



OFFICE OF THE GOVERNOR

OCT 08 2021

To the Members of the California State Assembly:

I am returning Assembly Bill 369 without my signature.

This bill would direct the Department of Health Care Services (DHCS) to establish a Presumptive Eligibility Program for persons experiencing homelessness, authorize all off-premises services under Medi-Cal, remove care authorization and coordination strategies typically provided by Primary Care Physicians, and deduct capitation payments made to Medi-Cal Managed Care Plans if a person experiencing homelessness does not utilize services within 60 days of enrollment.

From day one, my Administration has made treating and housing those experiencing homelessness a top priority. Understanding that homeless individuals face unique challenges in receiving the health care they need, California designed its Presumptive Eligibility program so that individuals experiencing homelessness can easily enroll in Medi-Cal and access timely health care. In addition, enrolled Medi-Cal providers can be reimbursed for street-based medicine or services provided outside the office to their patients. Additionally, Medi-Cal Managed Care Plans are responsible for coordinating and providing health care services to their members, including beneficiaries experiencing homelessness.

We can and must do much better than today. To that end, the California Advancing and Innovating Medi-Cal (CalAIM) initiative, authorized in the 2021 Budget, will provide a whole-person approach to care and include expanded



benefits to address clinical and non-clinical needs of Medi-Cal beneficiaries. A new enhanced care management benefit and housing support services, delivered by community-based providers, will provide needed services to individuals experiencing homelessness. Creating a "carve out" for persons experiencing homelessness, on the eve of the CalAIM transformation, will cut out these patients from services that are being created specifically to support their health, housing stability, and overall well-being.

Given that providing individuals experiencing homelessness timely access to critical services and ultimately are permanently housed is a priority, and the timing of CalAIM implementation, I am directing DHCS to identify any interim gaps that can be imminently addressed and act quickly to close these gaps. Such actions may include providing temporary resources to street medicine providers across the state, providing additional technical assistance to street medicine providers who seek to provide services through managed Medi-Cal, and promptly implementing the CalAIM opportunities that will soon be rolling out.

Sincerely,



Gavin Newsom