



FOUNDATIONS FOR SUCCESS: LEARNING COLLABORATIVE



Auxiliary Funding in Assisted Living Models

October 19, 2023
1:00 pm – 2:15 pm



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Agenda

- » Introductions
- » Overview of BHBH Auxiliary Funding for Assisted Living
- » Los Angeles County Department of Mental Health Enriched Residential Care Program
- » Questions and Discussion

Introductions and Poll



Overview of BHBH Auxiliary Funding for Assisted Living



BHBH Auxiliary Funding for Assisted Living

- » Bridge housing is short- and mid-term residential settings with the goal to connect individuals to long-term housing stability
- » Assisted living facilities can serve as an important piece of the continuum of care for individuals who need 24/7 nonmedical care and have a serious behavioral health condition

- » Bridge housing categories include:
 - Shelter/interim housing
 - Rental assistance
 - Auxiliary funding for assisted living

Assisted Living Facilities

- » BHBH defines **assisted living facilities** as licensed facilities willing to serve an individual who is exiting homelessness, has a serious behavioral health condition, and needs around-the-clock nonmedical care.
- » Must be licensed by the California Department of Social Services
- » Also commonly referred to as “board and care” facilities
 - Notably, “board and care” licensed facilities are distinct from “room and board” residences

Types of Assisted Living Facilities

- » There are several types of assisted living facilities, including:
 - **Adult Residential Facilities** (ARFs) primarily serve adults under age 60
 - **Residential Care Facilities for the Elderly** (RCFEs) primarily serve adults 60 and over
- » Facilities can range from six beds to much larger facilities

Regulations and Licensing Requirements

- » Facilities are regulated by the Community Care Licensing Division under [California Code of Regulations Title 22 Division 6](#)
- » Licensure requirements and regulations may vary by facility type and capacity

- » Requirements may address:
 - Administrator and personnel qualifications
 - Physical environment
 - Admission and eviction processes
 - Services
 - Resident rights
 - Reporting

Services Provided at Assisted Living Facilities

- » Assisted living facilities provide 24/7 care for individuals who have severe cognitive impairment or require assistance with activities of daily living (ADLs)
- » Services provided include:
 - Lodging and food service
 - 24-hour nonmedical care
 - Personal care services such as bathing, dressing, and eating
 - Assistance with self-administered medications
 - Arranging transportation to medical and dental appointments



Paying for Services

- » Assisted living facilities charge residents monthly rates
 - Facilities that accept residents receiving Social Security Income (SSI) payments charge a monthly fee based on SSI levels and a state supplemental payment (SSP)
- » Facilities in the Medi-Cal Assisted Living Waiver (ALW) Program receive Medicaid funding to pay for services for eligible individuals
 - The ALW Program does not pay for room and board costs
 - Long waiting list

What is Auxiliary Funding?

- » **Auxiliary funding**, also known as “board and care patches,” supports the successful placement of those who need licensed care and may have higher needs
 - Auxiliary funding helps address facility cost gaps to ensure beds remain available to individuals served by county BHAs
- » Counties often use a combination of dedicated county behavioral health funds to furnish auxiliary payments to assisted living facilities

Transition from Assisted Living

- » Individuals should remain in assisted living facilities only as long as they are unable to maintain housing without around-the-clock care
 - Title II of the Americans with Disabilities Act, as affirmed in *Olmstead v. L.C.* (1999), requires states to provide services to individuals with disabilities in the least restrictive, most integrated setting appropriate to their needs
- » Transition supports and housing navigation will be important to help assisted living residents move to less restrictive settings when appropriate
 - Program design should ensure individuals have access to safe, sustainable housing after the BHBH Program ends

BHBH Assisted Living Considerations

BHBH funding can help bridge gaps, but cannot supplant or duplicate

- BHBH funding may not supplant, replace, or be used in lieu of existing funding sources
- County BHAs must maximize all other available funding sources, including Medi-Cal, to capture federal match, when applicable

Assisted living facilities receiving BHBH auxiliary funding must be licensed

- However, BHBH funding for *interim housing* is not restricted to licensed facilities and may be used to support unlicensed room and board facilities that at minimum meet HUD Habitability standards

Individuals who receive housing through BHBH must have the opportunity to receive housing navigation services

BHBH Assisted Living Considerations cont.

Program design for BHBH auxiliary funding for assisted living facilities should address processes for:

- Levels of payment
- Client criteria and referrals
- Facility criteria and placements
- Oversight
- Reporting

BHBH reporting for auxiliary funding for assisted living requires information about:

- Number of individuals served and demographic information
- Total bed-nights provided
- Location upon exit
- 6-, 12-, and 24-month housing stability measures

Resources

- » California Department of Aging (2023). [Assisted Living Facilities](#).
- » Community Care Licensing Division, California Department of Social Services (2023). [Facility Search Welcome Page](#).
- » California Advocates for Nursing Home Reform (2022). [RCFEs: Evaluation Checklist](#).
- » California Behavioral Health Planning Council (2018). [Adult Residential Facilities \(ARFs\)](#).
- » California Department of Health Care Services (As of 9/18/2023). [Assisted Living Waiver \(ALW\) Program Participating Facilities](#).

Case Example – Los Angeles County Enriched Residential Care Program





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▶▶ **Los Angeles County Department
of Mental Health – Enriched
Residential Care Program**



▶▶ Presentation Topics

1. DMH ERC Program Overview
2. DMH ERC Contracting Process
3. Program Eligibility & Referral Workflows
4. DMH ERC Rates and Payments
5. Strategies for Success

▶▶ What are Licensed Residential Care Facilities?

- Licensed by the California Department of Social Services, Community Care Licensing Division
 - ◁ Adult Residential Facilities (ARFs) which serve individuals that are ages 18-59
 - ◁ Residential Care Facilities for the Elderly (RCFEs) which serve individuals that are ages 60+ as known
 - ◁ Commonly known as Board and Care homes or assisted living facilities
 - ◁ Some are private pay and some accept the SSI rate, which are the ones that serve our clients

▶▶ What are Licensed Residential Care Facilities? Cont.

- Provide critical housing and services to a very vulnerable population
- Services provided include:
 - ◁ 24/7 non-medical care and supervision
 - ◁ 3 meals per day, plus snacks
 - ◁ Assistance with Activities of Daily Living (ADLs)
 - ◁ Medication Management services
 - ◁ Other enhanced services according to the ERC rate schedule
- Struggling to stay in business because of the low reimbursement rate for SSI recipients which is set by the State at around \$44 per day

▶▶ DMH ERC Program Overview



▶▶ DMH-ERC Overview

LA County Board Of Supervisor Priorities

The ARF/RCFE closure crisis drew the attention of the LA County Board of Supervisors (LAC BOS)

LAC BOS has made preserving licensed facilities a Board priority and has passed several motions directing DMH and DHS to engage in work to preserve the system

This work was informed by a stakeholder process that helped the County better understand the needs of licensed facilities

Initiatives born out of this work include:

- Mental Health Resource Location Navigator (MHRLN) bed tracking tool
- A licensed residential facility membership association (LARCA)
- Capital Improvements Project

▶▶ DMH-ERC Overview 1

- DMH's ERC program was modeled after Los Angeles County Department of Health Service's (DHS) ERC program which is administered by their fiscal intermediary, Brilliant Corners.
- In 2018, DMH joined efforts with DHS to develop DMH's ERC program and through an agreement with DHS was able to leverage Brilliant Corners to administer our ERC program.
- Provides funding for DMH clients diagnosed with serious mental illness with higher acuity needs who would benefit from the supports offered by licensed residential facilities such as care and supervision.

▶▶ DMH-ERC Overview 2

- DMH-ERC provides funding to support clients living in licensed residential care facilities including:
 - ◁ Paying the full SSI Rate, Non-Medical Out of Home Care (NMOHC), of \$1,324.82 and Personal and Incidental (P&I) funding of \$168 for clients without enough income to cover these full amounts
 - ◁ Providing an Enhanced Services Rate of \$1,000 on average designed to support clients with higher acuity who need additional services and/or have complex conditions that make it difficult to find housing without the additional funding
 - This rate may be adjusted higher for clients with specialized needs such as memory care, incontinence care or other more high-risk behavioral concerns
 - The Enhanced Services Rate also serves to support facilities that are struggling financially and need the additional funding in order to stay in business and continue serving our clients

▶▶ DMH-ERC Overview 3

- Team of six includes analysts, psychiatric social worker and clerical staff.
 - ◁ Plans, develops, and implements the program.
 - ◁ Drafts and maintains policies, procedures, and programmatic benchmarks.
 - ◁ Reviews and approves referrals.
 - ◁ Assists case managers with locating a facility as needed.
 - ◁ Completes move-in confirmation that details payment responsibilities of client and of the ERC program.
 - ◁ Collects and analyzes outcome data.
 - ◁ Provides training and technical assistance on eligibility criteria, application process, documentation, reporting requirements.
 - ◁ Develops and maintains partnerships and communications with agencies that refer clients to the ERC and acts as a liaison between referring agency and facility operator to ensure appropriate client placement.
 - ◁ Reviews clinical information to determine appropriateness for the program.
 - ◁ Clinical consultation with referring case managers and facility operators.
 - ◁ Inputs data and maintains logs, reports and data tracking systems.

▶▶ DMH-ERC Overview 4

- Approximately 1,000 clients in the program
- 60+ referrals per month of which 60% end up moving into a licensed residential care facility.
- 30% of referrals have no income and need full funding
- Referrals from homeless outreach teams, Full-Service Partnership Programs, Public Guardian and from case managers working in interim housing, permanent supportive housing, and higher levels of care
- Facility Network and Placement type
 - DMH ERC works with 109 facilities
 - 80 ARF's
 - 29 RCFE's
- All ERC clients are enrolled in ongoing mental health services through DMH, ensuring that facilities have clinical support around client challenges

▶▶ **Third-Party Administrator: Brilliant Corners**



▶▶ Brilliant Corner's Role

- Responsible for directly entering into agreements with the licensed residential care facilities participating in the ERC program and oversees the program's contracts, entrances/exits, payments, recoupments, and reporting.
- Two types of agreements are currently utilized in the DMH-ERC program.
 - ◀ Enhanced Services
 - ◀ Property Related Tenant Support (PRTS)
- Collaborates with DMH and DHS to ensure program flow and accuracy of billing/payments.

▶▶ Brilliant Corner's Role cont.

- PRTS: payment at the client level:
 - Provides funding for rent, P&I for clients without income and the Enhanced Services Rate
 - ◁ Brilliant Corners places clients on a rent roll, meaning payments are received at the beginning of each month instead of in arrears
 - ◁ Brilliant Corners provides supports to the facility and quarterly check ins with the client or as needed
 - ◁ ERC funding can follow client to new facilities, if a relocation is necessary
- Enhanced Services: Payment at the Facility Level:
 - Provides funding that is in addition to the SSI rate for DMH clients with complex needs
 - DMH uses a tier system to determine the enhanced rate. Tier 1 starts at \$1,000
 - BC does not know who the clients are or provide housing supports
 - DMH confirms client list with the operator each month and this is used to create a monthly invoice
 - Monthly invoice sent to BC that includes the total payment amount per facility
 - BC provides payment to the facility in arrears

▶▶ Program Eligibility & Referral Workflows



▶▶ ERC Program Eligibility

- DMH clients 18 years or older with a diagnosis of Serious Mental Illness, who need the additional supports provided by licensed facilities such as care and supervision.
 - ◁ Clients must be referred by a DMH (directly operated or contracted) service provider who is able to provide ongoing services, including onsite services (minimum quarterly). Referrals are typically from
 - FSP programs
 - DMH homeless outreach teams
 - Public Guardian
 - Permanent Supportive Housing service providers
 - Acute hospital, jail, Institutions for Mental Diseases, or Enriched Residential Services (IMD step-down) placements
- Client must be newly moving into a licensed facility. Clients already stably residing in a licensed facility will not be eligible, unless clients' needs have changed. These situations are addressed on a case-by-case basis.
- Clients must have high acuity needs as determined by the 5X5 Assessment tool. The 5x5 is used to assess a client's appropriateness for placement into an ARF or RCFE as well as to evaluate their level of vulnerability and need for enhanced supportive services from the operator. The outcome will also be used to determine eligibility for an Enhanced Services Rate.

▶▶ ERC Referral Review and Approval Process

- Eligible referring parties completes the ERC Program Referral Form, 5x5, service provider responsibility form and the release of information and submits to the DMH ERC email box.
- DMH ERC staff reviews the referral for eligibility.
- If approved, DMH ERC staff notifies the referring party by sending a pre-approval email with the DMH Verification form that verifies that the client is approved for the DMH ERC Program.
- The case manager must complete the Flexible Housing Subsidy Pool (FHSP) application and include the DMH Verification form which notifies BC of DMH approval.
- DMH ERC sends the Move-In Confirmation form to the case manager after the FHSP application has been completed and approval has been verified via Brilliant Corners. The Move-in Confirmation form is provided to the facility and indicates the enhanced rate.
- Referral approvals expire after 90 days. Extensions on the expiration date can be approved for an additional 30 days in cases of extenuating circumstances, if the referrer communicates the need for an extension prior to the resource expiration date.
- All referrals past 90 days without an extension request will be terminated.

▶▶ Locating a Licensed Facility and Client Move-In

- Mental health provider is responsible for locating a qualified facility.
 - ◁ Work with the licensed facility to make referral, complete required paperwork, such as the physician's report and schedule a client move-in date
 - ◁ Notifies DMH once a facility is located, and a date is secured.
 - ◁ Facilities must be licensed through CCL and agree to accept the SSI rate as the base rent amount for the client.
 - ◁ Facilities can be located on the DMH Bed Tracking System, Mental Health Resource Locator and Navigator, (MHRLN) to help locate beds. Public facing portal will go live late October 2023.

▶▶ Exits and Relocations

Case Managers and/or Facility Administrator must inform DMH ERC Staff immediately but no more than 3 days of a client exiting the facility, whether it be a temporary or permanent exit.

Exit / Relocation:

- When a client exits a facility permanently, an **Exit / Relocation Form** must be submitted by either the Facility Administrator or the case manager, notifying DMH ERC that the client has exited, and the subsidy should be terminated.
- When a client relocates to a new licensed facility, an **Exit / Relocation Form** must be submitted by the Facility Administrator or the case manager to ensure proper transfer of payments.
- A new **Move-In Form** will be generated by DMH ERC Staff for the new facility.

Temporary Exit (e.g., hospitalization):

- Handled by DMH ERC Staff on a case-by-case basis to determine whether to ask the facility to hold the bed.
- Case Managers and the facility must maintain contact with DMH ERC Staff of the client's status to keep the ERC Referral active.

▶▶ Rates and Payments



▶▶ DMH ERC Rates and Payments 1

- Upon entering a licensed residential facility, DMH ERC clients should do the following:
 - Notify SSI of their changed address and request to change the SSI payment to Board and Care Rate.
 - Pay the SSI rate to the Board and Care in the current amount of \$1324.82. They can retain \$168.00 from their SSI for P & I
- DMH pays a standard Enhanced Services Rate of \$1000/month to the facility operator. This rate may be negotiated for special circumstances.
- It is the expectation of the program that those clients without income and who are potentially eligible for SSI, will apply for this benefit using the Countywide Benefit Entitlement Services Team (CBEST) program who can assist with this process.

▶▶ DMH ERC Rates and Payments

- For those clients receiving GR, they must terminate GR and CalFresh to access DMH funding.
- DMH can cover the full Non-Medical Out of Home Care (NMOHC) rate (“rent”) for clients without SSI and who are:
 - ◀ Served by a Directly Operated DMH Program or served through a program that does not have Client Supportive Services funding (Flex funds)
 - ◀ In the process of establishing SSI
 - ◀ Ineligible for SSI
- For clients served by a contracted provider in a program such as Full Service Partnership that includes Client Supportive Services (CSS) funding, provider will need to use CSS to cover the SSI Rate “rent” and P&I costs.

▶▶ DMH ERC Rates and Payments 2

- Requests for higher rates must be requested by the facility through the client's DMH case manager, with justification for the higher rate.
 - The 5x5 assessment must provide a clear clinical justification of need for higher rate.
- DMH ERC will work with facility administrator to better understand the specialized client needs and negotiate a reasonable rate.
- Some examples of circumstances where a higher rate MAY be approved include:
 - Memory Care; Incontinence Care; Serious visual impairment/blindness; Behavioral needs that clinically justify a single room
- Each request for a higher enhanced service rate is taken on a case-by-case basis and approved by the ERC Program Manager.

▶▶ DMH ERC Rates and Payments 3

- Payments are made at the beginning of the month to the facility and begins once the Case Manager has completed and submitted the following forms:
 1. Flexible Housing Subsidy Pool Application with Brilliant Corners
 2. Returned the signed Move-In Confirmation form to the DMH-ERC team
- Brilliant Corners performs reconciliation of billing to track any overpayments or payment issues.

▶▶ Strategies for Success



►► Strategies for Success

- Collaborations and Relationships
 - ◁ Government: DMH holds monthly meetings with DHS and CCL
 - ◁ Licensed Adult Residential Care Association: New nonprofit membership association for Los Angeles County-based owners and operators of ARFs and RCFEs, formed with fiscal sponsorship from the National Alliance on Mental Illness Greater Los Angeles Chapter and financial support from DMH.
 - ◁ Brilliant Corners: Frequent meetings to discuss billing, client and/or facility concerns and workflow, contract and form changes
 - ◁ Technical Support: Meetings with providers, supporting them with new available funding.
 - ◁ Training for operators such as de-escalation, mental health 101
- Program Operations
 - ◁ Reports and data monitoring
 - ◁ Continuous improvement efforts

Poll





Questions

Behavioral Health Bridge Housing Resource Library

The screenshot shows the website's header with the logo on the left and a navigation menu on the right. The main content area features a dark blue banner with the word "Resources" in white. Below this is a section titled "Search the Library" with a paragraph of introductory text and a search input field. The "Featured Resources" section contains three cards: a blue circular graphic for "Reimagining Interim Housing", a photo of hands holding keys for "ACTION PLAN", and a teal graphic for "Whole-Person Care for People Experiencing Homelessness and Opioid Use Disorder: Toolkit Part 2".

BEHAVIORAL HEALTH Bridge Housing

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Resources

Search the Library

This library contains documents that may be useful to counties and/or Tribal entities as they design and implement behavioral health bridge housing. The search function allows you to search by keyword and resource type. Although BHBH staff has reviewed all resources for relevance to behavioral health bridge housing and to categorize them by topic, please note that external links and resources may not fully reflect the views of DHCS or AHP.

Search Keyword Here..

Featured Resources

- Reimagining Interim Housing**
Stages and Action Areas for Transforming Approaches to Sheltering People Experiencing Homelessness
December 2022
- ACTION PLAN**
for Preventing and Ending Homelessness in California
- Whole-Person Care for People Experiencing Homelessness and Opioid Use Disorder: Toolkit Part 2**
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