



COUNTY OF LOS ANGELES PROBATION DEPARTMENT

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GUILLERMO VIERA ROSA

Chief Probation Officer

April 8, 2025

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**RECOMMENDATION TO ACCEPT AWARDS ASSOCIATED WITH
THE STATE OF CALIFORNIA'S MANDATED MEDI-CAL
REENTRY DEMONSTRATION PROJECT
(ALL SUPERVISORIAL DISTRICTS)
(3 Votes)**

SUBJECT

California's Department of Health Care Services (DHCS) is awarding funds for a State-mandated Medi-Cal demonstration project called the CalAIM Justice-Involved Initiative (CalAIM JI). CalAIM JI and State law require correctional facilities to make certain targeted healthcare-related services available to qualifying justice-involved adults and youth just prior to, and immediately after, release. This Board letter empowers the Probation Department (Probation) and Los Angeles County Sheriff's Department (LASD) to receive awards associated with CalAIM JI and to expend such awards consistent with applicable laws, regulations, guidance, and Los Angeles County procedure.

It is recommended that the Board of Supervisors (Board):

1. Delegate authority to Probation's Chief Probation Officer and LASD's Sheriff, or their respective designees, to accept CalAIM JI awards from DHCS. Such authority includes the ability of either department to execute agreements or other documents necessary to obtain such funding subject to approval of County Counsel and notice to the Board and Chief Executive Office (CEO).
2. Delegate authority to the Chief Probation Officer and the Sheriff, or their respective designee(s), to amend existing contracts, enter into new contracts, or terminate such contracts to use Providing Access and Transferring Health (PATH) funding to advance CalAIM JI at an amount not to exceed each department's respective funding

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awards. All such agreements and amendments must be approved as to form by County Counsel with notice to the Board and CEO.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

In January 2023, the federal government approved the State of California's § 1115 Medi-Cal Waiver for the reentry demonstration project known as CalAIM JI. This State-mandated program seeks to facilitate the delivery of a targeted set of Medi-Cal covered services to youth and adults in State prisons, County jails, and youth detention facilities for up to 90 days prior to release and to aid their transition back to their communities. Covered services include coordinated pre-release and reentry health, mental health, substance use disorder, and supportive service delivery.

There have been two previous PATH funding rounds focused on developing collaborative planning processes and workflows. Prior PATH funding also provided implementation grants to begin preliminary information technology (IT) investments to facilitate Medi-Cal enrollment and suspension activities for pre-release populations, and funding to support limited personnel costs to facilitate the implementation of CalAIM JI.

The State is allocating a new round of one-time capacity building funds under the PATH funding program to support CalAIM planning and implementation. DHCS has approval to award up to \$410 million in PATH funding Statewide to begin planning for the implementation and rollout of CalAIM JI. While CalAIM JI may provide some reimbursement for Medi-Cal services once implemented, current projections suggest that revenues will fall short of costs.

Approval of the first recommendation will enable the Chief Probation Officer and the Sheriff, on behalf of the County, to accept PATH Round 3 monetary awards from DHCS and to enter into agreements with DHCS to initiate CalAIM JI planning and implementation activities. DHCS will disburse the funds incrementally based upon the submission and approval of implementation plans, progress reports, and associated budgets that further the planning activities and implementation of CalAIM JI. DHCS has not set a deadline for expending awards.

Approval of the second recommendation authorizes the Chief Probation Officer and the Sheriff to enter into new contracts, amend or terminate such contracts, and/or amend existing contracts, to implement CalAIM JI during the term of the agreement, provided that such contracts do not expend more money than the departments receive.

Implementation of Strategic Plan Goals

The recommended actions support Countywide Strategic Plan North Star 2: Foster Vibrant and Resilient Communities, Focus Area Goal B, Care First, Jails Last. Specifically, it will address Strategy iii, Integrated, Equitable, and Culturally-Responsive Services.

FISCAL IMPACT/FINANCING

There is no net County cost (NCC) associated with the recommended actions. Additionally, CalAIM JI should not require any additional NCC as each department is expected to use the CalAIM JI PATH funding and their existing resources, if necessary, to launch the CalAIM JI program and run the program through the current December 2026 expiration date of the 1115 Waiver. CEO will coordinate with Probation and LASD to ensure the departments include the necessary appropriation and revenue changes in the second Fiscal Year 2024-25 Countywide mid-year appropriation adjustment Board letter changes and will include the necessary changes for future fiscal years in the annual budget requests.

While CalAIM JI currently expires in December of 2026, the State may obtain new waiver authority from the federal government to extend it further. Due to these, and other unknowns, the extent of any funding shortfalls associated with the potential longer-term implementation of CalAIM JI (i.e., implementation past the current December 2026 expiration date) cannot be reasonably estimated at this time.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The federal government utilized Medicaid's section 1115 Waiver Authority to approve PATH funding and CalAIM JI. CalAIM JI allows certain youth and eligible adults in state prisons, county jails, and youth detention facilities to receive targeted Medi-Cal services for up to 90 days prior to release. Per State and federal law, correctional facilities and Medi-Cal behavioral health systems must comply with CalAIM JI to provide medically necessary care to justice-involved individuals. (See, Welfare and Institutions Code § 14184.800.)

The State established CalAIM JI PATH to pay for certain one-time start-up costs and planning activities. So far, there have been three CalAIM JI PATH rounds. The latest, Round 3, supports investments in the personnel, capacity, and/or IT systems participants need to plan and implement service processes that underpin care provision within correctional facilities. The County would be financially hamstrung without access to these funds.

The State and federal deadline to commence CalAIM JI within correctional facilities is September 30, 2026. However, the State is asking counties to begin sooner. Due to the extensive planning, logistics, process, and implementation activities the County needs to undertake prior to go-live involving at least six different departments (Probation, LASD, Health Services/Correctional Health Services, Mental Health, Public Health, and Public Social Services), the County plans to start providing those pre-release services in the fall of 2026.

The CEO is working closely with the departments to implement CalAIM JI and will work collaboratively with departments to establish a plan and process to ensure that PATH spending plans adhere to the terms and conditions of the funding agreements, while being mindful of the longer-term fiscal implications of CalAIM JI, particularly if it is not extended in a subsequent Medicaid Waiver.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of the recommended actions will allow the County to move forward in implementing a State mandated initiative, that, if successful, will grant a certain population of Medi-Cal beneficiaries access to critical physical and behavioral health services as they reenter the community. Nevertheless, because CalAIM JI remains a work-in-progress with its mid-to-long term fiscal sustainability uncertain, its impact on current services or projects, either positively or negatively, cannot yet be reasonably assessed.

Respectfully Submitted,



Guillermo Viera Rosa
Chief Probation Officer



Robert G. Luna
Sheriff

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c: Executive Officer
Chief Executive Office
County Counsel