
UNFINISHED BUSINESS

Bill No: SB 281
Author: Dodd (D)
Amended: 8/11/22
Vote: 21

SENATE HEALTH COMMITTEE: 10-0, 3/17/21
AYES: Pan, Eggman, Gonzalez, Grove, Hurtado, Leyva, Limón, Roth, Rubio,
Wiener
NO VOTE RECORDED: Melendez

SENATE APPROPRIATIONS COMMITTEE: Senate Rule 28.8

SENATE FLOOR: 37-0, 5/10/21 (Consent)
AYES: Allen, Archuleta, Atkins, Bates, Becker, Borgeas, Bradford, Cortese,
Dahle, Dodd, Durazo, Eggman, Glazer, Gonzalez, Grove, Hertzberg, Hueso,
Hurtado, Jones, Kamlager, Laird, Leyva, McGuire, Melendez, Min, Newman,
Nielsen, Ochoa Bogh, Pan, Portantino, Roth, Rubio, Skinner, Umberg,
Wieckowski, Wiener, Wilk
NO VOTE RECORDED: Caballero, Limón, Stern

ASSEMBLY FLOOR: 76-0, 8/22/22 - See last page for vote

SUBJECT: Medi-Cal: Short-Term Community Transitions program

SOURCE: Disability Rights California
East Bay Innovations

DIGEST: This bill extends the sunset for an additional three years for a temporary, state-only California Community Transitions program based on the Money Follows the Person Rebalancing Demonstration to provide services for individuals who have resided less than 60 consecutive days in an inpatient facility to aid in the transition to a community setting. Requires the Department of Health Care Services to extend new enrollment until January 1, 2026 and extend providing services until January 1, 2027.

Assembly Amendments:

- 1) Delete provisions further defining of “eligible individuals” to mean a Medi-Cal beneficiary who:
 - a) Has been deemed willing and eligible to transition to a qualified residence; and
 - b) Would continue to require the level of care provided by an inpatient facility, but for the provision of HCBS after transferring to a qualified residence.
- 2) Delete the definition of “qualified residence” to mean a home owned or leased by an eligible individual or their family member, an apartment with sleeping, bathing, and cooking areas over which the individual or the individual’s family has domain and control, or another residence in a community-based residential setting that meets the requirements of existing federal law and regulation, as determined by DHCS.
- 3) Delete provisions requiring that that the CCT program to target the enrollment of Medi-Cal beneficiaries who meet at least one of the following criteria:
 - a) Individuals who are 65 years of age and older who have one or more functional, medical, or chronic conditions;
 - b) Individuals who have an intellectual or development disability, or both, that manifested before 18 years of age;
 - c) Individuals who are under 65 years of age who have at least one physical disability, including individuals who are HIV positive or have AIDS;
 - d) Individuals who have been diagnosed with a chronic mental illness;
 - e) Individuals who have experienced brain trauma resulting in functional challenges, but who do not have a mental illness; and,
 - f) Individuals who are residents of nursing facilities with few or no care options outside the facility due to the individual’s medical or behavioral conditions.
- 4) Delete provisions requiring that CCT program services to include, but not be limited to, the following:
 - a) Transition coordination services, including enrollment, transition and care planning, and post-transition follow up, as specified;
 - b) Habilitation services, including coaching and life skills development, training for the individual to learn, improve, or retain adaptive, self-advocacy, and social skills. Requires habilitation services to support transitions and improve the beneficiary’s quality of life in the community

- and to include pretransition and post-transition habilitation services, as specified;
- c) Family and informal caregiver training;
 - d) Personal care services to assist a beneficiary to remain at home including, but is not limited to, assistance with independent activities of daily living and adult companionship;
 - e) Home setup services, including, but is not limited to, nonrecurring setup expenses for goods and services for a beneficiary who will be directly responsible for living expenses upon transition;
 - f) Home modification services, including environmental adaptations to a beneficiary's home, including, but is not limited to, grab bar and ramp installation, modifications to existing doorways and bathrooms, and installation or removal of specialized electric and plumbing systems;
 - g) Vehicle adaptation services, including, but is not limited to, devices, controls, and training required to enable beneficiaries, their family members, and their caregivers to transport beneficiaries in their own vehicles; and,
 - h) Provision of assistive devices, which means adaptive equipment designed to accommodate a beneficiary's functional limitations and promote independence, including, but is not limited to, lift chairs, stair lifts, diabetic shoes, and adaptations to personal computers.
- 5) Delete provisions requiring that all CCT program services to be provided in a person-centered manner and driven by the beneficiary receiving the services and supports.
- 6) Delete provisions requiring that CCT services to be provided by a lead organization pursuant to a contract with DHCS.
- 7) Delete provisions requiring that a lead organization to coordinate and ensure the delivery of all services under the CCT program established by this bill.
- 8) Delete provisions requiring that a CCT lead organization, in order to enroll an eligible individual, to complete a clinical assessment of the individual, provide the individual with a new enrollee information form, and work with the individual to establish a transition and care plan. Deletes provisions requiring that DHCS to approve the transition and care plan before the beneficiary begins receiving services.
- 9) Delete provisions requiring that the clinical assessment using the consolidated Assisted Living Waiver-CCT assessment tool to be performed by a registered nurse.

- 10) Delete provisions requiring that CCT program beneficiaries to continue to receive program services for up to 365 days after the date they have transitioned into a qualified residence. Deletes provisions requiring that the following conditions be applied if an enrollee is readmitted to an inpatient facility:
 - a) If a beneficiary is readmitted to an inpatient facility for less than 30 days, the beneficiary remains enrolled in the CCT program and eligible for services for up to 365 days after the beneficiary was admitted into the facility; or,
 - b) If a beneficiary is readmitted to an inpatient facility for more than 30 days, the beneficiary is required to complete a new clinical assessment and a new transition and care plan. Permits the beneficiary to reenroll in the program without meeting additional requirements if DHCS approves the new transition and care plan.

- 11) Delete provisions requiring that DHCS to use federal funds made available through the MFP Program to implement the CCT program. Deletes provisions requiring that DHCS to fund and administer the CCT program, should federal funds through the MFP Program be unavailable, in a manner that maximizes FPP. Deletes provisions authorizing DHCS to seek enhanced and complementary funding to increase participation in the CCT program.

ANALYSIS:

Existing law:

- 1) Establishes the Medi-Cal program, administered by the Department of Health Care Services (DHCS), under which low-income individuals are eligible for medical coverage. [WIC §14000, et seq.]
- 2) Requires DHCS, under a temporary, state-only CCT program, to provide services consistent with the MFP Program to facilitate transitioning eligible individuals, who have resided less than 60 consecutive days in an inpatient facility, out of inpatient facilities.
- 3) Defines “eligible individual” to mean a Medi-Cal beneficiary who meets both of the following conditions, except for the requirement to have resided at least 60 consecutive days in an inpatient facility: (a) meets the MFP Program definition for an eligible individual in existing federal law; and (b) be an individual targeted to receive assistance in transitioning from an inpatient facility to a qualified residence, identified in DHCS’s agreement with the federal Centers for Medicare and Medicaid Services for the MFP Program.

- 4) Defines “inpatient facility” to mean the same as defined in the MFP Program in existing federal law.
- 5) Prohibits a Medi-Cal beneficiary who has resided for at least 60 consecutive days in an inpatient facility from receiving services under the temporary, state-only CCT program, unless DHCS determines that any necessary federal approvals have been obtained and federal financial participation (FFP) is available.
- 6) Prohibits DHCS from providing the services under the temporary, state-only CCT program if DHCS has received federal approval under the existing MFP Program to waive the requirement for beneficiaries to be individuals who have resided at least 60 consecutive days in an inpatient facility.
- 7) Requires DHCS to end enrolling beneficiaries in the temporary, state-only CCT program on January 1, 2023 and to end providing services on January 1, 2024. Sunsets the limited, state-only CCT program on January 1, 2025.
- 8) Requires home and community-based services (HCBS) to be a covered Medi-Cal benefit to extent FFP is available and services are approved by the HHS. Limits covered benefits to the terms, conditions and duration of federal waivers. [WIC §14132]
- 9) Requires personal care services, when provided to categorically needy person, as defined in existing state law, to be a covered Medi-Cal benefit to the extent is FFP is available. Requires services to be provided by a qualified person in the beneficiary’s home or other locations, as permitted, and authorized by a county social services staff in accordance with a treatment plan. Requires services to be provided to beneficiaries who have a chronic, disabling condition causing functional impairment for at least 12 months or expected to cause death in 12 months and who is unable to remain safely in their home without those services. [WIC §14132.95]
- 10) Requires nursing facility services, subacute care services, and intermediate care facility services for the developmentally disabled, to be a covered Medi-Cal benefit, subject to utilization controls. [WIC §14132]

This bill:

- 1) Requires DHCS to end enrolling beneficiaries in the temporary, state-only CCT program on January 1, 2026 and to end providing services on January 1, 2027.
- 2) Extends the sunset of the limited, state-only CCT program on January 1, 2028.

Comments

Author's statement. According to the author, CCT is part of the federal demonstration project, the MFP Program. Established in 2007, CCT made funding available to help low-income seniors and people with disabilities transition from skilled nursing facilities (SNFs) back into homes of their own. However, federal requirements include that an individual reside in a nursing facility for 60 consecutive days in order to be eligible to receive services under the CCT program. These high-needs individuals who reside in institutional settings continue to be at significant risk for contracting and being hospitalized for COVID-19. It is critical that individuals residing in institutional settings have access to transition services to enable them to return to the most home-like setting as quickly as possible. Additionally, the CCT program spends an average of \$1,509 per person annually while the annual per person SNF cost is \$85,782. The cost of a state-funded CCT to non-federally eligible SNF residents with stays under 60-days would more than pay for itself while simultaneously meeting the state's goal of decompressing nursing facilities. CCT participants were also less likely than a comparison group to be readmitted to an institution in the year after transition, which is more important than ever.

MFP Program and CCT Project. In 2005, the federal Deficit Reduction Act established the MFP Program, which authorized the Secretary of HHS to award competitive grants to states for demonstration projects that increased the use of HCBS, rather than institutional care, for Medicaid beneficiaries. In 2007, DHCS was awarded a grant to participate in the MFP Program and established the CCT project. The CCT project provides a bridge between institutional LTSS services and HCBS waiver services and programs by providing services to facilitate the transition of Medi-Cal beneficiaries in SNFs back into community settings. The CCT project does not provide medical services or HCBS. According to DHCS, as of December 31, 2018, 4,141 people have been transitioned through the CCT project. DHCS indicates that, for Fiscal Year (FY) 2019-20, there was an average of 16 transitions each month for the CCT project, and the total number of transitions in FY 2019-20 was 195.

Federal extensions and modifications to MFP Program. Federal law has modified and extended the MFP Program a number of times since the program was first established. Most recently, the Coronavirus Aid, Relief, and Economic Security (CARES) Act, provided funds through Nov. 30, 2020, therefore enabling states to provide transition services under the MFP Program through December 31, 2021.

The Consolidated Appropriations Act of 2021, another COVID-19 relief bill, signed on December 27, 2020, extended funding again for MFP through 2023. The Consolidated Appropriations Act of 2021 also reduced the number of days that a person must be in an institutional setting before being eligible for the MFP Program—from at least 90 days to at least 60 days.

Recent amendments. The recent amendments keep a three-year extension of the limited state-only CCT program but delete all provisions further defining and fleshing out program requirements based on technical assistance from DHCS.

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: No

According to the Assembly Committee on Appropriations:

The DHCS 2022 May Medi-Cal Estimate projects savings of \$34.4 million in fiscal year (FY) 2022-23 (\$19.4 million General Fund [GF], \$15 million federal funds) from MFP alone. The savings result from individuals moving from year-round nursing facility services to MFP, with the cost of a year of nursing facility services at approximately \$90,000 (\$45,000 GF) in 2022-23, to the lower annual cost of \$18,000 (\$4,500 GF) to return to the community with MFP.

Implementation of the CCT will likely result in further cost savings.

SUPPORT: (Verified 8/22/22)

Disability Rights California (co-source)
East Bay Innovations (co-source)
AARP California
Advisory Council on Aging
Association of California Caregiver Resource Centers
California Advocates for Nursing Home Reform
California Alliance for Retired Americans
California Association for Health Services at Home
California Association of Public Authorities for IHSS
California Foundation for Independent Living Centers
California Hospital Association
California Long-Term Care Ombudsman Association
CANHR
East Bay Innovations
Independent Living Center of Kern County
LeadingAge California
National Association of Social Workers, California Chapter

National Multiple Sclerosis Society
Solano County Board of Supervisors
Western Center on Law & Poverty

OPPOSITION: (Verified 8/22/22)

None received

ARGUMENTS IN SUPPORT: This bill is co-sponsored by Disability Rights California and East Bay Innovations. East Bay Innovations writes that the CCT program provides the necessary infrastructure to transition individuals during this time of crisis. They state that the program was essential before COVID and will be just as needed post-COVID to help seniors and people with disabilities live in the setting of their choice.

ASSEMBLY FLOOR: 76-0, 8/22/22

AYES: Aguiar-Curry, Alvarez, Arambula, Bauer-Kahan, Bennett, Berman, Bloom, Boerner Horvath, Mia Bonta, Bryan, Calderon, Carrillo, Cervantes, Chen, Choi, Cooley, Cooper, Cunningham, Megan Dahle, Daly, Flora, Mike Fong, Fong, Friedman, Gabriel, Gallagher, Cristina Garcia, Eduardo Garcia, Gipson, Gray, Grayson, Haney, Holden, Irwin, Jones-Sawyer, Kalra, Kiley, Lackey, Lee, Low, Maienschein, Mathis, Mayes, McCarty, McKinnor, Medina, Mullin, Muratsuchi, Nazarian, Nguyen, O'Donnell, Patterson, Petrie-Norris, Quirk, Quirk-Silva, Ramos, Reyes, Luz Rivas, Robert Rivas, Rodriguez, Salas, Santiago, Seyarto, Smith, Stone, Ting, Valladares, Villapudua, Voepel, Waldron, Ward, Akilah Weber, Wicks, Wilson, Wood, Rendon

NO VOTE RECORDED: Bigelow, Davies, Levine, Blanca Rubio

Prepared by: Jen Flory / HEALTH / (916) 651-4111
8/22/22 19:58:55

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