

**Department of Health Care Services
Draft Proposed Trailer Bill Legislation**

Sunset of San Francisco Community Living Support Benefit Program Waiver

FACT SHEET

Issue Title: Sunset of the San Francisco Community Living Support Benefit Waiver

Background: The San Francisco Community Living Support Benefit (SF CLSB) Waiver assists eligible individuals to move into available community settings and to exercise increased control and independence over their lives. The Waiver is administered by the City and County of San Francisco, Department of Public Health (SF DPH), on behalf of the Department of Health Care Services (DHCS). It provides or coordinates an array of services at community-based housing sites that enable beneficiaries to remain in the least restrictive and most homelike environment while receiving the health-related services, including personal care and psychosocial services, necessary to protect their health and well-being. These community-based housing units may include, but are not limited to, the living area or unit within a facility that is specifically designed to provide ongoing assisted living services, licensed residential care facilities for the elderly, publicly funded senior and disabled housing projects, or supportive housing sites that serve chronically homeless individuals with chronic or disabling health conditions.

The current term for the SF CLSB Waiver expires on June 30, 2017. SF DPH has decided not to renew the SF CLSB for an additional five-year waiver term. As a result, DHCS seeks to amend Welfare and Institutions Code (WIC) Section 14132.24, to sunset the SF CLSB Waiver effective July 1, 2018. As explained below, the participants currently being served by the SF CLSB Waiver will be able to transition into the Medi-Cal Assisted Living Waiver (ALW).

The SF CLSB Waiver serves Medi-Cal members who are:

- 21 years of age and older;
- a resident of San Francisco who would otherwise be homeless, living in shelters, or institutionalized; and
- would be determined eligible for skilled nursing facility level of care.

The ALW offers services in an assisted living or public-subsidized housing setting to Medi-Cal members who would likely otherwise receive care in a skilled nursing facility. Eligibility for the ALW is based on the beneficiary qualifying for a skilled nursing level of care, which is determined by a Care Coordination Agency utilizing an assessment tool to assess potential participants. At present, the ALW is offered in 14 counties, not including San Francisco County, and the waiver term ends February 28, 2019.

The goals of the ALW are to:

- 1) Facilitate a safe and timely transition of Medi-Cal members from a nursing facility to a community home-like setting in a Residential Care Facility (RCF), an Adult Residential Care Facility (ARF), or public subsidized housing, utilizing ALW services; and

- 2) Offer eligible seniors and persons with disabilities, who reside in the community, but are at risk of being institutionalized, the option of utilizing ALW services to develop a program that will safely meet his/her care needs while continuing to reside in an RCF, ARF, or public subsidized housing.

The services provided through the SF CLSB waiver are comparable and available under the ALW. Under this proposal, the ALW would expand to serve San Francisco County. Transitioning from the SF CLSB Waiver to the ALW will provide existing SF CLSB Waiver participants with access to waiver services, and result in additional ALW enrollments from institutional providers within the city and county of San Francisco, in particular, from the highest cost skilled nursing facility in the state, Laguna Honda.

The ALW provides greater flexibility than the SF CLSB Waiver. The SF CLSB Waiver's requirements limited its ability to contract with available assisted living facilities (ALFs) and direct access housing in San Francisco County. As a result, it relied upon contracted ALFs outside of San Francisco County. The ALW's flexibility would allow it to enroll additional ALFs in San Francisco County and to increase its network of ALFs in surrounding ALW counties.

Finally, ending the SF CLSB Waiver and integrating its participants into the ALW will eliminate the administrative burden to DHCS of operating and overseeing two separate waivers that provide the same scope of services to like populations. This aligns with the DHCS goal to remove silos and consolidate programs to deliver better coordinated care in a more efficient manner.

Justification for the Change:

Legislative change is necessary to sunset the SF CLSB Waiver and enable a seamless transition of the population into the ALW. Although existing law authorizes the SF CLSB Waiver as a Medi-Cal waiver program pursuant to WIC Section 14132.24, SF DPH does not intend to continue SF CLSB Waiver operations. The proposed legislative changes would remove the statutory requirement to create a San Francisco program and lay the foundation to begin consolidating the Long-Term Services and Supports system. Due to the timing of the end-date for the SF CLSB Waiver it is necessary to implement this language through an urgency bill. The proposed language would:

Transition the SF CLSB Population: The proposed legislation would allow DHCS to initiate the process to transition, in its entirety, the current SF CLSB population into the ALW to ensure their continuum of care is maintained. DHCS will work in conjunction with SF DPH to notify waiver stakeholders, participants and providers that an end date has been set for their service program and that all waiver participants and providers would be assisted in transitioning to other available services and waivers including, but not limited to, the ALW. Working closely with SF DPH, the care management of the SF CLSB Waiver participants will transition to established local care coordination agencies (CCA) enrolled in the ALW or other available programs/settings of their choice. If the waiver participant elects to transition to the ALW program, the CCA will then provide the SF CLSB population with the same frequency of case management that they are currently receiving under the SF CLSB Waiver. The SF CLSB population will be able to maintain their current place of residence, as all of these facilities have already been approved by DHCS as ALW providers, or will be assisted with enrolling as Medi-Cal providers and trained on how to bill for ALW services. Program participants will continue to receive medically necessary services prior to, during,

and following the transition. The stakeholder notification and transition process will begin no sooner than January 1, 2017 and upon that date DHCS and SF DPH will also have the option to discontinue enrolling new participants into the waiver, and directing them into the ALW.

Provide a Sunset Date: DHCS' proposed legislation would sunset the SF CLSB Waiver effective July 1, 2017, subject to approval by the Centers for Medicare and Medicaid Services (CMS). This sunset date coincides with the end date for the current SF CLSB Waiver term.

Summary of Arguments in Support:

- Continuity of care for the SF CLSB waiver population.
- Increases access to home and community-based services for residents of San Francisco County.
- Allows Medi-Cal members opportunities to reside in the least restrictive setting of their choice, alignment with *Olmstead Decision*.
- Increases efficiency and streamline program operations.
- Reduces administrative workload and confusion.

BCP or Estimate Issue # and Title: PC 206. Integration of the SF CLSB into the ALW. There is an anticipated cost savings by expanding ALW into San Francisco and increasing institutional transitions. The Governor's Budget assumes savings of \$918,000 (\$459,000 General Fund) in 2017-18. The SF CLSB Waiver currently serves 22 members. DHCS will expand the ALW unduplicated user counts to serve the current SF CLSB Waiver Participants (22 members) and an additional 22 members who will transition from institutional settings to community living within SF County.

Expansion and integration of the SF CLSB Waiver population into the ALW provides an opportunity for savings and cost avoidance, as the expansion will increase long-term institutional transitions to home and community-based care as well as divert avoidable long-term institutional costs.

- There is no discernible fiscal impact on other state departments.
- Additional state operations funding is not needed to expand the ALW and transition the SF CLSB population.
- No additional positions are required to carry out the proposal, assuming there are no associated challenges or litigation pertaining to the proposed changes.

Additional Information:

DHCS will provide public notice, comment period and opportunity for SF CLSB waiver stakeholders, participants, providers and the public at large to review the proposed integration plan and recommend specific criteria or changes for the waiver population transition. The stakeholder process will commence no sooner than January 1, 2017.