



# California Advancing and Innovating Medi-Cal Justice-Involved Initiative

In January 2023, California became the first state to receive federal approval for a Medicaid Section 1115 “demonstration waiver” to provide pre-release Medicaid services in correctional facilities. Section 1115 waivers authorize the Secretary of Health and Human Services to approve experimental, demonstration, or pilot projects that further long-term goals of the Medicaid program. California applied for this waiver to allow the Department of Health Care Services (DHCS) to partner with a broad range of stakeholders and agencies to offer specific services to Medi-Cal-eligible youth and adults in state prisons, county jails, and youth correctional facilities (YCFs) for up to 90 days prior to their release.

The CalAIM JI Initiative seeks continuity in health care coverage post-incarceration by connecting individuals to physical and mental health services pre-release. According to DHCS, this “will help to ensure access to programs and services like Enhanced Care Management and Community Supports, linkages to medical and behavioral health services, and prescription medications in hand upon release.” While CalAIM JI is one of many initiatives that seek to assist justice-involved individuals, it is the first time incarcerated individuals have an opportunity to enroll in Medi-Cal and receive a targeted set of Medicaid-reimbursable services while in state prison, county jails, and YCFs.

## Background

California Penal Code § 4011.11 and Section 1115 demonstration special terms and conditions (STC) 9.6 and 9.9 require California to establish pre-release Medicaid application processes for adults and youth to strengthen access to Medicaid coverage immediately upon release. County jails, YCFs, prisons, and other designated entities are responsible for identifying individuals potentially eligible for Medi-Cal, assisting them with the application, and submitting the application to county social services departments.

According to DHCS, “[formerly] incarcerated individuals are more likely to experience poor health outcomes and face disproportionately higher rates of physical and behavioral health diagnoses.” CalAIM JI helps support this

population to successfully reenter their communities by mitigating any potential gaps in healthcare and establishing meaningful relationships with care management prior to release in order to support stable community reintegration.

Within the umbrella of the CalAIM initiative, whole-person care (WPC) programs are now referred to as Enhanced Care Management (ECM) and Community Supports. As of October 1, 2024, managed care plans are required to provide services to individuals who received pre-release services and coordinate with correctional facilities to support members as they transition into managed care and ECM.

## Eligibility

To be considered eligible for pre-release services, incarcerated individuals must be part of a Medi-Cal or Children’s Health Insurance Program (CHIP) eligibility group. Adults must meet one or more of the following criteria: confirmed or suspected mental health diagnosis, a substance use disorder or suspected diagnosis, a chronic clinical condition or significant non-chronic clinical condition, a traumatic brain injury, intellectual or development disability, a positive test or diagnosis of HIV or AIDS or are pregnant or within a 12-month postpartum period. In comparison, juveniles must only be within the custody of a YCF and are not required to meet any clinical criteria.

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## What Types Of Pre-Release Medi-Cal Services Are Available?

A multitude of pre-release services are available to eligible individuals. This can include, but is not limited to, reentry care management services, laboratory and radiology services, medication administration, and more. Those who qualify are also able to receive durable medical equipment, prescribed medications, and

over-the-counter drugs. Additionally, pre-release behavioral services are required to be offered within correctional facilities, provided by county behavioral health agencies and pre-release care managers. DHCS notes that these services may overlap, such as clinical consultations and care management.

## Implementation

In late 2021, DHCS convened an advisory group as well as implementation partners to consider input on the many CaAIM initiatives. In October 2023, DHCS released a **Policy and Operational Guide** to assist with planning and implementation. County staff, particularly from correctional and behavioral health departments, will continue to play crucial roles throughout this initiative's process, from the coordinated community reentry buildout to the new and extensive administrative functions necessary for program implementation. A common theme in counties that began implementation in 2024 and early 2025 has been the importance of coordination among

local stakeholders, elected officials, and departments.

The ability to demonstrate individual facility readiness is a fundamental component of implementation of the CaAIM JI. **Readiness assessments** must be received and approved by DHCS for each facility within a county prior to providing the targeted set of reimbursable services. The readiness assessment contains various elements, including but not limited to workflows and policy guides. While on-the-ground implementation will adhere to a phased in approach for eligible facilities, the earliest "go-live" date for all counties was October 1, 2024.

## Reentry

Reentry within the CaAIM JI continuum requires coordination amongst care providers as well as thorough documentation. Importantly, "behavioral health links," or the professional-to-professional hand-off into post-release settings, is a critical component to prevent treatment disruption throughout the reentry process. As noted above, managed care plans (MCPs) were required to provide services by October 1, 2024, to individuals who received pre-release services, and

coordinate with correctional facilities as they transition into managed care and ECM post-release.

MCPs must have operational processes in place to engage and coordinate with correctional facilities, including state prisons, county jails, and YCFs. DHCS will require a Memorandum of Understanding (MOU) between managed care plans and correctional facilities in their counties or regions of operation.

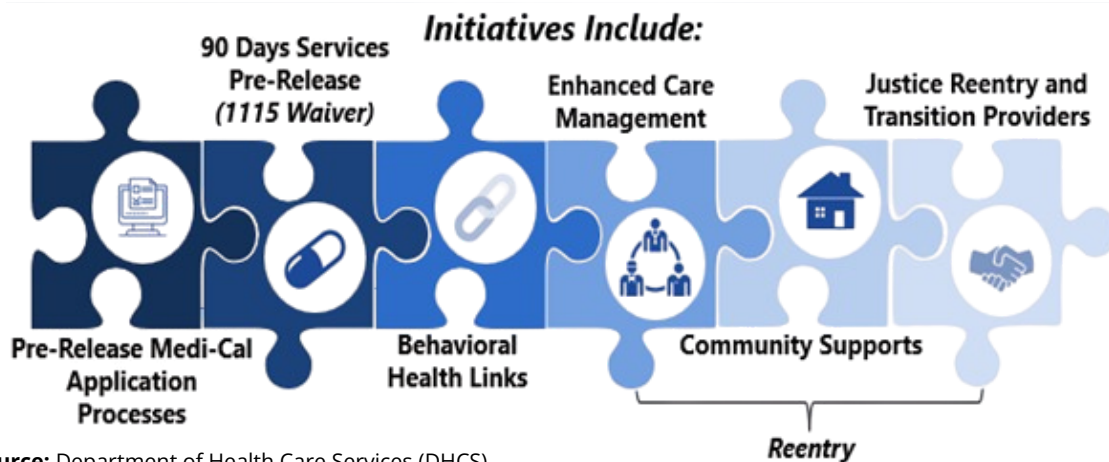


Image Source: Department of Health Care Services (DHCS)