**STATE OF CALIFORNIA**
**Budget Change Proposal - Cover Sheet**
DF-46 (REV 03/25)

| **Fiscal Year** | **Business Unit Number** | **Department** |
|---|---|---|
| FY 2026-27 | 4260 | Health Care Services |

| **Hyperion Budget Request Name** | **Relevant Program or Subprogram** |
|---|---|
| 4260-065-BCP-2026-GB | 3960010 |

**Budget Request Title**
California Community Transitions (CCT) Program Federally Funded Limited-Term Position

**Budget Request Summary**
The Department of Health Care Services, Local Governmental Financing Division, requests limited-term resources equivalent to 1 position and expenditure authority $165,000 Federal Fund (FF) in fiscal year (FY) 2026-27 and $90,000 FF in FY 2027-28 to support California Community Transitions Program operations.

| **Requires Legislation (submit required legislation with the BCP)** | **Code Section(s) to be Added/Amended/Repealed** |
|---|---|
| ☐ Trailer Bill Language<br>☐ Budget Bill Language ☒ N/A | |

| **Does this BCP contain information technology (IT) components?** ☐ Yes ☒ No<br>*If yes, departmental Chief Information Officer must sign.* | **Department CIO** | **Date** |
|---|---|---|
| | | |

**For IT requests, specify the project number, the most recent project approval document (FSR, SPR, S1BA, S2AA, S3SD, S4PRA), the approval date, and the total project cost.**
**Project No.** **Approval Date:**
**Project Approval Document:** **Total Project Cost:**

**If proposal affects another department, does other department concur with proposal?** ☐ Yes ☐ No
*Attach comments of affected department, signed and dated by the department director or designee.*

| **Prepared By** | **Date** | **Reviewed By** | **Date** |
|---|---|---|---|
| Raheem Muhammad-Terrell | 1/10/2026 | Erika Sperbeck | 1/10/2026 |
| **Department Director** | **Date** | **Agency Secretary** | **Date** |
| Michelle Bass | 1/10/2026 | Brent Houser for Kim Johnson, Cahs Secretary | 1/10/2026 |

**Department of Finance Use Only**

**Additional Review: ☐ Capital Outlay ☐ ITCU ☐ FSCU ☐ OSAE ☐ Dept. of Technology**

| **Principal Program Budget Analyst** | **Date submitted to the Legislature** |
|---|---|
| Nick Mills | 1/10/2026 |

## A. Problem Statement

The Department of Health Care Services (DHCS), Local Governmental Financing Division (LGFD), requests limited-term (LT) resources equivalent to 1 position and expenditure authority of $165,000 Federal Fund (FF) in fiscal year (FY) 2026-27 and $90,000 FF in FY 2027-28 to support California Community Transitions (CCT) Program operations.

In January 2007, the Centers for Medicare and Medicaid Services (CMS) awarded DHCS the Money Follows the Person (MFP) Rebalancing Demonstration Grant. The MFP Demonstration, known as the CCT Program, authorizes DHCS to draw down enhanced match funding to transition eligible individuals who have resided in an in-patient facility for at least 60 days, with at least one day paid by Medi-Cal, to the community setting of their choice. Under the CCT program, eligible individuals of all ages with disabilities can receive transition coordination services to assist them with the transition process from an institution to the community, and to connect them with the Long-Term Services and Supports (LTSS) they require to remain at home or in the community. Moreover, the CCT program supports efforts to streamline access to LTSS by updating systems and operational infrastructure. The No Wrong Door System (NWDS) is designed to simplify access to LTSS and is a key component to LTSS systems reform.

To establish and maintain compliance with CMS' NWDS Medicaid Administrative Claiming (MAC) Guidance requirements, the 1 position requested is for the LGFD to assist DHCS in establishing claiming activities associated with the NWDS in accordance with Welfare and Institution Code, Section 9123. In addition, the position would allow DHCS to fulfill its obligation to deliver and manage the DHCS MAC review and approval activities to prepare documents for CMS submission, obtain necessary federal approvals for claiming from CMS, for program implementation, and for supporting operations and oversight of the Medi-Cal Administrative Activities (MAA) claiming process. The requested position would be filled from July 1, 2026, to December 31, 2027, and will be 100 percent supported via federal CCT grant funds.

**Workload History**

| Workload Measure | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 |
|---|---|---|---|---|---|
| Review MAC Operational Plan for the State's Aging and Disability NWD requirements | N/A | N/A | N/A | N/A | 480 hours |
| Establish MAC Operational Plan for the State's Aging and Disability NWD review materials | N/A | N/A | N/A | N/A | 240 hours |

## B. Justification

**LGFD (One and a half year LT resource equivalent to 1 position)**
*1 Health Program Specialist (HPS) I*

1 HPS I
The HPS I will work with the California Department of Aging (CDA) and the Aging and Disability Resource Connection to review their MAC Operational Plan for the State's Aging and Disability NWD. The specialist will coordinate and manage the DHCS MAC review and approval activities to prepare documents for CMS submission. In addition, the HPS I would be responsible for obtaining

necessary federal approvals for claiming from CMS, for program implementation, and for supporting operations and oversight of the MAA claiming process.

This position is essential to manage the substantial administrative, operational, and monitoring workloads that the MAA activities entail. The position is also integral to maintain compliance with federal mandates and managing the federal grant funding efficiently, confirming that services are delivered and reported accurately.

Approval of this proposal will help the state to align implementation efforts with mandated deadlines and uphold its commitment to providing accurate reporting and continue adhering to relevant statutes. It will also support the effective administration of federal grants and prevent overlapping payments.

**C. Departmentwide and Statewide Considerations**

The requested resources will allow the State to strategically leverage authorized federal funding to:

1. Grow and maintain a health care delivery system in alignment with the California Health and Human Services Strategic Priorities,
2. Build statewide partnerships and networks; and
3. Invest in infrastructure to support the State's existing Home and Community-Based Services delivery system.

**D. Outcomes and Accountability**

The requested resources will enable DHCS to fulfill its obligation to deliver and accurately report services according to federal statute, processes, and procedures; to establish and remain in compliance with federal statute; continue to minimize delays in administration of federal grant funding and prevent duplicative payments. Without the requested staffing resource, DHCS may experience challenges with establishing and implementing the required MAC oversight requirements.

**Projected Outcomes**

| Workload Measure | 2025-26 | 2026-27 | 2027-28 |
|---|---|---|---|
| Coordinate and manage the MAC review and approval activities | 600 | 600 | 600 |
| Establish processes to obtain CMS approvals for the MAA claiming process | 600 | 600 | 600 |
| Support operations and oversight of the MAA claiming process | 600 | 600 | 600 |

**E. Implementation Plan**

Upon approval, detailed duty statements and a staff development plan will be developed. DHCS will immediately begin the recruitment efforts with a plan to fill the 1 position by July 1, 2026. Once the position is filled, the new staff will immediately begin project planning efforts.

## F. Supplemental Information

- Attachment A: Workload Standards
- Attachment B: Fiscal Worksheet

**G. Workload Standards**

**WORKLOAD STANDARDS**
**Local Governmental Financing Division**
**Limited-Term Resource Equivalent to 1 Health Program Specialist I**
**805-785-8338-XXX**
**(7/1/2026 – 12/31/2027)**

| Activities | Number of Items Annually | Hours per Item | Total Hours |
|---|---|---|---|
| Collaborate with CDA to review their MAC Operational Plan for the State's Aging and Disability NWD. | 350 | 2 | 700 |
| Coordinate and manage the DHCS MAC review and approval activities to prepare documents for CMS submission. | 400 | 1.25 | 500 |
| Conduct outreach; person-centered counseling; training; program planning; and quality improvement to serve seniors and individuals with disabilities. | 48 | 4 | 192 |
| Continually evaluate CDA's MAC associated with NWD for obtaining necessary federal approvals for claiming from CMS. | 72 | 3 | 216 |
| Support operations and oversight of the MAC claiming process. | 60 | 2 | 120 |
| Provide administrative oversight and compliance monitoring for processing claims. | 48 | 1.5 | 72 |
| **Total hours worked** | | | **1,800** |
| **1,800 hours = 1 Position** | | | |
| **Actual number of Positions requested** | | | **1** |

## H. BCP Fiscal Detail Sheet

BCP Title: California Community Transitions (CCT) Program Federally Funded Limited-Term Position

BR Name: 4260-065-BCP-2026-GB

Budget Request Summary

Personal Services

| Personal Services | FY26 Current Year | FY26 Budget Year | FY26 BY+1 | FY26 BY+2 | FY26 BY+3 | FY26 BY+4 |
|---|---|---|---|---|---|---|
| Salaries and Wages<br>Earnings - Temporary Help | 0 | 89 | 45 | 0 | 0 | 0 |
| **Total Salaries and Wages** | **$0** | **$89** | **$45** | **$0** | **$0** | **$0** |
| Total Staff Benefits | 0 | 45 | 23 | 0 | 0 | 0 |
| **Total Personal Services** | **$0** | **$134** | **$68** | **$0** | **$0** | **$0** |

Operating Expenses and Equipment

| Operating Expenses and Equipment | FY26 Current Year | FY26 Budget Year | FY26 BY+1 | FY26 BY+2 | FY26 BY+3 | FY26 BY+4 |
|---|---|---|---|---|---|---|
| 5301 - General Expense | 0 | 6 | 4 | 0 | 0 | 0 |
| 5302 – Printing | 0 | 2 | 2 | 0 | 0 | 0 |
| 5304 – Communications | 0 | 2 | 2 | 0 | 0 | 0 |
| 5320 - Travel: In-State | 0 | 3 | 3 | 0 | 0 | 0 |
| 5322 – Training | 0 | 1 | 1 | 0 | 0 | 0 |
| 5324 - Facilities Operation | 0 | 9 | 9 | 0 | 0 | 0 |
| 5344 - Consolidated Data Centers | 0 | 1 | 1 | 0 | 0 | 0 |
| 539X – Other | 0 | 7 | 0 | 0 | 0 | 0 |
| **Total Operating Expenses and Equipment** | **$0** | **$31** | **$22** | **$0** | **$0** | **$0** |

Total Budget Request

| Total Budget Request | FY26 Current Year | FY26 Budget Year | FY26 BY+1 | FY26 BY+2 | FY26 BY+3 | FY26 BY+4 |
|---|---|---|---|---|---|---|
| **Total Budget Request** | **$0** | **$165** | **$90** | **$0** | **$0** | **$0** |

Fund Summary
Fund Source

| Fund Source | FY26 Current Year | FY26 Budget Year | FY26 BY+1 | FY26 BY+2 | FY26 BY+3 | FY26 BY+4 |
|---|---|---|---|---|---|---|
| State Operations - 0890 - Federal Trust Fund | 0 | 165 | 90 | 0 | 0 | 0 |
| **Total State Operations Expenditures** | **$0** | **$165** | **$90** | **$0** | **$0** | **$0** |
| **Total All Funds** | **$0** | **$165** | **$90** | **$0** | **$0** | **$0** |

Program Summary
Program Funding

| Program Funding | FY26 Current Year | FY26 Budget Year | FY26 BY+1 | FY26 BY+2 | FY26 BY+3 | FY26 BY+4 |
|---|---|---|---|---|---|---|
| 3960010 - Medical Care Services (Medi-Cal) | 0 | 165 | 90 | 0 | 0 | 0 |
| **Total All Programs** | **$0** | **$165** | **$90** | **$0** | **$0** | **$0** |

Personal Services Details
Salaries and Wages

| Salaries and Wages | FY26 Current Year | FY26 Budget Year | FY26 BY+1 | FY26 BY+2 | FY26 BY+3 | FY26 BY+4 |
|---|---|---|---|---|---|---|
| TH00 - Temporary Help (LT Term Exp. 12-31-2027) | 0 | 89 | 45 | 0 | 0 | 0 |
| **Total Salaries and Wages** | **$0** | **$89** | **$45** | **$0** | **$0** | **$0** |

Staff Benefits

| Staff Benefits | FY26 Current Year | FY26 Budget Year | FY26 BY+1 | FY26 BY+2 | FY26 BY+3 | FY26 BY+4 |
|---|---|---|---|---|---|---|
| 5150350 - Health Insurance | 0 | 22 | 11 | 0 | 0 | 0 |
| 5150600 - Retirement – General | 0 | 23 | 12 | 0 | 0 | 0 |
| **Total Staff Benefits** | **$0** | **$45** | **$23** | **$0** | **$0** | **$0** |

Total Personal Services

| Total Personal Services | FY26 Current Year | FY26 Budget Year | FY26 BY+1 | FY26 BY+2 | FY26 BY+3 | FY26 BY+4 |
|---|---|---|---|---|---|---|
| **Total Personal Services** | **$0** | **$134** | **$68** | **$0** | **$0** | **$0** |