



ISSUE BRIEF

Breaking Ground: How California is Using Medicaid to Improve the Health of People Leaving Incarceration

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THE HEALTH AND REENTRY PROJECT



INTRODUCTION

In January 2023, California became the first state to receive federal approval to cover some services through Medicaid and the Children’s Health Insurance Program (CHIP) in the period just before a person leaves prison, jail, or a youth correctional facility. This policy change holds significant potential to improve the health and wellbeing of Californians reentering the community after incarceration.

This issue brief:

- provides background on the intersection of health and reentry policy;
- describes the new California reforms, which were authorized through an amendment to California’s Medicaid Section 1115 demonstration waiver; and
- examines the potential impact of these changes, anticipated implementation issues, and implications for other states considering similar reforms.

The brief relies on information from the 1115 waiver amendment approval, the California Department of Health Care Services (DHCS), and other publicly available sources. Its perspective on the California program is informed by [Redesigning Reentry](#), a synthesis of perspectives on how to change Medicaid’s role at reentry provided by cross-sector stakeholders published by the Health and Reentry Project (HARP) in 2022.

BACKGROUND

Incarceration is a major social driver of health, and the health care needs of people who are incarcerated in the U.S.—including needs related to mental health, substance use disorders, and chronic conditions such as asthma, diabetes, and heart disease—are high. These needs continue during reentry, the time after people are released and transition back to their communities.

Studies show that formerly incarcerated people are over 12 times more likely to die than other people in the two weeks following release, from causes that include heart disease, homicide, suicide, and cancer. Death by overdose is a particular risk. Specific estimates vary, but people leaving incarceration are at far higher risk of death from an opioid overdose than the general population.¹

HEALTH AND INCARCERATION IN CALIFORNIA

- ▶ Two thirds of people in prisons and jails in California have some need for substance use treatment
- ▶ Active mental health needs among people in California jails have been increasing substantially
- ▶ Black people in California are incarcerated at rates that far exceed their share of the state population

Source: [DHCS, California Advancing and Innovating Medi-Cal \(CalAIM\) Justice-Involved Initiative](#)



Medicaid is the nation's public insurance program for people with low incomes, and many incarcerated individuals meet the eligibility criteria for Medicaid as they are more likely to have low incomes. This broad reach to the population of people who experience incarceration means that any change to Medicaid policy for this population can have significant impact. However, to date, Medicaid has played a very limited role for people who are incarcerated. Medicaid's inmate exclusion has historically prevented Medicaid from covering services for people who are incarcerated except for inpatient hospital stays, even though people who are incarcerated may remain eligible for and enrolled in Medicaid.² This exclusion has left financing and oversight of health care services in prisons and jails as a state and local responsibility. Authorizing Medicaid to cover some services in prisons and jails will allow those services to be eligible for state and federal Medicaid matching payments, and the state and federal Medicaid policy requirements that come with them.

Historically, although some states have used state funds or other strategies to strengthen connections to health services as people leave prison or jail, no state has used Medicaid to provide reentry services and promote coordination prior to a person's release. Several states and the federal government are taking steps to change this. In January 2023, the Centers for Medicare & Medicaid Services (CMS) approved California's request to modify the California Advancing and Innovating Medi-Cal (CalAIM) Section 1115 demonstration to authorize the state's Medicaid program, Medi-Cal, to cover a targeted set of Medicaid services to individuals in state prisons, jails, and youth correctional facilities in a set time period prior to release. California's waiver approval is the first time CMS has authorized Medicaid to cover pre-release services and is an important step in a series of health and reentry policy changes that have gained momentum in recent years.

Currently, [14 other states](#) are seeking approval of similar proposals to cover pre-release services through a waiver from CMS. In April 2023, CMS released new guidance encouraging states to strengthen continuity of care for people leaving prison or jail, using Medicaid waiver authority to cover some services prior to release.³ In addition, at the end of 2022, Congress enacted the first nationwide changes to Medicaid's role in incarceration in the omnibus [Consolidated Appropriations Act of 2023](#). This new law requires states, beginning in 2025, to cover screenings, service referrals, and case management for incarcerated juveniles for 30-days prior to their release and gives states the option to cover some Medicaid-covered services to juveniles who are incarcerated prior to adjudication.

CALIFORNIA'S JUSTICE-INVOLVED INITIATIVE

The First Real-World Pilot of Medicaid Coverage of Services Prior to Release

California's waiver is the first real-world test of whether Medicaid coverage of pre-release services will increase service continuity, access to care, and improve health outcomes following release. Provision of pre-release services is one component of California's larger strategy to support



individuals upon reentry. California’s proposal and implementation experience can inform the development and implementation of other states’ approaches to Medicaid coverage of pre-release services as well as broader efforts to support the health of people as they return to communities.

California’s Medi-Cal Program and Recent CalAIM Reforms

California’s reentry reform is part of a larger Medicaid reform underway in the state, California Advancing and Innovating Medi-Cal ([CalAIM](#)), an effort to transform California’s Medicaid program that CMS approved in 2021. Covering one in three Californians, Medi-Cal is the largest state Medicaid program in the country. Medi-Cal and the Children’s Health Insurance Program provide health and long-term care coverage to approximately [14 million](#) people in California who qualify because they have low incomes. It covers roughly 40 percent of children in California, as well as one in five adults under age 65, more than 43 percent of people with disabilities, and many seniors.⁴ Medi-Cal is a significant source of financing to providers and offers beneficiaries comprehensive benefits with little or no cost sharing. Medi-Cal covers 46 percent of Black and 47 percent of Latinx Californians, making it a lever to drive health equity reform in the state.⁵ CalAIM’s goal is to advance a whole person approach to address social drivers of health, improve quality, and reform payment approaches.

California’s [Justice-Involved Initiative](#) is designed to address the health needs of people reentering the community from carceral settings and builds on recent CalAIM reforms. California proposed it to CMS as part of its initial CalAIM waiver proposal. CMS approved the larger proposal in December 2021 and approved using Medicaid to cover pre-release services in January.

KEY ELEMENTS OF CALIFORNIA’S JUSTICE-INVOLVED INITIATIVE

California’s justice-involved initiative includes several policy actions designed to better meet the health needs of people leaving incarceration, including the pre-release services approved in the recent waiver amendment:

- ▶ Enrolling eligible people in Medi-Cal prior to release from prison, jail, or youth correctional facility
- ▶ Coverage of pre-release services for youth and eligible adults
- ▶ Coordination with and connection to health and behavioral health services post-release
- ▶ Coordination of community-based services, including through Enhanced Case Management
- ▶ Community Supports, if offered by a beneficiary’s managed care plan
- ▶ Capacity building grants to correctional facilities and key implementation partners

Source: [DHCS, California Advancing and Innovating Medi-Cal \(CalAIM\) Justice-Involved Initiative](#)



The crux of CalAIM is an [Enhanced Care Management \(ECM\)](#) benefit to support Medi-Cal beneficiaries with complex needs in connecting to clinical and non-clinical services and resources. CalAIM also establishes for the first time [Community Supports](#), which are 14 services and resources designed to address social factors that impact health. These include: housing transition navigation services and related housing supports, programs to support independent living, services to support transitions between homes and nursing homes, sobering centers, and day programs. Beneficiaries with specific needs, including unstable housing, mental illness and/or substance use disorder, and people who are transitioning to the community after incarceration, are eligible for both ECM and Community Supports. These services are designed to play a role in meeting peoples’ health and social needs after they return to the community.

ECM and Community Supports will be administered through Medi-Cal’s managed care plans (MCPs). The vast majority of Medi-Cal beneficiaries are required to enroll in MCPs, which the state contracts with to organize and deliver most Medi-Cal services. Managed care plans are required to offer the ECM benefit and have discretion to offer Community Supports. California is also changing its behavioral health system to promote integration, change payment approaches, and streamline access to services.⁶

California’s Corrections System

California is the most populous state in the U.S., and its corrections system, like its Medicaid program, is large. It includes state prisons, jails, youth correctional facilities, and community supervision. Prisons are state facilities that house people who have been convicted of crimes and are serving long sentences. Jails, which house people whose sentences are a year or less and/or whose cases are awaiting adjudication, tend to experience far greater turnover of people and more unpredictable release dates than prisons do. Youth correctional facilities refer to specialized detention centers for youth who have been sentenced there or are awaiting adjudication. Community supervision includes probation and parole, which generally involve supervision and specific rules that people must follow outside of prisons and jails.⁷

In California, the Department of Corrections and Rehabilitation is responsible for prisons. Jails are run by counties. Following federal court decisions that ordered California to decrease its state prison population due to concerns about prison medical and mental health shortfalls, California changed its carceral system. Two legislative measures enacted in 2011, collectively known as “realignment,” shifted responsibility for specific groups of people incarcerated for low-level felonies, incarcerated for parole violations, or on parole supervision from the state to counties. This has resulted in longer stays and higher medical and mental health spending for county jails.⁸ More recently, California has changed its juvenile justice system. California’s four youth correctional facilities, which are currently operated by the state Department of Juvenile Justice, are slated to be closed by June 30, 2023 and replaced with county-based facilities and less restrictive programs. The facilities will be managed by a newly established Office of Youth and Community Restoration under the California Health and Human Services Agency.⁹

Table 1 provides information on the number of adult prisons and jails in California, the size of each’s population, and how health care is provided within each setting.



TABLE 1: CALIFORNIA'S ADULT CARCERAL SYSTEM AT A GLANCE

	STATE PRISONS	JAILS
Number of Facilities (2022)	34	148
Number of Individuals Incarcerated (2020)	97,328	82,460
Health Care Provider	California Correctional Health Care Services (CCHCS)	County/ community-based providers & contractors

Sources: [National Institute of Corrections](#) and [California Department of Corrections and Rehabilitation](#)

Nationally, health care services provided by prisons and jails vary widely in their financing, services, quality, and oversight. Health care services delivered in prison and jails are financed by state and local governments. Prisons and jails may provide health care services using correctional employees, by contracting with private entities, or, as a minority of institutions do, by contracting with community providers. Most health care services provided in prisons and jails operate outside of established health insurance billing, quality, clinical and oversight structures that pertain to community services.

California's 1115 Demonstration Waiver Amendment for Pre-Release Services

The recent 1115 waiver amendment authorizes Medicaid and Children's Health Insurance Program (CHIP) coverage of a targeted set of services that focus on establishing post-release connections for eligible adults and youth in state prisons, county jails, and county youth correctional facilities starting up to 90 days prior to release. (The key elements of the new program are summarized in Table 2.) The state established 90 days as the service time period to give providers enough time to complete health assessments, initiate treatment planning, provide services such as medication assisted treatment (MAT) for opioid use disorder (OUD) and alcohol use disorder (AUD), and make community connections for post-release services.

SUMMARY OF GOALS OF THE CALIFORNIA PRE-RELEASE SERVICES MEDICAID DEMONSTRATION WAIVER AMENDMENT

In approving the California pre-release services demonstration, CMS and California agreed that this new initiative would advance several related goals:

- ▶ Facilitating greater access to pre-release health care and psychosocial services to improve care coordination, communication, and continuity of care across correctional and community settings
- ▶ Providing timely health care interventions to reduce acute service utilizations pre- and post-release and lower the risk of post-release overdoses, suicides, and other adverse outcomes
- ▶ Increasing and continuing health coverage for incarcerated individuals
- ▶ Increasing investments in health care and services
- ▶ Advancing health equity

Source: [CMS January 26, 2023 waiver amendment approval letter](#)



Key aspects of the waiver include:

Ensuring that People Who are Eligible for Medi-Cal Enroll in it. As of January 1st, California state law requires California to establish pre-release Medicaid application processes for adults and youth.¹⁰ CMS also required California to assist people who are incarcerated with enrollment as part of its waiver amendment approval. This helps individuals leaving incarceration to have Medicaid coverage immediately upon release into the community. The waiver amendment also requires California to suspend, rather than terminate, a Medi-Cal beneficiary's enrollment when an individual enters incarceration.

Criteria for Who Will Receive Pre-Release Services. Incarcerated adults who are enrolled in Medi-Cal and meet specific criteria and all Medi-Cal/CHIP-enrolled youth in youth correctional settings will qualify for Medi-Cal pre-release services. The adult health criteria are described in Table 2. The breadth of these criteria and high rates of health conditions among people who are incarcerated suggest that a significant majority of adult Medi-Cal beneficiaries leaving incarceration will qualify for Medi-Cal-covered pre-release services. Most of these health conditions may be identified by either a provider or a patient, although qualifying substance use disorder (SUD) must meet specific diagnostic criteria.¹¹ For people who are leaving prison and jail, the managed care plan enrollment process will begin prior to release and MCPs will be responsible for coordinating services provided to beneficiaries after they leave prison or jail. Pre-release services, however, will be paid for on a fee-for-service basis by the state.¹²

Pre-Release Services. The pre-release services are summarized in Table 2. Pre-release case managers will conduct an assessment to establish a patient's health and social needs and create a person-centered care plan. This care plan will tie to the pre-release services provided, which may include reentry case management, clinical consultation services, medications and medication administration, lab/radiology, and community health worker services. Pre-release case managers will also facilitate reentry coordination, including sharing a transition plan with community ECM providers and scheduling a pre-release care coordination meeting. They will make specific linkages to behavioral health services, as appropriate, in California's behavioral health delivery system, whose responsibilities are split between non-specialty mental health, specialty mental health, and SUD services. These connections, paired with medication supply and durable medical equipment (DME) at release, are intended to promote a smooth transition back to the community.¹³

Reinvestment of State and Local Funding. California must submit a reinvestment plan to CMS that describes how any preexisting state or local funding for health care services provided in carceral settings that is replaced by federal funds received through this waiver will be reinvested. The reinvestment plan is designed to ensure that federal dollars are used to expand services and capacity rather than being used to simply shift financing for existing services. The waiver amendment explicitly reiterates the state and local responsibility for providing health care services in prisons and jails (see Table 2).



TABLE 2: CALIFORNIA'S 1115 DEMONSTRATION PRE-RELEASE SERVICES WAIVER AMENDMENT AT A GLANCE

This table summarizes the key elements of the Medicaid 1115 demonstration waiver amendment that the federal government approved in January, making California the first state in the nation to use Medicaid (called Medi-Cal in California) to cover a targeted set of pre-release services for Medicaid and CHIP beneficiaries.

POLICY ISSUE	WAIVER PROVISION
Over what time period will services be provided?	90 days prior to expected release date
What facilities are eligible to provide services?	State prisons, county jails, and juvenile justice facilities
Who is eligible to receive pre-release services?	<ul style="list-style-type: none"> ■ All youth in juvenile justice facilities ■ Medi-Cal-eligible adults in prisons and jails who have a qualifying condition including but not limited to health and mental health conditions, HIV/AIDS, intellectual or developmental disability (I/DD), substance use disorder, and pregnancy through 12 months post-partum
What services will be available to beneficiaries?	<p>Services provided prior to release:</p> <ul style="list-style-type: none"> ■ Pre-release case management ■ Physical and behavioral health clinical consultation to diagnose conditions, provide treatment, and develop a discharge plan and post-release treatment plan ■ Laboratory/ radiology testing ■ Medi-Cal-covered prescription and over the counter drugs and administration ■ Medication assisted treatment for opioid use disorder and alcohol use disorder (including counseling) ■ Services provided by community health workers with lived experience <hr/> <p>At time of release:</p> <ul style="list-style-type: none"> ■ A minimum of 30-day supply of medications, as clinically appropriate ■ Durable Medical Equipment (DME) <hr/> <p>Post-Release:</p> <ul style="list-style-type: none"> ■ All community-based services available to beneficiaries under California's Medicaid state plan



What operational capacities will correctional facilities need to offer to provide pre-release services?

Participating facilities will need the ability to:

- Connect with county social service departments to suspend, not terminate, and reactivate beneficiaries' coverage during incarceration
- Evaluate an individual's eligibility for Medi-Cal and assist the individual with applying if the individual is not enrolled (unless individual declines)
- Provide services and coordination, including direct care services provision and/or referrals; coordination with MCPs, social services, county behavioral health agencies, and community providers; and reentry planning and case management (if correctional facility chooses to use an embedded case management model; they may also choose to bring in community-based, in-reach case management providers)
- Develop infrastructure to support implementation, such as data exchange and data reporting processes, billing processes, staffing support, and project management

How is Medi-Cal funding used relative to state and local correctional financing?

Any federal funds that replace preexisting state and local funding for carceral services must be reinvested. Funds may be used to:

- Increase access to community health and behavioral health care
- Fund new or enhanced services in carceral settings
- Build health information technology or data sharing capacity
- Build community provider capacity and supports for people reentering the community
- Other efforts that directly support people reentering the community and prevent reincarceration

How will the federal government support California's implementation efforts?

\$410 million in federal transitional investments awarded through a state-run process to correctional facilities and county behavioral health agencies.

Funds will support the delivery of pre-release services to support collaboration and planning, including for:

- Implementation of billing systems.
- Development of processes, protocols, and systems necessary to implement the pre-release services
- Hiring and training personnel
- Investments in tech/IT, including adoption of electronic health records (EHR) and billing systems
- Other planning activities to promote coordination of pre-release services

How will the state evaluate the impact of providing these new services?

The state will evaluate the impact of the demonstration on Medi-Cal enrollment, continuity of care, access, and quality, among other factors. The state will also monitor implementation.



Looking Forward: Implementation Opportunities and Challenges

Federal approval of California’s waiver policy marks a significant step forward in Medi-Cal’s efforts to address the health needs of people who have been incarcerated. In California, energy and attention have shifted to the significant implementation effort that is needed to translate new policies into action. An advisory committee that informed the development of the waiver amendment continues to meet to discuss implementation. California is developing an implementation plan, which it will submit to CMS by the end of May 2023, as well as an approach to readiness reviews that will determine when correctional facilities begin the new program, which can be implemented starting April 1, 2024.

CALIFORNIA’S PRE-RELEASE SERVICES IMPLEMENTATION PLAN: FIVE KEY ELEMENTS

In spring 2023, DHCS will develop an implementation plan for its pre-release services waiver, which it will submit to CMS in May. It will cover the following five areas:

- ▶ Increasing coverage and ensuring continuity of coverage for individuals who are incarcerated
- ▶ Covering and ensuring access to pre-release services for individuals who are incarcerated to improve care transitions upon return to the community
- ▶ Promoting continuity of care to ensure access to services both pre- and post-release
- ▶ Connecting people to services post-release to meet the needs of the reentering population
- ▶ Ensuring cross-system collaboration

Source: [DHCS, California Advancing and Innovating Medi-Cal \(CalAIM\) Justice-Impacted Advisory Group](#)

The federal government approved \$410 million in federal capacity building funding to support implementation of the new policies. This funding builds on previous federal CalAIM investments and is being awarded through a state-run grant process to correctional facilities, county behavioral health agencies, community-based providers, probation officers, sheriff’s offices, and other implementation stakeholders. Funding will be used to support the development of processes, protocols, and systems necessary to implement the pre-release services, including investments in tech/IT, hiring and training personnel, adoption of electronic health records (EHR) and billing systems, and planning activities to promote coordination of pre-release services.

As the state and stakeholders implement new programs, some of the significant issues that will need to be tackled include:

Achieving continuity and access to primary care, behavioral health, and other services post-release. Ensuring continuity of health coverage by making sure people leave facilities with active Medi-Cal coverage will be the first step in ensuring continuity of care during the transition to the community. The ability for beneficiaries to access the full array of Medi-Cal covered services, which are much more comprehensive than the targeted services that the



demonstration waiver authorizes to be provided pre-release, will be key to improving beneficiaries' health. Timely linkage to primary care and behavioral health services will also be essential, as will connections to other clinical services and social supports that people may not receive consistently in prison and jail.¹⁴

Under the new initiative, pre-release case managers and correctional facilities will hand off enrollee information and care plans to beneficiaries' managed care providers, who must perform care coordination, care planning, and facilitate access to the full array of Medi-Cal covered benefits post-release.¹⁵ Achieving continuity of care for behavioral health services may be a particular challenge, given the dispersed responsibility for behavioral health services among counties, MCPs, and other entities in California. Having service connections made as seamlessly as possible between carceral and community settings will reduce administrative burdens on beneficiaries who may need to address multiple, urgent needs, such as housing, employment, and nutrition, as they reintegrate into their community. CalAIM's Enhanced Care Management (ECM) benefit, which is designed to coordinate care and services for individuals with complex medical and social needs, can facilitate such connections. To do this effectively, care managers and other providers will need training on how to effectively meet the needs of people leaving carceral settings and strengthen their access to care post-release.¹⁶

Establishing a beneficiary-specific 90-day pre-release service period. The 90-day service period during which an incarcerated person is eligible to receive pre-release services will be calculated from the individual's expected release date, according to the terms of the waiver approval. Release dates from incarceration can be difficult to predict, especially in jails where the majority of individuals serve short stays of days to weeks but some stay for years. This unpredictability makes it challenging to establish the 90-day period during which beneficiaries are eligible for pre-release services. Realignment in California means that their jail population includes more long-term sentences and predictable time frames than in other states. For jail stays that are short, there may be little concept of a "reentry" period: the most effective approach may be quickly identifying an individual's health needs, enrolling them in Medi-Cal, and connecting the individual to community services.

Ensuring consistency in implementation across facilities. The waiver's targeted pre-release benefits are intended to be available to people who meet the Medi-Cal eligibility requirements as well as the service eligibility criteria that California has set. Other circumstances, such as short stays, will also play a role. Given the breadth of the types and number of facilities that will provide pre-release services, it may be challenging to ensure that beneficiaries in different facilities are treated comparably across facilities and receive the services to which they are entitled under the waiver. Ensuring that eligibility screening and enrollment are carried out in a consistent way will require careful implementation given the differences across settings. Similarly, ensuring that clinical consultation—which encompasses coordination with carceral providers on diagnosis and treatment planning and direct virtual and in-person visits, but is not specifically defined in the waiver—is carried out as intended may require additional specification in implementation plans. Setting specific statewide standards for care provision that apply across facilities will promote consistency and mitigate any risk that facilities provide either too many or too few services.



Developing the workforce to meet the need for services. Given the statewide ramp-up of both CalAIM and the pre-release services amendment as well as current workforce shortages across the health care system, it may prove challenging to ensure a sufficient workforce of pre-release case managers and post-release ECM providers, behavioral health care providers, and community health workers to provide the services authorized under the waiver amendment. Developing a pipeline of providers, including providers with lived experience, that focuses on both recruitment and retention will help increase access to pre-release services. Through Providing Access and Transforming Health (PATH) funding, DHCS has issued capacity building grants to develop a network of ECM and other providers, expanded access to community health workers by authorizing them under the Medicaid state plan, and invested in behavioral health workforce development efforts.¹⁷ California is also considering ways to maximize its available workforce by leveraging a statewide network of ECM providers with lived expertise and experience serving individuals who are, or have been, incarcerated. Despite these efforts, having sufficient staff who are trained in culturally responsive care and the needs of people who have experienced incarceration may be an ongoing challenge.

Ensuring accountability for services provided prior to release. Ensuring that Medi-Cal-financed services conform to Medicaid rules is the responsibility of DHCS, and, at the federal level, CMS, to which state Medicaid agencies are accountable for administration and oversight. Under the waiver, Medicaid will for the first time pay for services provided in carceral settings. Accountability for Medicaid-covered services that are provided in correctional facilities should align with longstanding accountability mechanisms that pertain to Medicaid covered community services.¹⁸ Basic program integrity provisions, including Medicaid provider participation policies set by the state Medicaid agency, should apply across community and carceral providers, consistent with CMS's recent Medicaid reentry guidance. Providing an increased level of oversight of pre-release services in the initial years of implementation can help ensure services meet state-established standards and troubleshoot any challenges that may emerge.

National Implications

Other states interested in strengthening continuity for Medicaid beneficiaries who are leaving prison, jail or youth correctional facilities are examining California's waiver approval and implementation efforts to inform their own approaches. Some key considerations as states seek to assess the implications of California's approach for their own efforts to develop pre-release services are:

California's pre-release services program is part of its ongoing Medicaid delivery system reforms. California's pre-release services program is one critical component of CalAIM's broader redesign of Medi-Cal to prioritize addressing the social determinants of health. CalAIM's specific investments in ECM and Community Supports complement the expansion of pre-release services in potentially addressing needs of many people who are leaving incarceration. These additional resources and systems (e.g. housing support) may increase the impact of California's reentry care model. The extent to which other state Medicaid programs have developed approaches that address care coordination and social supports will vary significantly, and may affect the impact of providing pre-release services. In addition, as part



of Cal-AIM, California is moving towards 99% of beneficiaries being enrolled in a managed care plan by 2024.¹⁹ This heavy reliance on managed care, both to organize service delivery in Medi-Cal and to coordinate and provide new services under CalAIM, may limit the applicability of some approaches in states with smaller or no Medicaid managed care programs.

The pre-release program also builds on past efforts in California to advance Medicaid’s ability to meet the needs of people who have been incarcerated. California implemented Whole Person Care pilots under its previous section 1115 waiver. These pilots include county-organized models of care for people with complex needs, some of which focused on meeting the needs of people leaving prison and jail and which informed the development of CalAIM proposals.²⁰ California is also home to Transitions Clinics, a service delivery model designed to support the health needs of people who are leaving incarceration.²¹ States without similar initiatives and resources may face a greater policy and operational learning curve in designing reentry services.

Key Medicaid pre-release program design choices will vary by state. The [14 other states](#) currently awaiting waiver approval vary widely in their approaches to service eligibility criteria, coverage time period and benefits. Most states have sought 30 or 45-day periods in which services may be provided prior to release, which will present tighter operational timeframes than California’s 90-day period. Among the 14 states with waiver proposals, proposed benefits packages vary, with some states seeking to provide all covered Medicaid benefits prior to release. Proposed eligibility for services varies as well. Similarly, proposals differ in the extent to which they seek to provide Medicaid covered services in prisons, jails, and youth correctional facilities, with some states proposing Medicaid coverage for pre-release services in only some of these facilities, or proposing different eligibility criteria, covered services, and lengths of pre-release coverage based on the type of correctional setting. These different program design features may raise specific policy and implementation considerations that differ from those California is addressing.

Successful implementation requires stakeholder engagement and resources. Developing and successfully implementing Medicaid reentry policies requires the expertise and perspective of many different stakeholders, including the courts, law enforcement, corrections, health and behavioral health agencies, and community service providers such as employment and housing agencies. It also requires engaging people with direct experience of incarceration.²² California conducted extensive health system stakeholder engagement in the development of CalAIM, and has been advised by a Justice-Involved Advisory Group since October 2021. Other states may wish to undertake stakeholder engagement that is similarly, if not more, extensive. Crucially, California sought and received significant federal support for implementation through their waiver. The infrastructure and capacity development that these resources enable will substantially advance implementation. Implementation work in all states is likely to require specific investments and other states developing pre-release Medicaid programs may wish to consider options for financing that work, which may include state, local federal, and philanthropic sources.



CONCLUSION

California's new pre-release service waiver demonstration will pilot groundbreaking changes to leverage Medicaid to cover targeted services before people are released from prison, jail, or youth correctional facilities and improve continuity of care and access to needed services for people who are returning to communities. These changes have substantial potential to improve the health of people who have experienced incarceration across a range of outcomes, including chronic disease, mental health, substance use, and public safety. Realizing this potential will require a clear focus on ensuring coordination of care, meaningful access to comprehensive services, including primary care, post-release, and accountability for service provision. It will also require substantial attention to implementation. Engaging people who have been incarcerated can help inform implementation and oversight and contributions from advocates, as well as the broad range of health system, criminal justice system, and other stakeholders will be essential in carrying out this groundbreaking new program. Ongoing development of community health and behavioral health services and workforce are needed to strengthen reentry service access and to help people connect to community services that can help reduce the likelihood that they become incarcerated.²³ Health and criminal justice policymakers in other states and at the national level can look to California to inform ongoing efforts to address national priorities related to public safety, public health, and behavioral health.

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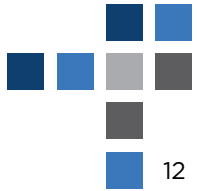
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