AB 543 - STREET MEDICINE

Fact Sheet

Bill Summary

AB 543 establishes presumptive eligibility for people experiencing homelessness to receive full Medi-Cal coverage, allowing Medi-Cal providers, including street medicine teams, to establish eligibility on the spot and provide immediate care.

AB 543 prohibits Medi-Cal managed care plans (MCPs) and their delegates from denying care based solely on network assignment.

AB 543 requires Medi-Cal and the state's welfare system to share data on homelessness status by introducing a homeless identifier code, enabling better tracking, service coordination, and connection to eligible benefits and programs.

Existing Law

Establishes the Medi-Cal program, administered by the DHCS, under which low-income individuals are eligible for medical coverage. (WIC §14000)

Provides presumptive eligibility for targeted population, including pregnant persons, children, and patients at qualified hospitals. (WIC §14011)

Background

California is home to <u>66% of the country's</u> <u>unsheltered population</u>, and 28% of the nation's total homeless population. Over <u>187,000 people</u> live on the streets in the state, facing severe health challenges and a mortality rate ten times higher than the general population, largely due to barriers in accessing care.

Although over 70% of this population is enrolled in Medi-Cal, only 8% have access to a primary care provider. Due to capitated payment models, MCPs and primary care providers (PCPs) continue to receive reimbursement from DHCS, with a federal match, even while failing to provide care to the remaining 92% of enrollees. This lack of access prevents exits from homelessness, leads to premature deaths, and results in unnecessary suffering.

Street medicine addresses these challenges by delivering healthcare and social services directly to people experiencing unsheltered homelessness in their living environments, such as under bridges, along riverbanks, and in encampments. Street medicine teams provide full-scope primary care, including diagnostics, medications, wound care, psychiatry, mental health and substance use treatment, and care coordination. Additionally, they assist individuals in securing housing and other essential services to exit homelessness.

In recent years, state and federal entities have prioritized street medicine. This includes initiatives such as <u>CalAIM</u>, DHCS's All Medi-Cal Managed Care Plans Letter (<u>APL 24-001</u>), and the Center for Medicare and Medicaid Services' development of the <u>Place of Service Code 27</u> for street medicine. These efforts have facilitated reimbursement for street medicine and contributed to the rapid growth of the field, with programs expanding from just six in 2018 to over 66 by 2025.

The <u>California Street Medicine Collaborative</u>, which convenes 175 member organizations from 35 counties, includes medical providers, health plans, community-based organizations, and other stakeholders. This collaborative works to scale the street medicine model, advance best practices, and address policy challenges. Alongside DHCS, these organizations have been working diligently to improve care for unsheltered individuals in California. Their efforts aim to increase system visibility through a homeless identifier, enroll eligible individuals in Medi-Cal more efficiently, and streamline care by reducing bureaucratic barriers within Medi-Cal that hinder service delivery in street-based environments.

Need for AB 543

Evidence-based models like street medicine are recognized as best practices in homeless healthcare. They significantly increase access to care, reduce <u>hospital admission and hospital stays</u>, improve chronic disease management, and even enhance housing placements. However, current Medi-Cal policies limit data tracking and exchange while also imposing constraints due to Medi-Cal delegation. These barriers prevent street medicine teams from delivering timely care, even when directly in front of patients.

AB XX addresses these gaps by ensuring that people experiencing homelessness can access Medi-Cal-covered services without unnecessary delays or administrative barriers. By establishing presumptive eligibility, expanding access to street medicine services, and introducing a homelessness identifier code within Medi-Cal systems, the bill streamlines care delivery. This approach improves health outcomes, reduces preventable deaths, lowers avoidable hospital costs, and enhances coordination between health and social service systems. It ensures that Medi-Cal members can access the benefits to which they are entitled, regardless of their housing status.

Support

California Street Medicine Collaborative (Co-Sponsor) University of Southern California (Co-Sponsor)

For More Information

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