

Verbal Presentation on the Impact to County Residents on Health Net's Decision to End Assisted Living Transition Benefits

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Health Net Terminates ALFT Program

- Community Supports: non-clinical community-based services that Medi-Cal Managed Care Plans (MCPs) can elect to provide eligible Medi-Cal populations to address complex social need
- Community Supports such as the **Assisted Living Facility Transition (ALFT)** have supported housing stability for vulnerable populations
- MCPs are re-evaluating coverage of Community Supports due to financial pressures, and federal and state policy changes
- Health Net will end its ALFT Community Support on December 31, 2026
- Termination of ALFT will heighten risks for displacement, housing instability or homelessness, disruption in care, placement into inappropriate settings, and increased pressure on hospitals, facilities, families, and providers



Health Net ALFT Change Impacts in LA County



THE CHANGE

On September 25, 2026, Health Net confirmed to the state that it will end offering ALFT Community Support services to Health Net Medi-Cal member enrollees.

THE STATE RESPONSE

DHCS will require Health Net to continue the provision of clinically appropriate ALFT services through December 31, 2026, for Health Net members currently receiving such services.

THE CLIFF

Beginning Jan 2027, members who have Health Net funded ALFT services, will need to find a new source of funding to remain living in their current Assisted Living home or find another housing option with Health Net's transition support.

Health Net Member Impact:

~ 2300 LA County Health Net members are at increased risk of housing instability or displacement

Health Net Provider Impact:

Scores of Residential Care Facilities for Elderly will lose funding and ability to serve Health Net members

Recommendations



ENGAGE

A&D and HSH will engage Health Net and DHCS to request that they appropriately ramp down this service and inquire about their transition planning efforts



COLLABORATE

A&D and HSH will convene a cross-departmental group to discuss the needs of impacted LA County residents and Residential Care Facilities for the Elderly (RCFEs)



ADVOCATE

A&D and HSH will collaborate with CEO LAIR to explore state administrative, legislative, and budget advocacy opportunities related to the DHCS Assisted Living Waiver Program, CalAIM, and other Medi-Cal programs serving vulnerable populations

