



CHCF

PERSPECTIVES FROM THE FIELD

CalAIM Community Supports Early Adopters: Spotlight on Day Habilitation

CalAIM (California Advancing and Innovating Medi-Cal) enables managed care plans to offer 14 Community Supports — services not traditionally covered by Medi-Cal that address health-related social needs. Some, like housing navigation, housing tenancy and sustaining services, and medically tailored meals, have been readily adopted by participating health plans since the launch of Community Supports in 2022, while others have gotten off to a slower start. In this fact sheet we profile one of these services with relatively low adoption, **day habilitation**.

Day habilitation programs focus on building the skills necessary for developing and maintaining interpersonal relationships and supporting daily living skills. Among those skills are the abilities to work and keep a job. In Orange County, CalOptima Health, the local managed care plan, has partnered with an established community organization, Chrysalis, to offer day habilitation services.

The material in this fact sheet is [based on a webinar](#) hosted by the Center for Health Care Strategies on January 9, 2024, with support from the California Health Care Foundation.

Goals of day habilitation.

Day habilitation is designed to assist people with low incomes acquire and retain the self-help skills necessary to live successfully. These could include socialization skills, using public transport, or other skills of daily living. In Orange County, the top goal cited by Chrysalis clients is to get a job so they can take care of their children. Many clients are noncustodial parents who want to play a role in their children's lives.

Who is eligible.

The program is targeted toward people who are homeless or at risk of homelessness, or who have entered stable housing from a period of homelessness within the previous 24 months.

What the service includes.

Chrysalis's core offering is trauma-informed case management services. Staff help clients address issues they face such as housing, mental or physical illnesses, or interactions with their parole officer. The average age of clients is 40; typically, they have been out of the job market for a long time and are skeptical of getting back into steady employment. Some clients have never had a traditional structured job. Through participation in the program, they learn basic skills, such as how to show up for work, call in for absences, or handle a job

Advice for Other Organizations

"Be prepared and willing to take risks. You need a lot of administrative support; it's an administratively intensive effort. Leverage the opportunities being created with partners. This can be a great opportunity to build out your network."

— Mark Loranger, Chrysalis

"Finding the member match is really important for us at CalOptima Health. We look at their needs and their specific location and say, 'Where can that member best be served? What is the best match for the client and the agency?'"

— Mia Arias, CalOptima Health

interview. Chrysalis does not have a time limit on participation in its program.

“Our mission is to help prepare people to get a job and keep a job,” said Mark Loranger, president and CEO of Chrysalis. “We work with people who face significant barriers to rejoining the workforce: they’re homeless, in recovery, or have been impacted by the justice system. The level of support available in a traditional unemployment office is not sufficient for them.”

How people enroll in the program.

Clients typically self-refer or are referred by housing organizations. CalOptima authorizes the service in six-month increments.

How day habilitation fits into the continuum of care.

Like housing [tenancy and sustaining services](#), another Community Support, day habilitation is designed to help people maintain stability once housed. Day habilitation builds on tenancy-sustaining services, which are narrowly focused on relationships with landlords, extending to other daily living skills like finding and maintaining a job, shopping, cooking, cleaning, and managing money.

Key takeaways from the webinar for others implementing the service:

- **Relationships matter.** Loranger had worked with Mia Arias, director of Medi-Cal/CalAIM at CalOptima, in her prior role at a homeless service provider. When she reached out to him about coming onboard with a day habilitation program under CalAIM, he was skeptical at first since Chrysalis had not previously been involved with Medi-Cal or health-related initiatives. But he saw an opportunity to develop relationships with local providers in Orange County and grow new areas of business. Chrysalis was new to Medi-Cal billing, and the steep learning curve imposed a hardship on the staff. Most clients are already enrolled in Medi-Cal. If they are not enrolled but are eligible, Chrysalis helps them enroll. CalOptima makes it a practice to support its providers in validating insurance coverage. Sometimes clients fall out of coverage, and the health plan tries to get them back in if there is a gap in coverage.
- **Partnerships with other organizations can bring unexpected benefits.** As it happened, CalOptima was already partnering with a housing organization in Orange County. “Through this program, we now have a two-way referral system,” Loranger said. “Up to 30 of our clients have been hired by the housing organization. And we get referrals of their residents that are in need of employment.” He called this an example of “the ancillary things that can happen. Once you have a business partner you can trust, you think about other ways you can work together.”
- Arias says it is vital to the success of CalOptima’s mission to promote smooth business relationships among its various providers. “We want our partner organizations to be able to talk to each other,” she said. “So we give our providers an opportunity to come together in person” in monthly meetings.

Organizations Profiled

CalOptima Health, a Medi-Cal managed care plan, serves one in four adults and one in three children in Orange County and has an annual budget of \$4 billion. CalOptima has contracted with 11 day habilitation providers in Orange County. Since it launched the service in July 2022, 732 of its members have used the service.

Chrysalis, a nonprofit organization based in Southern California, is dedicated to “changing lives through jobs.” It helps people prepare for, find, and keep employment. Founded in 1984, the organization has assisted more than 81,000 people to get stabilized in jobs and housing. Chrysalis serves people navigating barriers to the workforce by offering a job-readiness program, individualized supportive services, and paid transitional employment. In 2023, Chrysalis provided services to 1,800 clients, helping them get jobs at an average hourly wage of \$18.88 — higher than the minimum wage. As of January 2024, Chrysalis has billed CalOptima for 135 clients.

About the Perspectives from the Field Series

As California’s Department of Health Care Services administers changes to the Medi-Cal program, especially those that are part of the CalAIM initiative, CHCF is intermittently publishing short reports that highlight the perspectives of those in the field who are implementing the changes. These “Perspectives from the Field” seek to inform policymakers and other health care leaders about insights and experiences from people on the ground who work directly with patients.

About the Author

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About the Foundation

The California Health Care Foundation (CHCF) is dedicated to advancing meaningful, measurable improvements in the way the health care delivery system provides care to the people of California, particularly those with low incomes and those whose needs are not well served by the status quo. We work to ensure that people have access to the care they need, when they need it, at a price they can afford.

CHCF informs policymakers and industry leaders, invests in ideas and innovations, and connects with changemakers to create a more responsive, patient-centered health care system.