

HOUSING AND HOMELESSNESS INCENTIVE PROGRAM AGREEMENT

BETWEEN

SAN FRANCISCO HEALTH AUTHORITY dba SAN FRANCISCO HEALTH PLAN

AND

SAN FRANCISCO DEPARTMENT OF HOMELESSNESS AND SUPPORTIVE HOUSING

This Housing and Homelessness Incentive Program Agreement (the “Agreement”) by and between **San Francisco Health Authority doing business as San Francisco Health Plan (“Health Plan” or “MCP”)** and the City and County of San Francisco (“City”), a municipal corporation, acting by and through the **San Francisco Department of Homelessness and Supportive Housing (“HHIP Grantee”)**, referenced collectively as parties and individually as party, is effective upon the date of complete execution of this Agreement, for the time period described in Exhibits A, B and C (the “Effective Date”). The scope of services, reporting, and funding details are included in Exhibits A, B and C.

WHEREAS, The Housing and Homelessness Incentive Program (HHIP) is an incentive program from the California Department of Health Care Services (DHCS) that allows Medi-Cal Managed Care Plans (MCPs) to earn funds by working with community organizations to build partnerships and address housing and homelessness. As part of HHIP, Health Plan is making investments to community partners such as HHIP Grantee to address identified gaps and needs and meet HHIP metrics.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Health Plan and HHIP Grantee each desire to participate in HHIP (the “Program”) geared towards improving partnerships and addressing housing and homelessness among Medi-Cal members. HHIP Grantee agrees to perform the services, and agrees to program goals, metrics and objectives as specified in Exhibit A, B and C, attached hereto and incorporated herein.
2. To the extent any provision contained in this Agreement conflicts with the terms and conditions of DHCS All Plan Letter (“APL”) 22-007, or future DHCS APLs concerning the terms and conditions of the Program, then DHCS APLs control in order to maintain Program eligibility. DHCS APL 22-007 is available in Exhibit D, attached hereto and incorporated herein.
3. The parties acknowledge and agree that all information related to the Program created and/or furnished by one party to the other party as a result of this Agreement is proprietary. HHIP Grantee and Health Plan agree not to use such proprietary information except for the purpose of carrying out their obligations under this Agreement. Neither party shall disclose any proprietary information to any person or entity, except as required pursuant to San Francisco Administrative Code Chapter 67 or other applicable law, regulatory requirements or legal order, in which case such party shall immediately notify the other party of the receipt of any such request for disclosure prior to the disclosure.

4. Term and Termination. This Agreement will commence on the Effective Date and shall terminate on December 31, 2025, unless terminated earlier by either party pursuant to the terms in this Section.

Either party may terminate this Agreement with or without cause by giving thirty (30) business days prior written notice to the other party. This Agreement will automatically terminate upon the event where HHIP Grantee fails to meet requirements and measurements as outlined in this Agreement including Exhibit A, B and C. In the event of an automatic termination, Health Plan will request repayment of unspent grant funds.

5. Books and Records; Audit. HHIP Grantee shall maintain accurate books and records relating to this Agreement and the services as described in Exhibit A, including accounting records, copies of all invoices, and applicable subcontracts. HHIP Grantee shall make such books and records available to Health Plan (or its designee) for review and audit for at least ten (10) years after termination of this Agreement, at a location mutually agreed to by both parties, including remote, if possible. Should an audit by Health Plan identify HHIP Grantee deficiencies in the performance of services, Health Plan shall have the right to require corrective action.
6. HHIP Subcontracts. Any subcontract entered into by HHIP Grantee shall require the subcontractor to comply with the terms and conditions set forth in this Agreement. HHIP Grantee agrees to maintain and make available to Health Plan, upon request, copies of all HHIP Grantee subcontracts and to ensure that all subcontracts are in writing and require that the subcontractor comply with the requirements set forth in Section 5 (Books and Records; Audit) of this Agreement.
7. Amendment. This Agreement may not be amended except in writing and executed by the duly authorized representatives of the parties hereto. Health Plan retains the right to unilaterally amend this Agreement, provided that such amendment incorporates only mandated changes as a result of statutes, regulations, accreditation requirements, directives, or applicable contract(s) with a government agency, and shall provide HHIP Grantee at least ten (10) business days' advance notice unless a shorter timeframe is necessary for compliance.
8. Payment. Health Plan will pay HHIP Grantee in the amount and in accordance with the schedules set forth in Exhibits A, B and C.
9. Reporting. HHIP Grantee will provide Health Plan with required reports described in Exhibits A,, B and C, and additional data and reporting, when requested, to demonstrate the performance and effectiveness of the Program.
10. Notices. Any notices required under this Agreement shall be made in writing and given to the other party by personal delivery, certified mail, or other mutually agreed upon method of delivery (e.g. electronic mail) at the following addresses:

If to HHIP Grantee:

San Francisco Department of Homelessness and Supportive Housing
440 Turk Street
San Francisco, CA 94102
Attn: Jessica Shimmin
jessica.shimmin@sfgov.org

If to Health Plan:

San Francisco Health Plan
P.O. Box 194247
San Francisco, CA 94119
Attn: Chief Executive Officer
vhuggins@sfhp.org

11. Governing Law. This Agreement shall, in all respects, be interpreted, construed, enforced, and given effect in accordance with the laws of the State of California, excluding its principles of conflicts of laws.
12. This Agreement is solely for the benefit of HHIP Grantee and Health Plan and will not be construed to give rise to or create any liability or obligation to, or to afford any claim or cause of action to, any other person or entity.
13. Indemnification. Each party agrees to indemnify, defend, and hold harmless the other party from and against any and all liability, loss, claim, damage or expense, including defense costs and legal fees, incurred in connection with a breach of any representation and warranty made by a party in this Agreement, and for claims for damages of any nature whatsoever, arising from a party's performance or failure to perform its obligations hereunder.
14. HHIP Grantee agrees that HHIP funds cannot be used for long-term "room and board" costs which is defined as long-term rental assistance. This does not include shelter operations or shelter costs, short-term or emergency rental assistance, housing related costs for housing lease-up, capital funds for permanent affordable or supportive housing development or rehab, or housing development operating subsidies.
15. The funding for this Agreement is subject to Health Plan's receipt of HHIP funds from DHCS.
16. Entire Agreement. This Agreement shall consist of the terms and conditions set out in the main body of this Agreement together with those provisions set out in any Schedule, Exhibit, Attachment and/or Addenda relating to this Agreement and attached or otherwise signed by the parties to this Agreement. This Agreement shall constitute the entire, integrated agreement and understanding between the parties and supersedes all prior agreements, representations and understandings between the parties, whether written or oral. This Agreement may not be amended or modified except by an instrument in writing executed by the parties hereto.

(Remainder of this page is intentionally left blank.)

IN WITNESS WHEREOF, the parties have duly executed this Agreement by their authorized representatives as of the Effective Date.

CITY AND COUNTY OF SAN FRANCISCO

SAN FRANCISCO HEALTH PLAN

Signature: _____

Signature: _____

Shireen McSpadden
Executive Director
Department of Homelessness and Supportive Housing

Printed: _____
Title: _____

Date: _____

Date: _____

Approved as to Form:

David Chiu
City Attorney

By: _____
Adam Radtke
Deputy City Attorney

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EXHIBIT A

HHIP is for Medi-Cal only. Unless otherwise defined in this Agreement, all defined terms shall have the meanings set forth in the DHCS HHIP All Plan Letter 22-007.

Under the Program, Medi-Cal Managed Care Plan (“MCP”) will advance funds (See Total Grant Amount) as a grant to assist MCP with meeting HHIP metrics and/or performance goals. If this Program Agreement between MCP and HHIP Grantee is terminated for any reason, HHIP Grantee understands and agrees that it will repay all unspent grant funds pursuant to Section 4 (Term and Termination) of the Agreement

1. Grantee Information:

Grantee Name: SF Department of Homelessness and Supportive Housing (“HSH”)	Primary Contact for Grant: Name: Jessica Shimmin, PhD Email: jessica.shimmin@sfgov.org Phone: 917-543-4501
Grantee Address: 440 Turk Street San Francisco, CA 94102	County Served: San Francisco

2. Description of Grant/Investment: HHIP Grantee will address San Francisco’s existing gap in Permanent Supportive Housing (PSH) onsite services, by providing adaptive clinical nursing support and behavioral health services tailored to meet individual residents’ needs at a PSH with enhanced onsite health services. While piloting this service model Grantee will develop a sustainable financing structure through Medi-Cal and/or Medicare reimbursement and access to Medi-Cal waivers.

3. HHIP Measures to be Impacted: The following HHIP measures are intended to be successfully impacted/achieved by the grant. The HHIP Grantee has reviewed and understands the definitions and expectations of the intended impacted DHCS HHIP metrics below:

Priority Area 1: Partnership and Capacity to Support Referrals for Services	Priority Area 2: Infrastructure to Coordinate and Meet Member Housing Needs	Priority Area 3: Delivery of Services and Member Engagement
<input type="checkbox"/> 1.1 Engagement with the Continuum of Care (CoC)	<input type="checkbox"/> 2.1 Connection with street medicine team (<i>DHCS Priority Measure</i>)	<input checked="" type="checkbox"/> 3.3 MCP members experiencing homelessness who were successfully engaged in ECM
<input type="checkbox"/> 1.2 Connection and Integration with the local Homeless Coordinated Entry System (<i>DHCS Priority Measure</i>)	<input type="checkbox"/> 2.2 MCP Connection with the local Homeless Management Information System (HMIS) (<i>DHCS Priority Measure</i>)	<input checked="" type="checkbox"/> 3.4 MCP members experiencing homelessness receiving at least one housing related Community Supports (<i>DHCS Priority Measure</i>)
<input checked="" type="checkbox"/> 1.3 Identifying and addressing barriers to providing medically appropriate and cost-effective housing-related Community Supports		<input checked="" type="checkbox"/> 3.5 MCP members who were successfully housed (<i>DHCS Priority Measure</i>)
<input type="checkbox"/> 1.4 Partnerships with counties, CoC, and/or organizations that deliver housing services with whom the MCP has a data sharing agreement		<input checked="" type="checkbox"/> 3.6 MCP members who remained successfully housed (<i>DHCS Priority Measure</i>)

that allows for timely information exchange and member matching (<i>DHCS Priority Measure</i>)		
<input checked="" type="checkbox"/> 1.6 Partnerships and strategies the MCP will develop to address disparities and equity in service delivery, housing placements, and housing retention (aligns with HHAP-3)		

4. Grantee Deliverables/Reporting:

Phase I - Planning:

- a. Establish an interagency planning group with representatives from San Francisco’s Department of Homelessness and Supportive Housing, Department of Public Health, Department of Disability and Aging Services and local Medi-Cal Managed Care Plans.
- b. Identify a new or existing PSH building to serve as the pilot site.
- c. If a new PSH building is selected, enter into grant/service agreement(s), including a social services provider and a property manager.
- d. Identify a clinical services provider and establish a contractual mechanism by which they can be paid.
- e. Determine qualifying criteria and referral pathway for clients to be placed at the site.

Phase II – Operations:

- a. Renovations and/or modifications, if determined to be needed, of selected site to accommodate placements.
- b. Staffing for clinical services delivery.
- c. Resident move-ins and provision of enhanced care services.

Phase III – Monitoring and analysis:

- a. Twelve months following the execution of this agreement the HHIP Grantee will report to the MCP:
 - o The number and proportion of MCP Members served in PSH Enhanced Services during the 12 months following the execution of the agreement.
 - o The number of MCP Members served in PSH Enhanced Services that remained housed after 6 months of move in.
 - o A summary narrative of common medical and behavioral health challenges confronted by residents in the PSH Enhanced Services program.
 - o A summary narrative of gaps in service delivery and Medi-Cal capabilities, including gaps in accessing CalAIM Enhanced Care Management (ECM) and/or Community Supports.
 - o A summary narrative of the long-term funding model for sustaining PSH enhanced Services after HHIP.
- b. Identify MCP as a funder of the pilot in public messaging or reporting of the project.

5. Health Plan Responsibilities:

- a. Identify a point of contact to serve as a liaison for HHIP grant.
- b. Participate as necessary in any planning activities, system/program design, or any other necessary meetings to implement activities being funded by the HHIP grant.

- c. Work with HHIP Grantee on determining how HHIP investments are sustained through other CalAIM mechanisms.
 - d. Distribute funds to HHIP Grantee based on Disbursement Intervals below.
 - e. Periodically meet with HHIP Grantee to monitor progress on achieving anticipated HHIP metrics. Engage with HHIP Grantee on strategies to improve/address challenges to meeting HHIP metrics.
6. **Total Grant Amount:** Two million five hundred sixty-nine thousand six hundred dollars and zero cents (\$2,569,600.00)
7. **Effective Date:** 7/1/2023-12/31/2025
8. **Disbursement Intervals:**
- \$ 856,534.00 upon execution of this agreement.
- \$ 856,533.00 upon execution of services agreement with a clinical services provider for pilot site.
- \$ 856,533.00 upon admission of 40th MCP member in total between Health Plan and Anthem Blue Cross to pilot site.

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EXHIBIT B

HHIP is for Medi-Cal only. Unless otherwise defined in this Agreement, all defined terms shall have the meanings set forth in the DHCS HHIP All Plan Letter 22-007.

Under the Program, Medi-Cal Managed Care Plan (“MCP”) will advance funds (See Total Grant Amount) as a grant to assist MCP with meeting HHIP metrics and/or performance goals. If this Program Agreement between MCP and HHIP Grantee is terminated for any reason, HHIP Grantee understands and agrees that it will repay all unspent grant funds pursuant to Section 4 (Term and Termination) of the Agreement

1. Grantee Information:

Grantee Name: SF Department of Homelessness and Supportive Housing (“HSH”)	Primary Contact for Grant: Name: Jessica Shimmin, PhD Email: jessica.shimmin@sfgov.org Phone: 917-543-4501
Grantee Address: 440 Turk Street San Francisco, CA 94102	County Served: San Francisco

2. Description of Grant/Investment: Improvements to Permanent Supportive Housing (PSH) properties to ensure accessibility for residents with disabilities or functional impairments, including modifications to entry ways, ramps, common areas and bathrooms.

3. HHIP Measures to be Impacted: The following HHIP measures are intended to be successfully impacted/achieved by the grant. The HHIP Grantee has reviewed and understands the definitions and expectations of the intended impacted DHCS HHIP metrics below:

Priority Area 1: Partnership and Capacity to Support Referrals for Services	Priority Area 2: Infrastructure to Coordinate and Meet Member Housing Needs	Priority Area 3: Delivery of Services and Member Engagement
<input type="checkbox"/> 1.1 Engagement with the Continuum of Care (CoC)	<input type="checkbox"/> 2.1 Connection with street medicine team (<i>DHCS Priority Measure</i>)	<input type="checkbox"/> 3.3 MCP members experiencing homelessness who were successfully engaged in ECM
<input type="checkbox"/> 1.2 Connection and Integration with the local Homeless Coordinated Entry System (<i>DHCS Priority Measure</i>)	<input type="checkbox"/> 2.2 MCP Connection with the local Homeless Management Information System (HMIS) (<i>DHCS Priority Measure</i>)	<input checked="" type="checkbox"/> 3.4 MCP members experiencing homelessness receiving at least one housing related Community Supports (<i>DHCS Priority Measure</i>)
<input checked="" type="checkbox"/> 1.3 Identifying and addressing barriers to providing medically appropriate and cost-effective housing-related Community Supports		<input checked="" type="checkbox"/> 3.5 MCP members who were successfully housed (<i>DHCS Priority Measure</i>)
<input type="checkbox"/> 1.4 Partnerships with counties, CoC, and/or organizations that deliver housing services with whom the MCP has a data sharing agreement that allows for timely information exchange and member matching (<i>DHCS Priority Measure</i>)		<input checked="" type="checkbox"/> 3.6 MCP members who remained successfully housed (<i>DHCS Priority Measure</i>)

<input type="checkbox"/> 1.6 Partnerships and strategies the MCP will develop to address disparities and equity in service delivery, housing placements, and housing retention (aligns with HHAP-3)		
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4. HHIP Grantee Deliverables/Reporting:

- a. Document expenditures of HHIP funds in the City's fiscal and accounting system, and collect documentation from PSH operators on the status and costs of renovations funded by this Grant.
- b. By December 31, 2025, report on total number of units made more accessible by grant-funded improvements.
- c. Track and provide de-identified and aggregated reports concerning MCP members from housing prioritization wait list who are successfully transferred to/within the permanent supportive housing system and the number of MCP members who remain stably housed in their unit due to building accessibility improvements.
- d. Identify MCP as a funder of these activities in public messaging or reporting of the project

5. Health Plan Responsibilities:

- a. Identify a point of contact to serve as a liaison for HHIP grant.
- b. Participate as necessary in any planning activities, system/program design, or any other necessary meetings to implement activities being funded by the HHIP grant.
- c. Work with HHIP Grantee on determining how HHIP investments are sustained through other CalAIM mechanisms.
- d. Distribute funds to HHIP Grantee based on Disbursement Intervals below.
- e. Periodically meet with HHIP Grantee to monitor progress on achieving anticipated HHIP metrics. Engage with HHIP Grantee on strategies to improve/address challenges to meeting HHIP metrics.

6. Total Grant Amount: Five hundred twenty-eight thousand dollars and zero cents (\$528,000.00)

7. Effective Date: 7/1/2023-12/31/2025

8. Disbursement Intervals: Full Total Grant Amount as described in Section 6 above to be paid upon execution of this Agreement.

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EXHIBIT C

HHIP is for Medi-Cal only. Unless otherwise defined in this Agreement, all defined terms shall have the meanings set forth in the DHCS HHIP All Plan Letter 22-007.

Under the Program, Medi-Cal Managed Care Plan (“MCP”) will advance funds (See Total Grant Amount) as a grant to assist MCP with meeting HHIP metrics and/or performance goals. If this Program Agreement between MCP and HHIP Grantee is terminated for any reason, HHIP Grantee understands and agrees that it will repay all unspent grant funds pursuant to Section 4 (Term and Termination) of the Agreement.

1. Grantee Information:

Grantee Name: SF Department of Homelessness and Supportive Housing (“HSH”)	Primary Contact for Grant: Name: Jessica Shimmin, PhD Email: jessica.shimmin@sfgov.org Phone: 917-543-4501
Grantee Address: 440 Turk Street San Francisco, CA 94102	County Served: San Francisco

Description of Grant/Investment:

2. HHIP Grantee will contract for a consultant/researcher with experience developing and deploying Coordinated Entry assessment tools using predictive risk modeling. The consultant will support HHIP Grantee’s efforts to redesign and improve the current interview-based Coordinated Entry assessment. The consultant will analyze administrative data to develop a range of risk assessment models for San Francisco, validate the risk assessment to ensure reliability and equitability, and provide a pathway to operationalize the model at Coordinated Entry and prioritization.
- 3.
4. **HHIP Measures to be Impacted:** The following HHIP measures are intended to be successfully impacted/achieved by the grant. The HHIP Grantee has reviewed and understands the definitions and expectations of the intended impacted DHCS HHIP metrics below:

Priority Area 1: Partnership and Capacity to Support Referrals for Services	Priority Area 2: Infrastructure to Coordinate and Meet Member Housing Needs	Priority Area 3: Delivery of Services and Member Engagement
<input checked="" type="checkbox"/> 1.1 Engagement with the Continuum of Care (CoC)	<input type="checkbox"/> 2.1 Connection with street medicine team (<i>DHCS Priority Measure</i>)	<input checked="" type="checkbox"/> 3.3 MCP members experiencing homelessness who were successfully engaged in ECM
<input checked="" type="checkbox"/> 1.2 Connection and Integration with the local Homeless Coordinated Entry System (<i>DHCS Priority Measure</i>)	<input checked="" type="checkbox"/> 2.2 MCP Connection with the local Homeless Management Information System (HMIS) (<i>DHCS Priority Measure</i>)	<input type="checkbox"/> 3.4 MCP members experiencing homelessness receiving at least one housing related Community Supports (<i>DHCS Priority Measure</i>)
<input type="checkbox"/> 1.3 Identifying and addressing barriers to providing medically appropriate and cost-effective housing-related Community Supports		<input type="checkbox"/> 3.5 MCP members who were successfully housed (<i>DHCS Priority Measure</i>)

<input type="checkbox"/> 1.4 Partnerships with counties, CoC, and/or organizations that deliver housing services with whom the MCP has a data sharing agreement that allows for timely information exchange and member matching (<i>DHCS Priority Measure</i>)		<input type="checkbox"/> 3.6 MCP members who remained successfully housed (<i>DHCS Priority Measure</i>)
<input checked="" type="checkbox"/> 1.6 Partnerships and strategies the MCP will develop to address disparities and equity in service delivery, housing placements, and housing retention (aligns with HHAP-3)		

5. HHIP Grantee Deliverables/Reporting:

- a. Identify data and system improvement opportunities to match people experiencing homelessness accurately and equitably with the appropriate resource to meet their needs.
- b. Submit a report, and present to HSH Leadership and the CE Redesign Implementation Committee, the findings and a pathway to operationalize the findings for CE and housing prioritization.
- c. By December 15, 2023, report to MCP on the number of MCP members successfully housed from January 1, 2023 to October 31, 2023.
- d. By December 15, 2023, report to MCP on the number of MCP members successfully housed from May 1, 2022 to December 31, 2022 who remained housed as of October 31, 2023.

6. Health Plan Responsibilities:

- a. Identify a point of contact to serve as a liaison for HHIP grant.
- b. Participate as necessary in any planning activities, system/program design, or any other necessary meetings to implement activities being funded by the HHIP grant.
- c. Work with HHIP Grantee on determining how HHIP investments are sustained through other CalAIM mechanisms.
- d. Distribute funds to HHIP Grantee based on Disbursement Intervals below.
- e. Periodically meet with HHIP Grantee to monitor progress on achieving anticipated HHIP metrics. Engage with HHIP Grantee on strategies to improve/address challenges to meeting HHIP metrics.

7. Total Grant Amount: One hundred thirty thousand two hundred eighty-four dollars and zero cents (\$130,284.00)

8. Effective Date: 7/1/2023-12/31/2025

9. Disbursement Intervals: Full Total Grant Amount as described in Section 6 above to be paid upon execution of this Agreement.

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EXHIBIT D

California Health and Human Services Agency
Department of Health Care Services All Plan Letter 22-007



MICHELLE BAASS
DIRECTOR

State of California—Health and Human Services Agency
Department of Health Care Services



GAVIN NEWSOM
GOVERNOR

DATE: September 19, 2022

ALL PLAN LETTER 22-007 (REVISED)

TO: ALL MEDI-CAL MANAGED CARE HEALTH PLANS¹

SUBJECT: CALIFORNIA HOUSING AND HOMELESSNESS INCENTIVE PROGRAM

PURPOSE:

The purpose of this All Plan Letter (APL) is to provide Medi-Cal managed care health plans (MCP) with guidance on the incentive payments linked to the Housing and Homelessness Incentive Program (HHIP) implemented by the California Department of Health Care Services (DHCS) in accordance with the Medi-Cal Home and Community-Based Services (HCBS) Spending Plan. Revised text is found in *italics*.

BACKGROUND:

In accordance with section 9817 of the American Rescue Plan Act of 2021, DHCS developed an HCBS Spending Plan detailing a series of initiatives that will enhance, expand, and strengthen HCBS in California. HHIP is one of the HCBS *Transition* initiatives, which aim to expand and enhance programs that facilitate individuals transitioning to community-based independent living arrangements. HHIP is a voluntary incentive program that *enables* MCPs to earn incentive funds for improving health outcomes and access to whole person care services by addressing homelessness and housing insecurity as social drivers of health and health disparities.

Effective January 1, 2022, DHCS *implemented* HHIP. As designed, the incentive program is intended to support delivery and coordination of health and housing services for *Members* by:

- Rewarding MCPs for developing the necessary capacity and partnerships to connect their *Members* to needed housing services; and
- Incentivizing MCPs to take an active role in reducing and preventing homelessness.

¹ This APL does not apply to Prepaid Ambulatory Health Plans or any MCP *that* will not be in operation in CY 2023, which includes, but is not limited to, Cal Medi-Connect Plans.

Managed Care Quality and Monitoring Division
1501 Capitol Avenue, P.O. Box 997413, MS 4410
Sacramento, CA 95899-7413
Phone (916) 449-5000 Fax (916) 449-5005
www.dhcs.ca.gov

The incentive program period is expected to be effective from January 1, 2022 to December 31, 2023. The program period *is* split between two distinct Program Years (PY) with three distinct measurement periods:

- PY 1 (January 1, 2022 to December 31, 2022), and:
- PY 2 (January 1, 2023 to December 31, 2023)

MCP Submission	Measurement Period	MCP Submission Date	Program Year
MCP Local Homelessness Plan (LHP) Submission	January 1, 2022 to April 30, 2022	June 30, 2022	1
MCP LHP Submission Revisions	January 1, 2022 to April 30, 2022	August 12, 2022	1
MCP Investment Plan (IP) Submission	N/A	September 30, 2022	1
MCP Submission 1	May 1, 2022 to December 31, 2022	March 10, 2023	1
MCP Submission 2	January 1, 2023 to October 31, 2023	December 29, 2023	2

POLICY:

Participating MCPs must comply with the policy requirements outlined throughout this APL to earn incentive payments. The incentive payments will be in addition to the MCPs' actuarially sound capitation rates. *Program Resources and Submission Materials* can be found on the DHCS website.²

MCP Eligibility and Participation

MCP participation in this incentive program is voluntary, but strongly encouraged. MCPs that elect to participate must adhere to program and applicable federal and state requirements to earn incentive payments.

Definition of Individuals Experiencing Homelessness

The HHIP includes all *Members* who are at risk of, have recently been, or are currently experiencing homelessness. In order to assist MCPs with identification of these *Members*, DHCS has provided a definition for individuals *or families* who are experiencing *or have recently experienced* homelessness *or* are at risk of homelessness that aligns with the Community Supports Policy Guide and the Housing

² These documents can be found on the HHIP website. The HHIP website can be found at: <https://www.dhcs.ca.gov/services/Pages/Housing-and-Homelessness-Incentive-Program.aspx>.

and Urban Development definition as provided in Section 91.5 of Title 24 of the Code of Federal Regulations (CFR).^{3,4} These include:

- An individual or *families* who lacks adequate nighttime residence.
- An individual or *families* with a primary residence that is a public or private place not designed or ordinarily used for habitation.
- An individual or *families* living in a shelter.
- An individual or *families* exiting an institution into homelessness.
- An individual or *families* who will imminently lose housing in next 30 days.
- Unaccompanied youth *under 25 years of age*, or families with children and youth, defined as homeless under other federal statutes.
- Individuals or *families* fleeing domestic violence.

MCP Incentive Payments

DHCS will make available up to the total funding of \$1.288 billion across eligible MCPs in *four* payments. DHCS determined and shared the maximum amount of incentive payments that each MCP is eligible to earn for each measurement period based on a range of factors, including *Member* enrollment, revenue, and county point-in-time (PIT) counts of homelessness,⁵ subject to the requirement of 42 *CFR* section 438.6(b)(2) that incentive payments not exceed five percent of the value of capitation payments attributable to the enrollees or services covered by the incentive arrangement.⁶ Each MCP may earn up to its allocated amount based on the successful completion of the requirements for the *four* payments as outlined below.

Each MCP payment will be based on the successful completion and achievement of program measures, LHP components, and the IP.

DHCS will evaluate each MCP's submissions and performance and make incentive payments that are proportional to the number of points earned. DHCS will monitor the timeliness and content of MCP submissions and may request *information* for incomplete submissions as needed during the review timeframe.

DHCS expects participating MCPs to work closely with all applicable local partners including, but not limited to: local Continuums of Care (CoCs), counties, public health agencies, organizations that deliver housing services (i.e., interim housing, rental

³ Definition aligns with the Community Supports Policy Guide and 24 *CFR* section 91.5. The Community Supports Policy Guide is available at <https://www.dhcs.ca.gov/Documents/MCQMD/DHCS-Community-Supports-Policy-Guide.pdf>.

⁴ The *CFR* is searchable at <https://www.ecfr.gov/>.

⁵ PIT estimates as of 2019. DHCS may, at its discretion, use an updated PIT count as appropriate to redetermine these amounts for PY 2.

⁶ See 42 *CFR* Section 438.6(b)(2).

assistance, supportive housing, outreach, and prevention/diversion), *Providers*, county mental health plans, and Drug Medi-Cal and Drug Medi-Cal Organized Delivery Systems in their efforts to meet the program's goals and to report on measures. DHCS does not direct or restrict the MCP's use of incentive funds they have earned. However, DHCS intends for the HHIP to bolster housing and homelessness-focused efforts and investments at the local level, with the aim of building or expanding capacity and partnerships to connect *Members* to needed housing services and achieving measurable progress in reducing and preventing homelessness. Therefore, DHCS anticipates participating MCPs will maximize investment with local partners who are leading housing and homelessness-related efforts on the ground and most directly supporting and assisting this vulnerable population.

Requirements for Payment 1 (measurement period January 1, 2022 to April 30, 2022)
Participating MCPs operating in the same county must collaborate *with the local CoCs* to submit a single LHP by **June 30, 2022**, and MCPs must submit revised LHP measures to DHCS by **August 12, 2022**. DHCS will issue Payment 1 to MCPs in *October of 2022*, subject to DHCS' acceptance of the LHP submissions and the MCP's performance on applicable measures. The MCP is required to complete the LHP in full, as outlined in the *MCP LHP Template*, including the following sections:

- 1. Measurement Areas:** MCPs must complete required quantitative and narrative responses, outlined in the *MCP LHP Template*, providing information on current regional progress and goals toward the three priority areas of HHIP (*Partnerships and capacity to support referrals for services, Infrastructure to coordinate and meet Member housing needs, Delivery of services and Member engagement*) described in this APL.
- 2. MCP Strategies:** MCPs must provide a county-wide aggregate and unique MCP narrative submission identifying housing and service gaps in alignment with the Homeless Housing, Assistance and Prevention Program (HHAP) strategies to meet HHAP Outcome Goals and address the overall approach for the county as well as specific strategies for each MCP and how they align with the county approach.
- 3. Landscape Analysis:** MCPs must provide an aggregate and unique landscape analysis in alignment with the HHAP Round 3 (HHAP-3)⁷ application landscape analysis utilizing relevant data from the Homeless Management Information System (HMIS), PIT counts, and other local needs assessments.⁸

⁷ MCPs may also reference HHAP Round 2 (HHAP-2) applications if additional context is helpful for them, or if Round 3 are not yet available. https://bcsh.ca.gov/calich/hhap_program.html

⁸ If the MCP does not have the current data capabilities, they *must* provide an estimate based on PIT counts and describe what they need to achieve the connectivity to HMIS or other local data sources to report this information in the future.

- 4. Funding Availability:** MCPs must submit as an appendix their local HHAP funding availability assessment identifying state, federal, and local funds currently being used, and available to be used, to provide housing and homelessness-related services in alignment with the HHAP-3 assessment (or Round 2, if Round 3 is unavailable).

Effective July 19, 2022, participating MCPs must complete revised measures 1.1, 3.3, 3.4 and 3.5 and resubmission of Measure 2.1 is optional and may be submitted at the MCP's discretion. MCPs are encouraged to reference the LHP Revised Measures Template for further details.

MCPs will be evaluated based on the quality of the LHP components they submit, including the Landscape Analysis, Funding Availability assessment, and MCP Strategies, as well as on the program measures. Each program measure will either be earned in full, or not earned.

The *MCP LHP Template* specifies the requirements for MCP reporting. The data sources specified in the *MCP LHP Template* and *LHP Revised Measures Template* must be used for collecting and reporting data. The *MCP LHP Template* and the *LHP Revised Measures Template* must be submitted electronically to DHCSHHIP@dhcs.ca.gov.

Requirements for Payment 2 (based on the MCP IP 2022)

*Each MCP(s) must collaborate with the local CoCs and participating MCPs to complete one IP per county in which they are participating in HHIP. MCPs must submit completed IPs to DHCS by **September 30, 2022**. The IP must be submitted electronically to DHCSHHIP@dhcs.ca.gov. DHCS will issue Payment 2 to MCPs in December of 2022, subject to DHCS' acceptance of the IP submissions and the MCP's performance on applicable components of the IP.*

PART I: Investments: *MCPs must submit a narrative describing specific investments they intend to make to overcome identified housing and service gaps and needs to meet the goals of HHIP. The narrative should include details of anticipated funding activities, investment amounts, recipients, and timelines. For each intended investment, MCPs must specify:*

- 1. Which HHIP measures each investment is intended to impact; and*
- 2. Whether each investment will support MCP or Provider/partner infrastructure and capacity (or both), or direct Member interventions.*

PART II: Risk Analysis: *MCPs must conduct a brief risk analysis to identify challenges they may face in achieving the HHIP program goals and in making the investments outlined in Part 1. This narrative description must include what steps the MCP might take to address these potential risks and*

barriers.

PART III: CoC Letter of Support: MCPs must submit a signed letter of support from their CoC partner(s) validating that the CoC(s) collaborated with the MCP, was given an opportunity to review the MCP's IP, and supported the MCP's IP. The letter of support must be included with the IP submission as an appendix.

PART IV: Attestation: MCPs must provide a signed attestation that the IP provides a true representation of the MCP's expected investments and their strategy for achieving program measures and targets. The attestation must be signed under penalty of perjury by the MCP's Chief Executive Officer or Chief Financial Officer, or equivalent executive officer, or their designee, and included with this IP submission as an appendix.

MCPs will be evaluated based on the quality of the IP components they submit, including the Investments, Risk Analysis, CoC Letter of Support, and Attestation.

Requirements for Payment 3 (measurement period May 1, 2022 to December 31, 2022)

MCPs must report a set of quantitative and narrative measures, as outlined in the *HHIP Measure Set Updated for MCP Submission 1*, describing their performance during the period from May 1, 2022 to December 31, 2022. MCPs must submit completed Submissions to DHCS by **March 10, 2023**. For MCPs operating in more than one county, the MCP must complete a Submission 1 *template* for each county in which it operates and elects to participate in the incentive program. *Submission 1 Templates will be distributed to the MCPs via the DHCS HHIP inbox*. DHCS will issue Payment 3 to MCPs in May 2023, subject to DHCS' acceptance of the MCP Submission 1 and the MCP's performance on applicable measures.

Requirements for Payment 4 (measurement period January 1, 2023 to October 31, 2023)

MCPs must report a set of quantitative and narrative measures, as outlined in the *HHIP Measure Set Updated for MCP Submission 2 template*, describing their performance in Program Year 2 by **December 29, 2023**. For MCPs operating in more than one county, the MCP must complete a Submission 2 *template* for each county in which it operates and elects to participate in the incentive program. *Submission 2 Templates will be distributed to the MCPs via the DHCS HHIP inbox*. DHCS will issue Payment 4 to MCPs in March 2024, subject to DHCS' acceptance of the MCP Submission 2 and the MCP's performance on applicable measures.

Program Priority Areas and Measurement Areas

HHIP will prioritize MCP investment in and achievement of partnerships, capacity-building, infrastructure, delivery of services, and *Member* engagement.

Program Resources and Submission Materials are available on the HHIP website.

High Performance Option

The program allows MCPs that fail to achieve points on select measures in Submissions 1 and 2 to earn back some or all of those points by performing over and above thresholds on select Priority Measures in the same reporting period. This option is only applicable to points not earned on pay-for-performance measures that are not noted in the HHIP measure set as a priority measure. Points that are not earned on a priority measure may not be re-earned by the MCP.

DHCS Oversight

DHCS will monitor the timeliness of MCP submissions, as well as the content of the reports, and *may request further information if submissions are incomplete*. DHCS will send confirmation of approved submissions, as well as revision requests for incomplete submissions, to MCPs electronically.

If the requirements contained in this APL, including any updates or revisions to this APL, necessitate a change in an MCP's *contractually required* policies and procedures (P&Ps), the MCP must submit its updated P&Ps to its Managed Care Operations Division (MCO) contract manager within 90 days of the release of this APL. If an MCP determines that no changes to its P&Ps are necessary, the MCP must submit an email confirmation to its MCO contract manager within 90 days of the release of this APL, stating that the MCP's P&Ps have been reviewed and no changes are necessary. The email confirmation must include the title of this APL as well as the applicable APL release date in the subject line.

MCPs are responsible for ensuring that their Subcontractors and Network Providers comply with all applicable state and federal laws and regulations, contract requirements, and other DHCS guidance, including APLs and Policy Letters.⁹ These requirements must be communicated by each MCP to all Subcontractors and Network Providers.

If you have any questions regarding this APL, please email DHCSHHIP@dhcs.ca.gov and CC your MCO Contract Manager and/or your Capitated Rates Development Division Rate Liaison.

Sincerely,

Dana Durham, Chief

⁹ For more information on Subcontractors and Network Providers, including the definition and applicable requirements, see APL 19-001, and any subsequent APLs on this topic.

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Managed Care Quality and Monitoring Division