6. Respite Services

Respite Services are intended to help caregivers of members who require intermittent temporary supervision. If a caregiver is unable to provide the care they normally provide for a member, respite service may be provided on an hourly basis or be provided by the day/overnight short-term basis. Home respite services are provided to the member in their own living environment while facility respite services are provided in approved an out-of-home location. These services may not exceed 336 hours of respite per calendar year.

7. Day Habilitation Programs

Day Habilitation Programs are intended to assist members with acquiring, retaining, and improving self-help, socialization, and adaptive skills that are necessary for safe and successful tenancy. If a person is experiencing homelessness, this program can provide a physical location for them to meet and engage with the Community Support providers. Programs may include training on the use of public transportation, development of conflict resolution skills, daily living skills, and community participation. Additional programs may include assistance with selecting and moving into a new residence, locating, and choosing housemates, settling landlord disputes, managing personal finances, dealing with governmental agencies or personnel, and asserting civil or statutory rights with self-advocacy. These programs are available to individuals as needed.

8. Nursing Facility Transition/Diversion to Assisted Living Facilities

Nursing Facility Transition/Diversion to Assisted Living Facilities services are intended to facilitate members transition from a nursing facility to a home-like community setting (e.g., residential care facility for the elderly) and/or prevent members from being admitted to skilled nursing facilities if they are in imminent need for nursing facility level of care. Services will help people remain in their community and avoid institutionalization when possible. Services may include companion services, medication oversight, therapeutic social and recreational programming, 24-hour direct care staff, assistance with facility applications or contracts, and coordination with the MCO. Individuals are responsible for paying their own living expenses and services are available as needed.

9. Community Transition Services/Nursing Facility Transition to a Home

Community Transition Services/Nursing Facility Transition to a Home services cover nonrecurring setup expenses for people transitioning back to a private living environment from a licensed congregate living facility. Covered services may include assistance with searching for and securing housing, communicating with landlords, identifying and securing transportation, and coordinating funding for living space modifications. Monthly rental or mortgage expenses, food, utility charges, and/or household appliances are not covered. Services are payable once in an individual's lifetime up to a maximum amount.

10. Personal Care and Homemaker Services

Personal Care and Homemaker Services are provided to people who need assistance with their Activities of Daily Living. Services may include house cleaning, meal preparation, laundry, grocery shopping, personal care services, accompaniment to medical appointments, and protective supervision. These services cannot be utilized in lieu of referring a person to the In-Home Supportive Services program.

11. Environmental Accessibility Adaptations (Home Modifications)

Environmental Accessibility Adaptations may be any physical adaptation to a home that is necessary to ensure the health, welfare, and safety of a person to ensure that person can live with greater independence in their home and avoid institutionalization. Adaptations may include the installation of ramps, grab bars, stair lifts, or specialized systems to accommodate medical equipment. Additional adaptations may include the widening of doorways or the installation of a Personal Emergency Response System. These services are available to members who do not own their residence, but they must obtain written consent from the property owner for the changes. Home modifications are payable once per lifetime up to a total maximum amount.

12. Meals/Medically Tailored Meals

Meals/Medically Tailored Meals service covers meals delivered to the home immediately following discharge from a hospital or nursing home. The meals provided under this service are medically tailored by a registered dietitian, therefore meet the unique dietary needs of those with chronic disease(s). Medically supportive food and nutrition services may include medically tailored groceries, healthy food vouchers, and food pharmacies. Education on diet behavior, cooking, and nutrition may also be covered. These services are available as needed for up to three (3) meals per day for up to 12 weeks.

13. Sobering Centers

A sobering center may be used as an alternative destination for individuals found to be publicly intoxicated and who would otherwise be transported to an emergency room or jail. These centers can provide services such as medical triage, lab testing, a temporary bed, rehydration and food service, and treatment for nausea or wounds. Additionally, these centers may offer laundry facilities and education or counseling for substance use. Ideally, these centers could offer linkages to additional supportive

county behavioral health services and treatment. This service is covered for a duration of less than 24 hours.

14. Asthma Remediation

Asthma Remediation services may include the provision of allergen impermeable mattress and pillow dustcovers, HEPA filtered vacuums, pest management services, dehumidifiers, air filters, and asthma safe cleaning products. Additionally, covered services may include minor mold removal and minor structural changes to improve ventilation. These services are available in a residence that is owned, rented, leased, or simply occupied by the member or their caregiver. These services are available once per lifetime until the maximum amount is reached.

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About California Health Policy Strategies (CalHPS), L.L.C.

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