



IEHP UM Subcommittee Approved Authorization Guideline			
<b>Guideline</b>	Transitional Rent	<b>Guideline #</b>	UM_CSS 15
		<b>Original Effective Date</b>	6/15/2026
<b>Section</b>	Community Support Services	<b>Revision Date</b>	

**COVERAGE POLICY**

- A. Transitional Rent is a Community Support that provides short-term housing assistance for Members who are experiencing homelessness or are at risk of homelessness. DHCS allows Transitional Rent to be used for up to 182 days, and it is subject to the 182-day Global Cap on all Room and Board Community Supports within a rolling twelve-month period. Transitional Rent is intended to help Members secure housing while they transition to longer-term, sustainable housing supported by Behavioral Health Services Act (BHSA) funding or other voucher programs.
- B. Transitional Rent may be used to cover the following expenses:
  - 1. Rental assistance in allowable settings; and
  - 2. Storage fees and landlord-paid utilities that are charged as part of the rent payment
  - 3. Additional fees, including pet fees, are covered only at the Health Plan’s discretion
- C. Transitional Rent Allowable Settings
  - 1. Transitional rent may provide for a member’s housing in a permanent or interim setting or provide for some months in an interim setting and the remainder in a permanent setting.
  - 2. DHCS defines permanent settings as those with a renewable lease agreement, with a term of at least (1) month. A setting is considered permanent if the member has a renewable lease agreement. Where there is no lease agreement or the lease term is not renewable, the setting is considered interim. The allowable settings are as follows as authorized under California's BH-CONNECT special terms and conditions
    - a. Permanent
      - i. Single-family and multi-family homes (ex: duplexes)
      - ii. Apartments
      - iii. Housing in mobile home communities
      - iv. Accessory Dwelling Units (ADUs)
      - v. Shared Housing – where two or more people live in one rental unit
      - vi. Project-based or scattered site permanent supportive housing
      - vii. Single Room Occupancy (SROs)
      - viii. Tiny homes
      - ix. Recovery housing
      - x. License-exempt room and board
    - b. Interim
      - i. Single Room Occupancy (SROs)
      - ii. Tiny homes
      - iii. Hotels/motels when serving as the member’s primary residence

- iv. Interim settings with a small number of individuals per room (not large dormitory sleeping halls)
  - v. Transitional and recovery housing with no lease agreement, including
    - a. Bridge, site-based, population-specific, and community living programs that may or may not offer supportive services and programming
    - b. License-exempt room and board
    - c. Peer Respite
3. IEHP must place members in permanent and interim settings where permanent placement is not available and may not exclude coverage of any specific setting type. In all cases member placement should be driven by the needs and preferences of the Member.
  4. DHCS requires that settings either be compliant with applicable HUD quality standards (National Standards for the Physical Inspection of Real Estate (NSPIRE)) or habitable as defined by state law.
  5. Family Housing
    - a. A member receiving transitional rent should be housed in a setting that is appropriate to accommodate the member's family which may include for example a partner or spouse or one or more children.
    - b. "Family" includes but is not limited to regardless of marital status actual or perceived sexual orientation or gender identity any group of persons presenting for assistance together with or without children and irrespective of age relationship or whether or not a member of the household has a disability.
  6. A Member should be housed in a setting that provides the smallest number of bedrooms necessary to house the members family without overcrowding and that meets the family's needs, including the unique needs of individuals with disabilities and pregnant and postpartum individuals and families. Transitional Rent Providers should draw on their experience and expertise and honor the members preferences and needs in helping the members select a unit that accommodates the members family.
- D. Members may qualify for Transitional Rent when all the following conditions are met:
1. Members meet at least one of the following clinical risk factors:
    - a. Meets Specialty Mental Health Services (SMHS) access criteria\*; or
    - b. Meets Drug Medi-Cal (DMC) access criteria\*; or
    - c. Meets Drug Medi-Cal – Organized Delivery System (DMC-ODS) access criteria\*

\*See qualifying indications in chart below
  2. Member meets at least 1 of the following social risk factors:
    - a. Meets the HUD definition of homelessness; or
    - b. Experiencing homelessness; or
    - c. At risk of homelessness
  3. Member must be included within one of the following transitioning populations;
    - a. Transitioning out of an institutional or congregate residential setting: Individuals transitioning out of an institutional or congregate residential setting, including but not limited to an inpatient hospital stay, an inpatient or residential substance use disorder treatment facility, an inpatient or residential mental health facility, or nursing facility.
    - b. Transitioning out of a carceral setting: Individuals transitioning out of state

prison, county jail, youth Correctional Facility, or other state local or federal penal setting where they have been in custody and held involuntarily through operation of law enforcement authorities.

- c. Transitioning out of interim housing: Individuals transitioning out of transitional housing, rapid rehousing, a domestic violence shelter or domestic violence housing, a homeless shelter or other interim housing whether funded or administered by HUD or at the state or local level.
  - d. Transitioning out of recuperative care or short-term post-hospitalization housing: Individuals transitioning out of short-term post-hospitalization housing or recuperative care whether the stay was covered by Medi-Cal managed care or another source.
  - e. Transitioning out of foster care: Individuals having aged out of foster care up to age 26 (having been in foster care on or after their 18th birthday) either in California or another state.
- d. Required Documentation
- 1. Demonstration that a housing voucher or IEHP-approved subsidized housing placement has been secured for housing sustainment following the six (6)-month Transitional Rent benefit period.
  - 2. Individualized Housing Support Plan

Qualifying Indications for Clinical Risk Factors

Meets the access criteria for Medi-Cal SMHS	<p>SMHS Adult: Medi-Cal Members aged 21 or older qualify for SMHS if they meet all of the following criteria:</p> <ul style="list-style-type: none"> <li>1. The individual has one or both of the following:           <ul style="list-style-type: none"> <li>a. Significant impairment, where the impairment is defined as distress, disability, or dysfunction in social, occupational, or other important activities.</li> <li>b. A reasonable probability of significant deterioration in an important area of life functioning.</li> </ul> </li> </ul> <p>AND</p> <ul style="list-style-type: none"> <li>2. The individual's condition is due to either of the following:           <ul style="list-style-type: none"> <li>a. A diagnosed mental health disorder according to the criteria of the current editions of the diagnostic and statistical manual of mental disorders (DSM) and the international statistical classification of diseases and related health problems.</li> <li>b. A suspected mental disorder that has not yet been diagnosed.</li> </ul> </li> </ul> <p>SMHS Children: Medi-Cal members under age 21 qualify for SMHS if they meet both of the following requirements:</p>
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	<ol style="list-style-type: none"> <li>1. The individual has at least one of the following: <ol style="list-style-type: none"> <li>a. A significant impairment.</li> <li>b. A reasonable probability of significant deterioration in an important area of life functioning.</li> <li>c. A reasonable probability of not progressing developmentally as appropriate.</li> <li>d. A need for specialty mental health services regardless of presence of impairment that are not included within the mental health benefits that a Medi-cal MCP is required to provide.</li> </ol> </li> </ol> <p>AND</p> <ol style="list-style-type: none"> <li>2. The individual's conditions as described in (1.) above is due to one of the following: <ol style="list-style-type: none"> <li>a. a diagnosed mental health disorder according to the criteria of the current editions of the DSM and the international statistical classification of disease and related health problems.</li> <li>b. A suspected mental health disorder that has not yet been diagnosed.</li> <li>c. Health conditions including behavioral health and developmental syndromes stemming from trauma, child abuse, or neglect.</li> </ol> </li> </ol>
<p>Meets the access criteria for Drug Medi-Cal (DMC) or Drug Medi-Cal Organized Delivery System (DMC-ODS)</p>	<p>Medi-Cal Members age 21 or older meet access criteria for DMC-ODS or DMC services if they meet at least one of the following criteria:</p> <ol style="list-style-type: none"> <li>1. Have at least one diagnosis from the most current version of the DSM for substance related and addictive disorders with the exception of tobacco related disorders and non-substance related disorders.</li> </ol> <p>OR</p> <ol style="list-style-type: none"> <li>2. Have had at least one diagnosis from the DSM for substance related and addictive disorders with the exception of tobacco related disorders and non-substance related disorders prior to being incarcerated or during incarceration, determined by substance use history.</li> </ol> <p>DMC and DMC/ODS Children  Medi-Cal members under 21 are eligible for DMC ODS or DMC if they meet the medical necessity standard for one or more SUD services provided through these delivery systems recommended by a licensed behavioral</p>

## COVERAGE LIMITATIONS AND EXCLUSIONS

- A. Room and Board Global Cap: Members may not receive more than a combined six months of Short-Term Post-Hospitalization Housing, Recuperative Care, and Transitional rent during any rolling 12-month period. The 12 month period starts from the Member's first date of utilization of Short-Term Post-Hospitalization Housing, Recuperative Care, or Transitional Rent.
- B. In addition to the global cap, which is applicable to all three Room and Board services, Transitional Rent – as a Room and Board-only intervention without accompanying clinical services – is subject to an additional cap of six months per household, per demonstration period.
- C. For transitioning populations: a member must receive authorization for transitional rent within six months (i.e., within 182 days) of the transition event (e.g., date of discharge, date of release.) For six months from the date of authorization, the member may use the transitional rent benefit without redetermination enough eligibility.
- D. Members transitioning out of foster care on or after their 18th birthday are eligible to receive transitional rent, assuming satisfaction of the other eligibility requirements, until their 26th birthday and may be authorized at anytime during this window. For six months from the date of authorization, the member may use the transitional rent benefit without a redetermination of eligibility.
- E. A member should be housed in a setting that provides the smallest number of bedrooms necessary to house the members family without overcrowding and that meets the family's needs including the unique needs of individuals with disabilities and pregnant and postpartum individuals and families.
- F. Members can receive HTNS and transitional rent at the same time, or HTSS and transitional rent at the same time. However, members may not receive HTNS and HTSS together while also receiving transitional rent.
- G. Members can receive both housing and transitional rent in support of the same housing placement. The maximum amount of rental assistance they will be able to receive is six months through Transitional Rent (including first and last month's rent), with Housing Deposits covering the security deposit and other one-time services and modifications necessary to enable a person to establish a basic household.
- H. If the Member discontinues receipt of Transitional Rent after a period of less than six months (e.g., returning to unsheltered homelessness after a two-month stay in an interim setting), and then seeks to utilize Transitional Rent again, IEHP must re-assess eligibility prior to authorizing. If the Member transitions from an interim to a permanent setting without discontinuing service, IEHP will not re-assess eligibility but may issue a new or revised authorization.
- I. At this time, Transitional Rent may not be used to cover eviction prevention (e.g. rental arrears (back rent) or prospective rental assistance for individuals who are housed but at risk of homelessness.

## ADDITIONAL INFORMATION

A Member who is authorized for Transitional Rent is automatically eligible and authorized for Enhanced Care Management (ECM), regardless of if they meet one of the ECM Populations of Focus eligibility criteria. When enrolled in ECM, Transitional Rent should be managed in coordination with ECM Providers. When Members receive more than one of these services, the

Managed Care Plan (MCP) should ensure it is coordinated by an ECM provider whenever possible to minimize the number of care/case management transitions experienced by Members and to improve overall care coordination and management. One exception to this is for benefits advocacy which may require providers with a specialized skill set.

### **CLINICAL/REGULATORY RESOURCE**

Short-Term Post-Hospitalization, Recuperative Care and Transitional Rent are authorized under Section 1115 waiver authority. Short-Term Post Hospitalization Housing and Recuperative Care are authorized under the CalAIM waiver, and Transitional Rent is authorized under the BH-CONNECT waiver. These services are subject to the Special Terms and Conditions (STCs) of their respective waivers.

The specific settings allowable for Transitional Rent are authorized under California's BH-CONNECT Special Terms and Conditions (STCs).

### **DEFINITION OF TERMS**

Homelessness (Code of Federal Regulations):

1. An individual or family who:
  - a. Has an annual income below 30 percent of median family income for the area, as determined by HUD.
  - b. Does not have sufficient resources or support networks, e.g., family friends, faith-based or social networks, immediately available to prevent them from moving to An emergency shelter or a supervised publicly or privately operated shelter designed to provide temporary living accommodations and meets one of the following conditions:
    - i. Has moved because of economic reasons two or more times during the 60 days immediately preceding the application for homelessness prevention assistance
    - ii. is living in the home of another because of economic hardship
    - iii. has been notified in writing that their right to occupy their current housing or living situation will be terminated within 21 days after the date of application for assistance
  - c. lives in a hotel or motel and the cost of the hotel or motel is not paid by charitable organizations or by federal state or local government programs for low-income individuals
  - d. lives in a single room occupancy or efficiency apartment unit in which there reside more than two persons or lives in a larger housing unit in which reside more than 1.5 people per room as defined by the US Census Bureau
  - e. is exiting A publicly funded institution or system of care such as a healthcare facility mental health facility foster care or other youth facility or correction program or institution
  - f. otherwise lives in housing that has characteristics associated with instability and an increased risk of homelessness as identified in the recipients approved consolidated plan
2. A child or youth who does not qualify as homeless under this section but qualifies as homeless under section 387(3) of the Runaway and Homeless Youth Act (42 United States 5732a (3)), section 637(11) of the Head Start Act (42 U.S. Code 932(11) section 41403(6) of the Violence Against Women Act of 1994 (42 U.S. Code 14043e-2(6) Section 330

(h)(5)(A) of the Public Health Service Act (42 U.S. Code 254b(h)(5)(A), section 3(m) of the Food and Nutrition Act of 2008 (7 U.S. Code 2012 (m)), or section 17(b)(15) of the Child Nutrition Act of 1966 (42 U.S. Code 1786(b)(15)) or

3. A child or youth who does not qualify as homeless under this section but qualifies as homeless under section 725(2) of the McKinney-Vento Homeless Assistance Act (42 U.S. Code 11434a(2) and the parent(s) or guardian(s) of that child or youth is living with her or him.

An attestation from the Member of the need for housing will satisfy any documentation requirements regarding the Member's housing status.

IEHP adheres to all Transitional Rent definitions as outlined in the DHCS Policy Guide.

## **REFERENCES**

Footnotes

## **DISCLAIMER**

IEHP Clinical Authorization Guidelines (CAG) are developed to assist in administering plan benefits, they do not constitute a description of plan benefits. The Clinical Authorization Guidelines (CAG) express IEHP's determination of whether certain services or supplies are medically necessary, experimental and investigational, or cosmetic. IEHP has reached these conclusions based upon a review of currently available clinical information (including clinical outcome studies in the peer-reviewed published medical literature, regulatory status of the technology, evidence-based guidelines of public health and health research agencies, evidence-based guidelines and positions of leading national health professional organizations, views of physicians practicing in relevant clinical areas, and other relevant factors). IEHP makes no representations and accepts no liability with respect to the content of any external information cited or relied upon in the Clinical Authorization Guidelines (CAG). IEHP expressly and solely reserves the right to revise the Clinical Authorization Guidelines (CAG), as clinical information changes.