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CalAIM Renewal in Context

Perspectives of People with Complex Needs and the Providers That Care for Them

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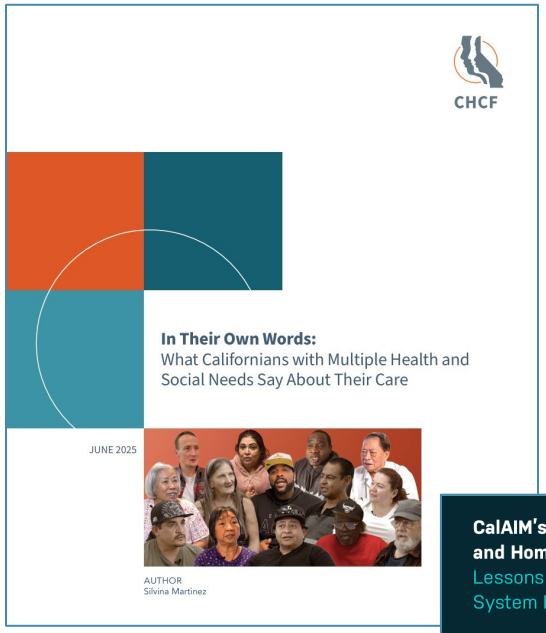
Advancing People-Centered Care

August 2025

This presentation draws on four key sources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In Their Own Words:
What Californians with Multiple Health and Social Needs Say About Their Care

JUNE 2025

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CHCF

CalAIM Experiences:
Implementer Views in Year Three of Reforms

DECEMBER 2024

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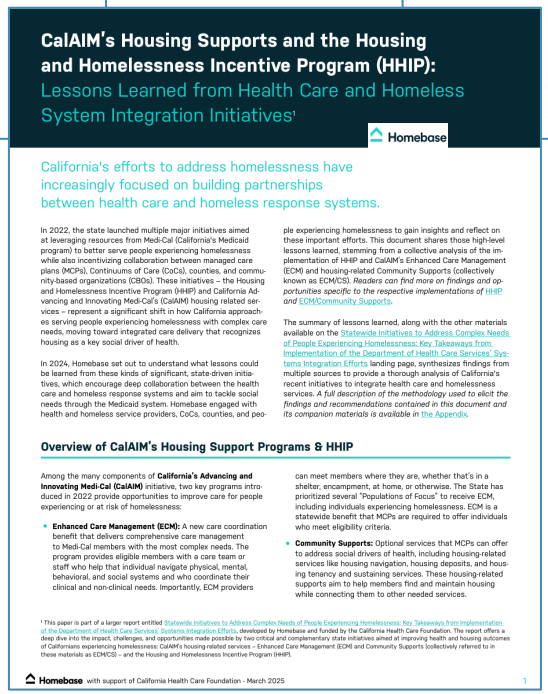

CalAIM's Housing Supports and the Housing and Homelessness Incentive Program (HHIP):
Lessons Learned from Health Care and Homeless System Integration Initiatives[1]

Homebase

California's efforts to address homelessness have increasingly focused on building partnerships between health care and homeless response systems.

In 2022, the state launched multiple major initiatives aimed at leveraging resources from Medi-Cal (California's Medicaid program) to better serve people experiencing homelessness while also incentivizing collaboration between managed care plans (MCPs), Continuums of Care (CoCs), counties, and community-based organizations (CBOs). These initiatives – the Housing and Homelessness Incentive Program (HHIP) and California Advancing and Innovating Medi-Cal's (CalAIM) housing related services – represent a significant shift in how California approaches serving people experiencing homelessness with complex care needs, moving toward integrated care delivery that recognizes housing as a key social driver of health.

In 2024, Homebase set out to understand what lessons could be learned from these kinds of significant, state-driven initiatives, which encourage deep collaboration between the health care and homeless response systems and aim to tackle social needs through the Medicaid system. Homebase engaged with health and homeless service providers, CoCs, counties, and people experiencing homelessness to gain insights and reflect on these important efforts. This document shares those high-level lessons learned, stemming from a collective analysis of the implementation of HHIP and CalAIM's Enhanced Care Management (ECM) and housing-related Community Supports (collectively known as ECM/CS). *Readers can find more on findings and opportunities specific to the respective implementations of* HHIP *and* ECM/Community Supports.

The summary of lessons learned, along with the other materials available on the Statewide Initiatives to Address Complex Needs of People Experiencing Homelessness: Key Takeaways from Implementation of the Department of Health Care Services' Systems Integration Efforts landing page, synthesizes findings from multiple sources to provide a thorough analysis of California's recent initiatives to integrate health care and homelessness services. *A full description of the methodology used to elicit the findings and recommendations contained in this document and its companion materials is available in* the Appendix.

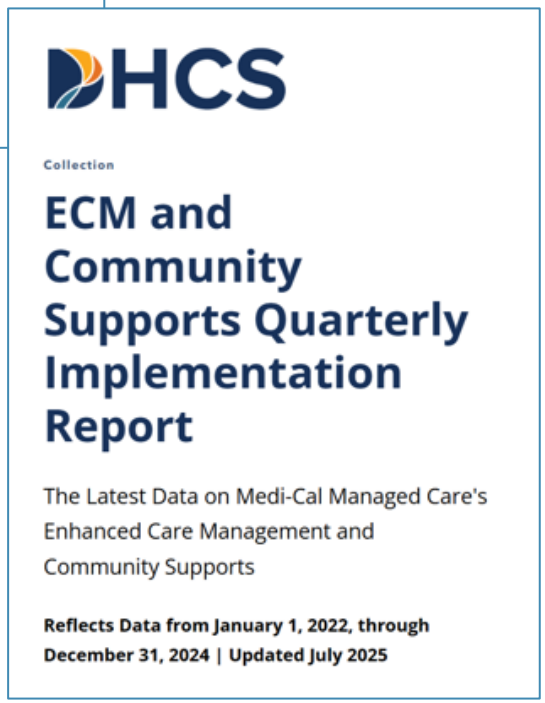
Overview of CalAIM's Housing Support Programs & HHIP

Among the many components of **California's Advancing and Innovating Medi-Cal (CalAIM)** initiative, two key programs introduced in 2022 provide opportunities to improve care for people experiencing or at risk of homelessness:

- **Enhanced Care Management (ECM):** A new care coordination benefit that delivers comprehensive care management to Medi-Cal members with the most complex needs. The program provides eligible members with a care team or staff who help that individual navigate physical, mental, behavioral, and social systems and who coordinate their clinical and non-clinical needs. Importantly, ECM providers can meet members where they are, whether that's in a shelter, encampment, at home, or otherwise. The State has prioritized several "Populations of Focus" to receive ECM, including individuals experiencing homelessness. ECM is a statewide benefit that MCPs are required to offer individuals who meet eligibility criteria.
- **Community Supports:** Optional services that MCPs can offer to address social drivers of health, including housing-related services like housing navigation, housing deposits, and housing tenancy and sustaining services. These housing-related supports aim to help members find and maintain housing while connecting them to other needed services.

[1] This paper is part of a larger report entitled Statewide Initiatives to Address Complex Needs of People Experiencing Homelessness: Key Takeaways from Implementation of the Department of Health Care Services' Systems Integration Efforts, developed by Homebase and funded by the California Health Care Foundation. The report offers a deep dive into the impact, challenges, and opportunities made possible by two critical and complementary state initiatives aimed at improving health and housing outcomes of Californians experiencing homelessness: CalAIM's housing-related services – Enhanced Care Management (ECM) and Community Supports (collectively referred to in these materials as ECM/CS) – and the Housing and Homelessness Incentive Program (HHIP).

Homebase with support of California Health Care Foundation · March 2025 1


DHCS

Collection

ECM and Community Supports Quarterly Implementation Report

The Latest Data on Medi-Cal Managed Care's Enhanced Care Management and Community Supports

Reflects Data from January 1, 2022, through December 31, 2024 | Updated July 2025

What are CalAIM's ECM and Community Supports?

- Launched in 2022 by DHCS as part of CalAIM
- **Enhanced Care Management (ECM)** is a ***benefit*** for Medi-Cal enrollees with complex needs, rolled out gradually across nine populations of focus.
- **Community Supports** are ***optional services*** to address health-related social needs.
- Both are administered by managed care plans and were designed to continue key programs (Whole Person Care and Health Homes) that had started before CalAIM. This has two major implications:
  - Whole Person Care and Health Homes were not universally adopted — as a result, 26 counties had a running start, while 32 were starting from scratch.
  - Whole Person Care was administered by county providers, with flexible program design and reimbursement. As a result:
    - Under Whole Person Care, local workflows were the same for all patients, regardless of which managed care plan they belonged to.
    - The transition to ECM and Community Supports meant major change for involved providers.

Why we need ECM: Medi-Cal is a complex system to navigate

State Fee-for-Service System

Medicare

Managed Care Plans

Mental Health Plans (counties)

Substance Use Services (counties)

Option to receive through managed care plan

Prescription Drugs

Dental Care

Physical Health Care

Who Medi-Cal covers:

- 1/3 of Californians
- 1/2 of school age children and births
- 1/2 of people with disabilities
- 2/3 of long-term care days

Help at Home: In-Home Supportive Services

Home and Community Based Services Waiver Programs

California Children's Services*

Long-Term Care in Nursing Homes

Adult Day Health Services

Non-Specialty Mental Health Care

Specialty Mental Health Care

Substance Use Services*

New Medi-Cal contract requires managed care plans to coordinate across services

* Varies by county; by 2027, Mental Health and Substance Use Services will undergo administrative integration statewide.

Californians with Multiple Health and Social Needs reinforce the need for ECM and Community Supports

Interview and focus groups with more than 100 people with complex needs and caregivers from four communities across the state yielded six key findings:

People don't fit neatly into the populations of focus. Most people interviewed had needs that overlapped.

Basic needs like housing, food, and employment often take priority over health concerns.

Trust in providers is crucial — participants value empathy, fair treatment, and culturally resonant care.

Participants strongly desire "one-stop shopping" models that integrate multiple services in a single location or from the same trusted provider.

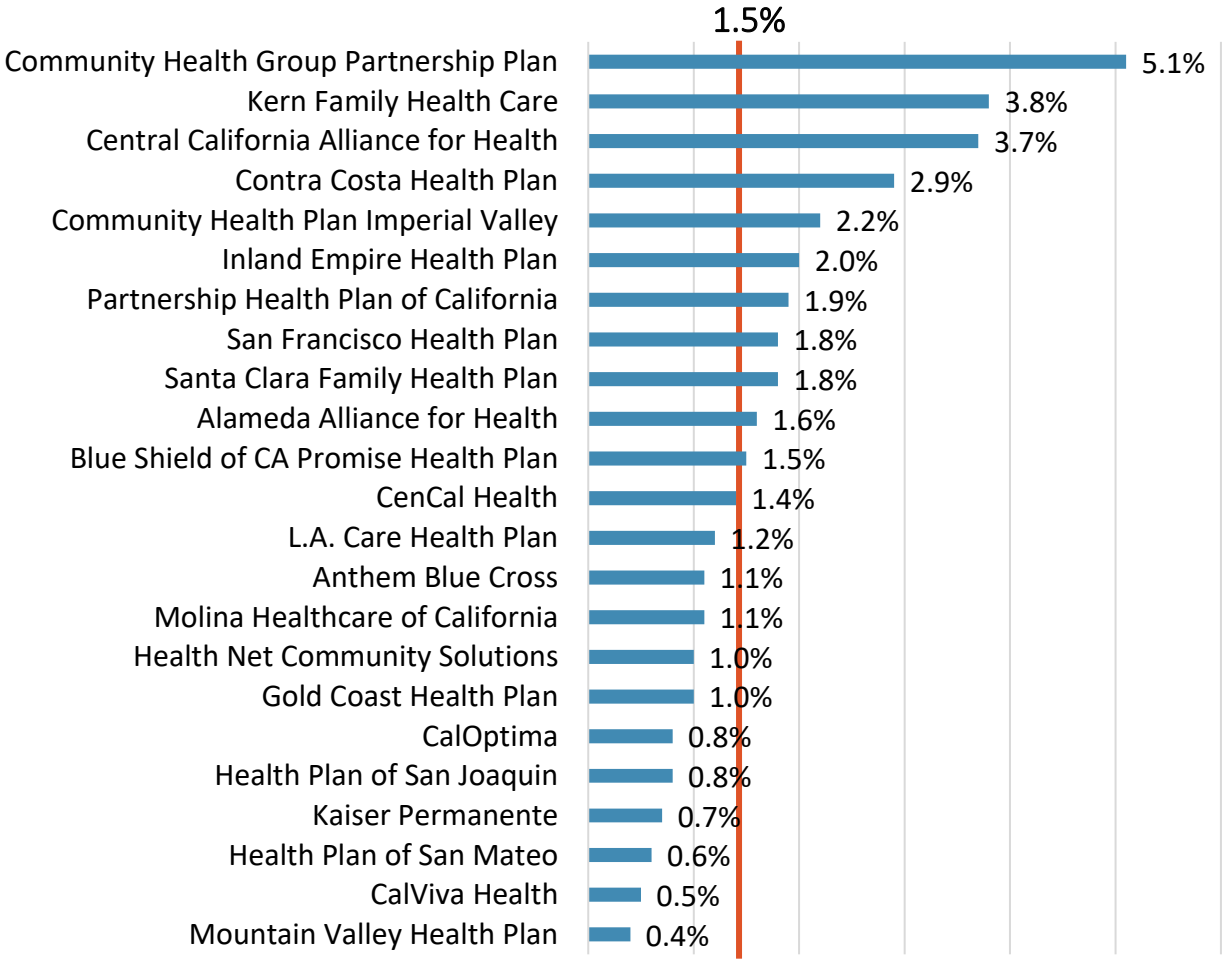
Care management to navigate the system is essential, particularly for those with language barriers or limited digital literacy.

Participants face significant barriers to care, including long wait times and limited access, particularly for mental health and dental services.

Source: In Their Own Words: What Californians with Multiple Health and Social Needs Say About Their Care (PDF)

California Health Care Foundation

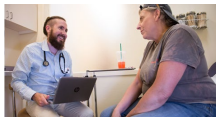
ECM is not reaching the number of people that managed care plans are being paid to reach



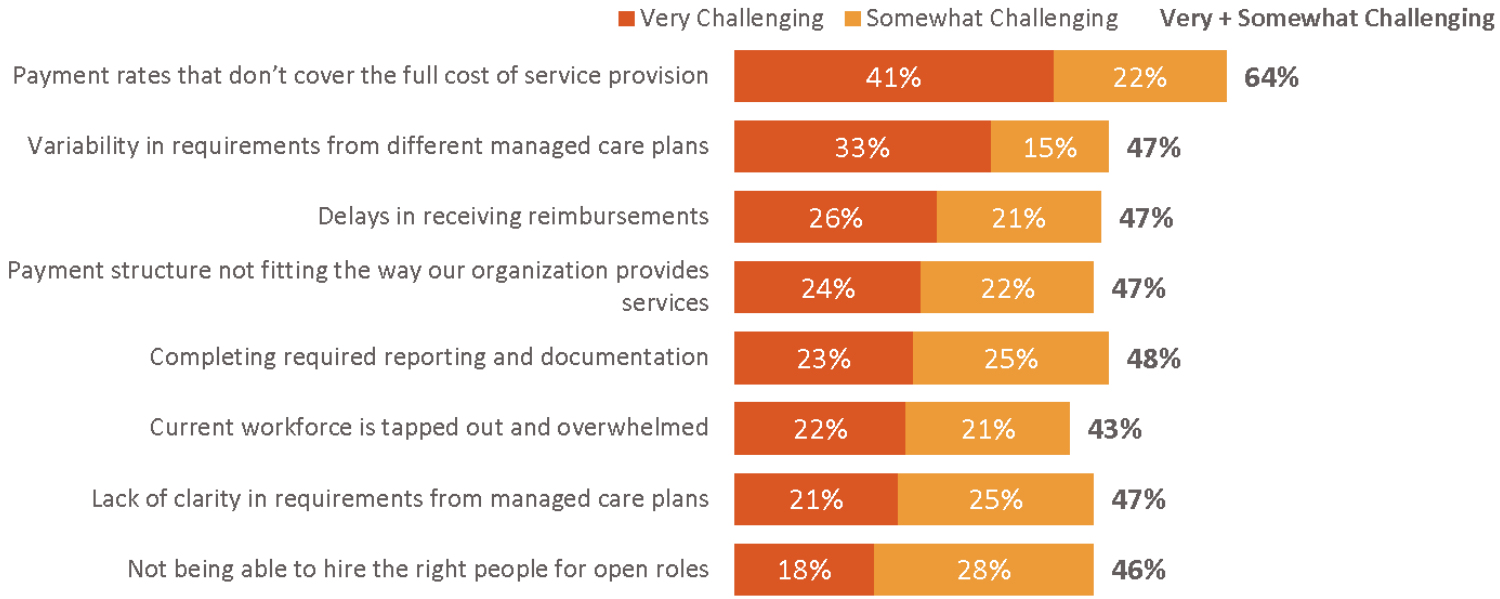
- In 2024, less than half of plans were at or above the target of 1.5% of Medi-Cal enrollees that forms the basis for their ECM reimbursement[1]
- These plans represent less than 36% of enrolled lives
- Drilling down to the county level, only 31% of MCPs were at 1.5%

1. 2024 Medi-Cal Managed Care Capitation Rate Development and Certification Report (PDF)
Source: DHCS ECM and CS Quarterly Implementation Report, Data from Chart 1.61

ECM: Biggest provider challenges relate to payment, variable MCP requirements, workforce



Q: PLEASE INDICATE HOW CHALLENGING EACH OF THE FOLLOWING HAS BEEN WHEN IT COMES TO IMPLEMENTING ECM.



Notes: See detailed topline document for full question wording and response options. Totals may not sum due to rounding. Ranked by "Very challenging." Asked of ECM providers (*n* = 169).

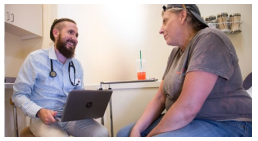
Source: CalAIM Experiences: Implementer Views in Year Three of Reforms
California Health Care Foundation

Community Supports: Optional nature a barrier to access

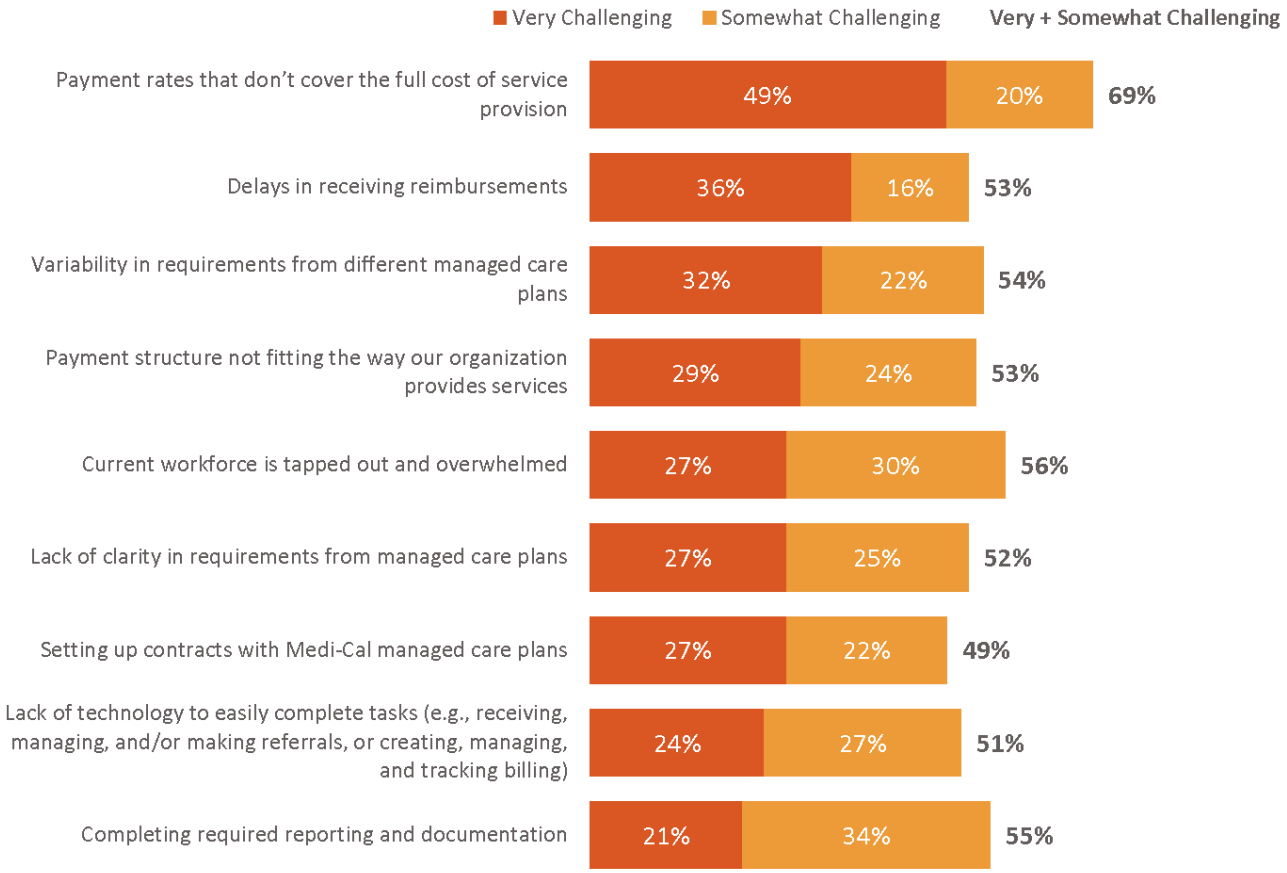
- **Utilization is concentrated in just three supports:** Meals (56% of Community Supports offered in 2024), Housing Transition Navigation (24%), and Housing Tenancy Sustaining (9%). The remaining 11 Community Supports ***combined*** accounted for the remaining 11% of supports offered.
- In addition, **three plans account for almost 40% of utilization**. These plans are not the biggest ones — they represent only 15% of Medi-Cal enrollments.
- A significant barrier is that Community Supports are optional — plans must (1) decide to offer the support, (2) build a network of providers with the capacity to deliver it, and (3) authorize the support.
  - **Only the housing trio is offered by all plans in all counties.**
  - Offering a support doesn't always translate to people getting it. At the county level, ***36% of MCPs offering a support had zero utilization in the last quarter of 2024***, and 28% had utilization by fewer than 11 members.

Source: DHCS ECM and CS Quarterly Implementation Report, Data from Chart 3.93 (Total Number of Members Who Utilized Community Supports by MCP and County by Service by Quarter)

Community Supports: Biggest provider challenges relate to payment, MCP requirements and contracts, and workforce



Q: PLEASE INDICATE HOW CHALLENGING EACH OF THE FOLLOWING HAS BEEN WHEN IT COMES TO IMPLEMENTING COMMUNITY SUPPORTS. TOP CHALLENGES:



Notes: See detailed topline document for full question wording and response options. Totals may not sum due to rounding. Ranked by "Very challenging." Asked of Community Supports providers (*n* = 154).

Source: CalAIM Experiences: Implementer Views in Year Three of Reforms

California Health Care Foundation

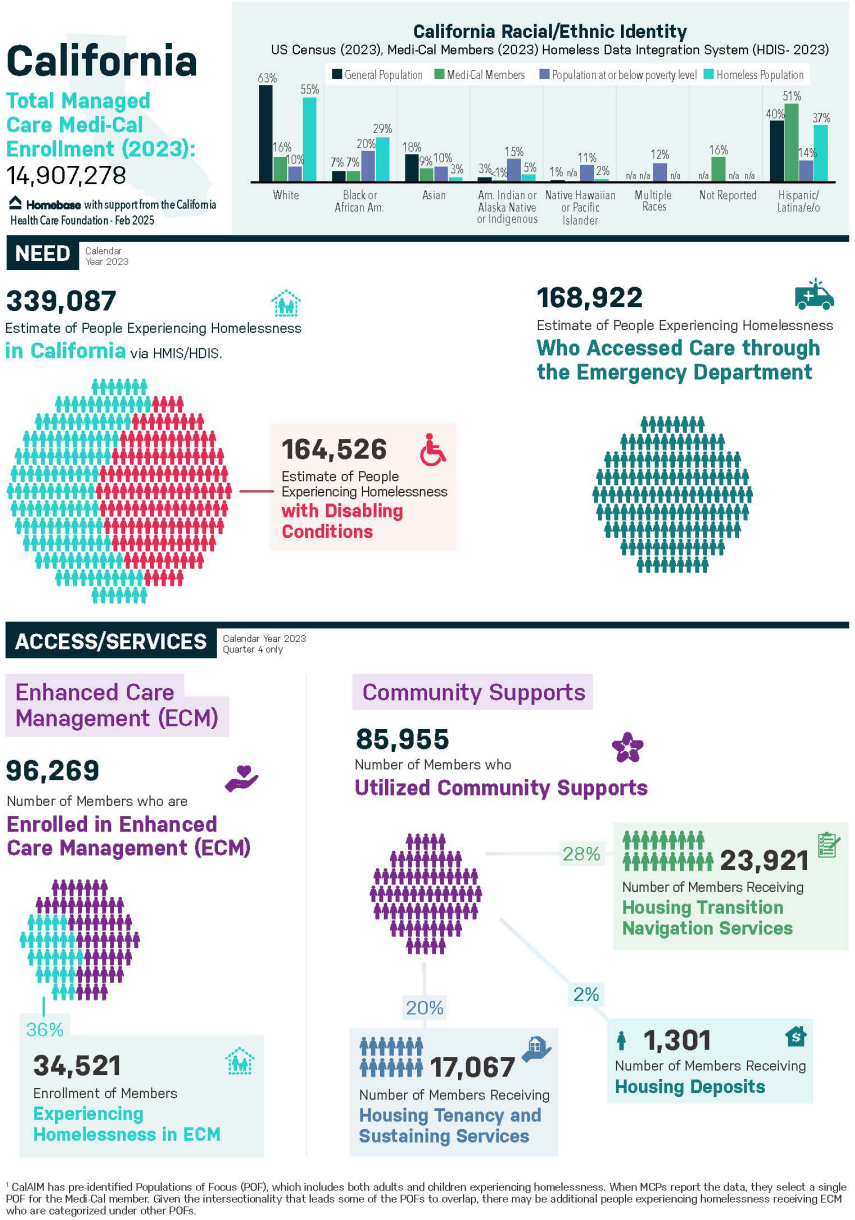
ECM and Community Supports are important tools for homeless response

In 2023, of 165,000 people experiencing homelessness likely to be eligible:

- 20% received ECM
- 15% received Housing Transition Navigation Services
- 10% received Housing Tenancy and Sustaining Services
- <1% received Housing Deposits

Using the same methodology, in 2024:

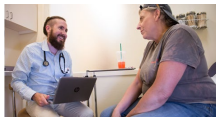
- 38% received ECM
- 26% received Housing Transition Navigation Services
- 11.4% received Housing Tenancy and Sustaining Services
- 2% received Housing Deposits



[1] CalAIM has pre-identified Populations of Focus (POF), which includes both adults and children experiencing homelessness. When MCPs report the data, they select a single POF for the Medi-Cal member. Given the intersectionality that leads some of the POFs to overlap, there may be additional people experiencing homelessness receiving ECM who are categorized under other POFs.

Source: Homebase ECM and Community Supports Data Fact Sheets

Homeless service providers cite successes and optimism about CalAIM



- 84% say CalAIM has improved their ability to manage the comprehensive needs of the people they serve.
- Despite challenges, especially related to payment rates and delays, they remain committed to growth and optimistic about the future.
- Housing developers also see ECM and Community Supports as a way to fund services in permanent supportive housing, making funds for the housing itself go further.

Sources: CalAIM Experiences: Implementer Views in Year Three of Reforms; and Supporting the Implementation of CalAIM within Permanent Supportive Housing. California Health Care Foundation

Equity in CalAIM

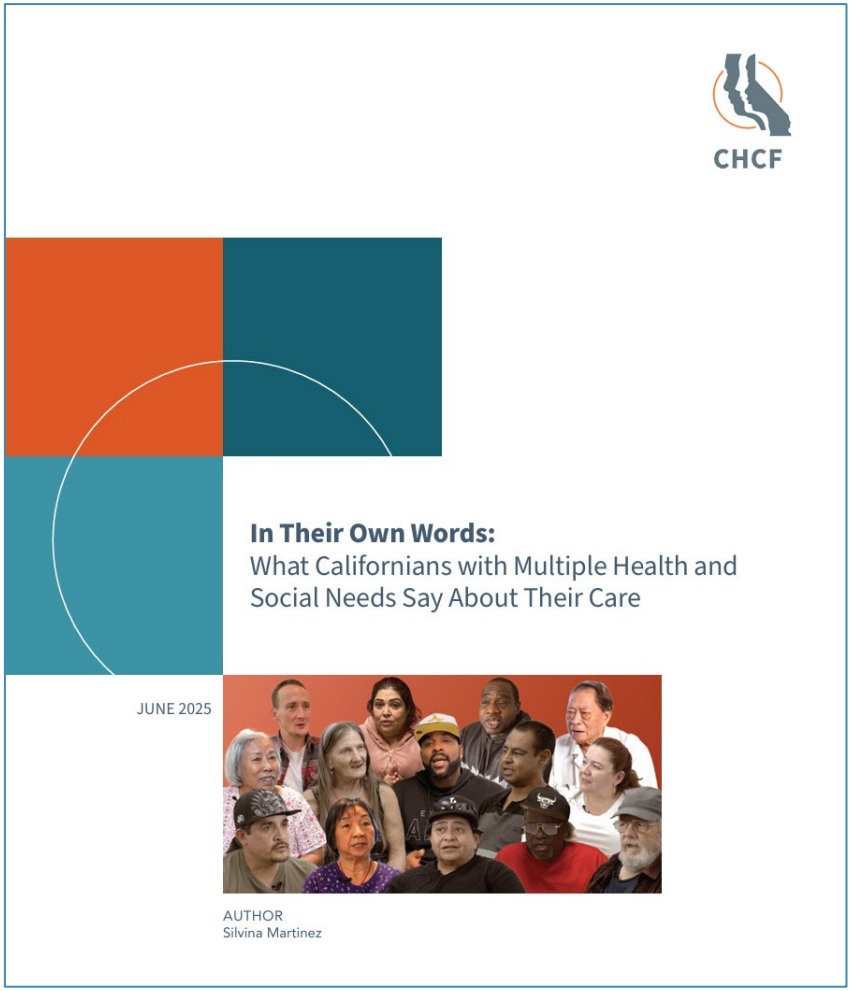
- White, Black, and American Indian/Alaska Native enrollees are overrepresented in their utilization of ECM and Community supports, while Hispanic and Asian/Pacific Islander enrollees are underrepresented relative to the overall MCP population.
- Similarly, people with English as their primary spoken language are overrepresented in their utilization of ECM and Community Supports, while Spanish, Cantonese, and Other are underrepresented relative to the overall MCP population. People with Vietnamese as their primary spoken language are underrepresented in their utilization of ECM but overrepresented in their utilization of Community Supports relative to the overall MCP population.
- It is difficult to know from this data whether utilization is equitable. That's because not everyone is eligible for ECM and Community Supports. In addition, data on eligibility by race/ethnicity and primary spoken language is not available.

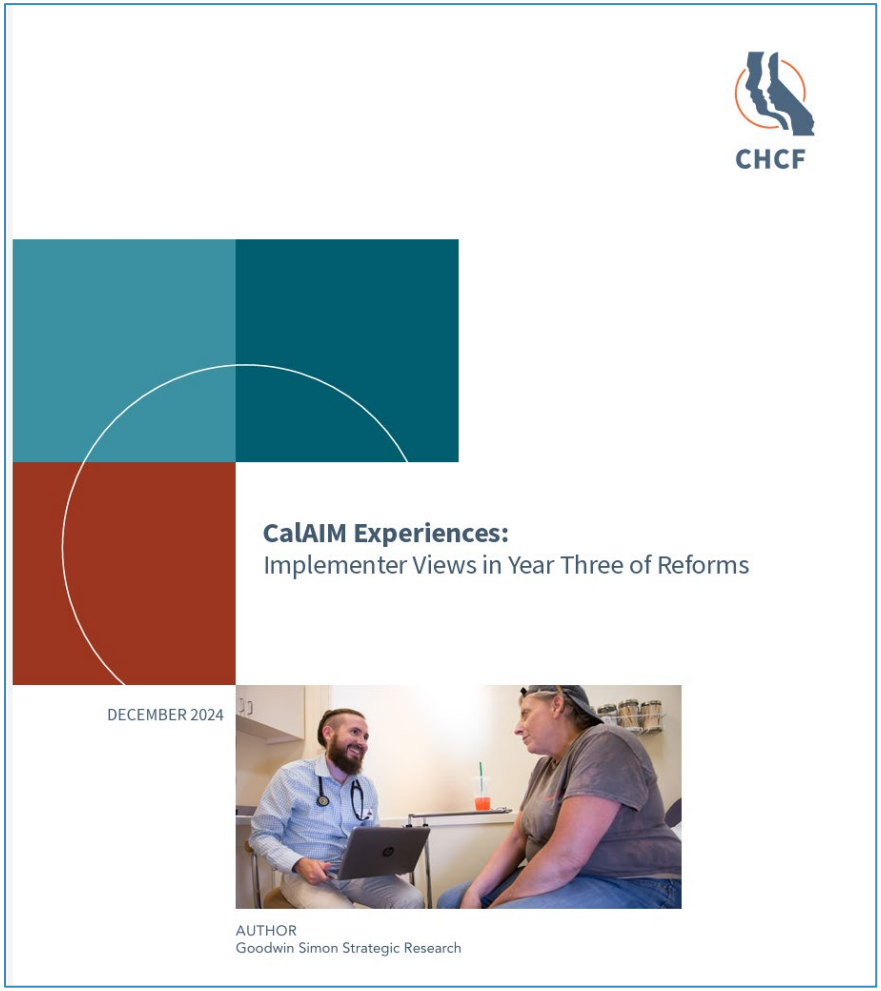
Source: DHCS ECM and CS Quarterly Implementation Report, Data from Charts 1.4.1, 1.4.2, 3.6.1, and 3.6.2

Looking ahead: waiver renewal

- DHCS announced its waiver renewal approach on July 23, 2025, and:
  - Noted that ECM and 12 of the 14 Community Supports do not require a waiver
  - Shared a concept paper (PDF), which is open for feedback through August 21
- The waiver renewal process presents an opportunity to address some of the structural challenges highlighted above in the implementation of ECM and Community Supports:
  - Oversight and accountability of managed care plan implementation, including payment rates, timeliness, and variation in requirements
  - Optional nature of Community Supports

In Their Own Words — Quotes from Patients and Providers





Care management is essential

Care management is essential to navigate our complex system:

"It would be helpful to have a case manager designated for everything, not just for mental health or not just for physical health or anything like that. If you had like a main guy who just did it all and made the referrals to everything, because it does come hand in hand. You can't just do one without the other." **—Caregiver, Humboldt County**

Care management works best when offered by a **culturally concordant provider**, with **lived experience**, in the **language preferred by the recipient**:

"It helps having a Native American provider if you're Native American, because they know a lot about culture." **—18-year-old woman, Humboldt County**

"I feel like it is different when you've got somebody that you can relate to compared to somebody that is just trying to teach you something they read out of a book or they haven't lived. . . . Then, it is like he don't judge you." **—33-year-old man, Fresno County**

"For me, it's important [to have somebody speaking Spanish with me], because I can understand better. Things are more clear. . . . Sometimes I am so frustrated that I don't even look at it [Spanish-written materials]." **—58-year-old woman, Los Angeles County**, Translated from Spanish

Because trust is essential to these relationships, **care manager turnover can be very disruptive**.

Source: In Their Own Words: What Californians with Multiple Health and Social Needs Say About Their Care (PDF)
California Health Care Foundation

Care management is necessary but not sufficient

Housing and basic needs come first

"When you are on your own and you are homeless, you look for warmth, food, a shower, your primary needs. That is what you are focused on. You are constantly trying to meet those simple primary needs, and then you are neglecting the long-term needs."

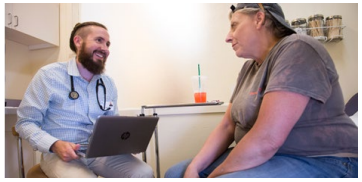
—68-year-old man, Alameda County

Organizations that can meet multiple needs really help

"[They] pretty much always come through with any type of resources, whether it be gas cards or medical help or dentistry or transportation rides. . . . They've been right there like a rock, so I appreciate them a lot." **—34-year-old woman, Los Angeles County**

Source: In Their Own Words: What Californians with Multiple Health and Social Needs Say About Their Care (PDF)

ECM: What are providers saying



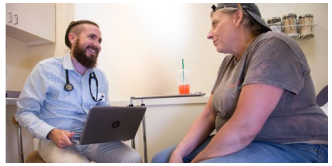
ECM has brought successes:
"We have built an ECM program and grown from one case manager to four case managers and have leveraged funds to allow us to provide follow-up outreach and support services to our most vulnerable patients and members." **—Leader, specialty behavioral health**

But MCP variation has been challenging and has contributed to staff turnover:
"The variation across MCPs in implementing ECM (e.g., some require use of their portal, some do not, different referral practices, follow-up periods, billing rules) makes it incredibly challenging to set up our systems to support all plans. It has also led to incredibly high frustration/burnout with our staff, and turnover has been very high." **—Leader, social service organization**

And information doesn't always flow:
"[I do not have information about] if the patient is being followed by ECM or Complex Case Management; if the patient is connected with Substance Use / Behavioral Health Treatment Team; if the patient is connected with a homeless outreach team / housing navigator. I need contact name and numbers to facilitate continuity of care." **—Hospital discharge planner**

Source: CalAIM Experiences: Implementer Views in Year Three of Reforms
California Health Care Foundation

Community Supports: Providers Share Successes



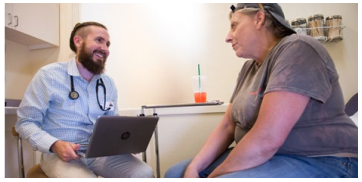
Integrated treatment addresses more needs, resulting in improved outcomes:
"Successfully integrating medical and social service resources to provide more comprehensive support for high-risk patients requiring complex care. Through cross-sector collaboration, we have been able to better address the full spectrum of patient needs, leading to improved treatment outcomes and patient satisfaction." **—Primary care provider, Southern California**

This work is possible at scale through partnership
"We have 2,000 people with housing Community Supports — the partnership building and joint learning with the managed care plans that goes into this is tremendous." **—County leader, Bay Area**

Community Supports are a tool to avoid long-term nursing home placements
"[We have] successfully reduced transitions to long-term care and skilled nursing facilities by approximately 30%." **—Primary care provider, multiple regions**

Source: CalAIM Experiences: Implementer Views in Year Three of Reforms

Community Supports: Providers share barriers



But services are not always getting to enrollees

"The problem here is actual availability and receipt of services . . . the vast majority of our clients who are approved for services aren't getting them. Limited number of providers, not enough staff at MCPs to coordinate care and ensure it's being received, long waiting lists for services, delays in receiving urgently needed services (rental assistance to keep someone housed arrives six weeks after the person has been evicted for lack of assistance, even though they applied timely). The idea is great, the implementation stinks."

—Frontline provider, legal services organization

The lack of housing stock is a challenge

"Housing navigation without housing is an empty exercise — while CalAIM is making some changes, there exist true obstacles standing in the way of the goals and aims of the initiative. . . . We need housing, we need vouchers, we need a rental assistance program."

—Leader, social services organization

Funding of Community Supports is complicated and feels uncertain

And MCPs cite challenges with how Community Supports are funded, as budgeting for "In Lieu of Services" is much more complicated than a traditional benefit, with significantly greater uncertainty.

Source: CalAIM Experiences: Implementer Views in Year Three of Reforms
California Health Care Foundation