

**ATTACHMENT B:**

**TRANSITIONAL RENT SERVICE DELIVERY AGREEMENT**

**BETWEEN**

**COUNTY OF SONOMA DEPARTMENT OF HEALTH SERVICES BEHAVIORAL  
HEALTH DIVISION**

**AND**

**KAISER FOUNDATION HEALTH PLAN, INC.**

**[COVER PAGE]**

**DRAFT**

**Transitional Rent Provider Agreement**

**Between**

**Kaiser Foundation Health Plan, Inc. and County of Sonoma Department of Health Services Behavioral Health Division.**

This Medi-Cal Services Agreement (“Agreement”) is incorporated into and made part of the Memorandum of Understanding (MOU) between Kaiser Foundation Health Plan, Inc. (“MCP”) and County of Sonoma Department of Health Services Behavioral Health Division. (“MHP”). MCP and MHP may be referred to individually as a “Party” and collectively as the “Parties.”

**WHEREAS**, MCP is a licensed Medi-Cal managed care health plan, that provides or arranges for the provision of health care services and related services as required by the California Department of Health Care Services (“DHCS”).

**WHEREAS**, MCP desires to arrange for the provision of Transitional Rent, which is a Community Support service under Medi-Cal designed to assist Medi-Cal Members (“Members”) experiencing or at risk of homelessness as defined by DHCS in the Community Supports Policy Guide, Volume 2 (“DHCS Policy Guide”). It provides temporary rental assistance to promote housing stability and facilitate access to health care services.

**WHEREAS**, the Parties wish to establish the terms under which MCP will contract with MHP to provide Transitional Rent as a Community Supports service, effective January 1, 2026, to MCP’s Members, in accordance with applicable Medi-Cal requirements.

**NOW, THEREFORE**, in consideration of the foregoing recitals and mutual promises and covenants contained herein, the Parties hereby agree as follows:

- 1. Definitions.** Capitalized terms shall have the meanings assigned in MCP’s Medi-Cal Managed Care Contract with DHCS or as defined in the DHCS Community Supports Policy Guide, Volume 2 (“Policy Guide”), unless otherwise defined herein.
- 2. Term.** This Agreement shall commence on January 1, 2026, or the date of execution (“Effective Date”), and shall automatically renew annually unless either Party provides written notice of non-renewal in accordance with Section 8. “Notice” of this Agreement.
- 3. Provision of Services.**
  - a. Transitional Rent Provider (MHP) Responsibilities.** MHP shall provide the full scope of Transitional Rent services in accordance with applicable laws, MCP’s Medi-Cal Contract with DHCS, DHCS Community Supports Policy Guide, Volume 2, and MCP’s Policies and Procedures, using best practices and industry standards.

- i. MHP shall act as the Transitional Rent Provider, meaning it will either issue payments for housing or directly provide housing (e.g., through ownership and operation of a supportive housing project).
- ii. MHP must possess the requisite experience and expertise to perform its role in delivering Transitional Rent services.
- iii. MHP responsibilities include, but are not limited to:
  - 1. Identifying appropriate housing units.
  - 2. Ensuring habitability of units.
  - 3. Assisting Members with lease review, understanding, and execution.
  - 4. Structuring rent payment agreements with landlords or property owners.
  - 5. Issuing timely payments to housing providers.
  - 6. Coordinating with supportive service providers [e.g., Housing Transition Navigation Services (HTNS), Housing Deposits, Housing Tenancy and Sustaining Services (HTSS), Enhanced Care Management (ECM), and other relevant providers].
- iv. MHP may utilize Flexible Housing Subsidy Pools (“Flex Pools”), which allow a single entity to manage landlord engagement across contributing funders.
- v. If MHP subcontracts for any of these activities, MHP must notify MCP in writing and comply with all subcontracting oversight requirements required by state and federal law, regulations, the DHCS Mental Health Plan Contract, and guidance.

b. **MCP Responsibilities.** MCP shall fulfill its responsibilities in accordance with applicable laws, its Medi-Cal Contract with DHCS, DHCS Policy Guide, and MCP's Policies and Procedures.

- i. MCP responsibilities include, but are not limited to:
  - 1. Making good faith efforts to ensure Transitional Rent instances are recorded in HMIS by the Housing Trio Provider, MHP, or MCP.
  - 2. Encouraging Member intake into the Coordinated Entry System.

4. **Eligibility.** Members are eligible for Transitional Rent if they meet all the criteria required by DHCS, including social and clinical risk factors, and are considered part of a transitioning population.

5. **Authorization and Duration.**

a. **Authorization Period and Redetermination.** MCP and MHP shall follow authorization and redetermination requirements as outlined in applicable laws, MCP's Medi-Cal Contract with DHCS, DHCS Policy Guide, and MCP's Policies and Procedures.

**b. Automatic Authorization for ECM and the Housing Trio.** When MCP authorizes Transitional Rent, it shall also authorize ECM and the appropriate Housing Trio Community Supports (HTNS, Housing Deposits, and HTSS).

**6. Referrals.**

- a. Members may be referred to MCP for Transitional Rent by county behavioral health agencies, health care providers, housing support providers, Continuums of Care (CoCs), or other sources.
- b. Members may also self-refer.

**7. Quality Assurance, Quality Improvement, and Health Equity**

- a. **Purpose and Scope.** MHP acknowledges that MCP is required under federal and state law, including Medi-Cal Managed Care Plan agreement with DHCS, and by accreditation entities such as the National Committee for Quality Assurance (“NCQA”) and the California Department of Managed Health Care (“DMHC”), to maintain a Quality Improvement (QI) System that includes oversight of its contracted providers. This Section sets forth the MHP’s obligations to participate in MCP’s Quality Assurance, Quality Improvement, and Health Equity (“QI/HE”) activities as they relate to the provision of Transitional Rent Services as a Community Supports service.
- b. **Provision of Information.** MHP shall provide QI/HE information relating to Members for use in MCP’s QI/HE activities, including quality indicators, performance reports, and corrective action follow-up as requested by MCP. Upon request, MHP will share with MCP QI/HE information necessary for licensing, accreditation, or regulatory compliance, consistent with confidentiality and privilege protections required by law.
- c. **QI/HE Program.** MHP shall maintain a written QI/HE improvement program that meets all applicable state and federal requirements, including DHCS Community Supports standards. Such program shall monitor quality of care, accessibility, member satisfaction, and equity in service delivery; identify and address performance issues; and implement corrective actions as appropriate. MHP shall ensure that all its subcontractors and rendering providers adhere to comparable QI/HE standards.
- d. **Resolution of Problems.** MHP shall investigate and respond promptly to issues regarding quality of care, accessibility, or equity and shall use best efforts to remedy promptly any unsatisfactory condition related to the care of Members, as determined by MCP or any government official. The parties shall work cooperatively and in good faith to improve service quality and outcomes and to resolve problems related to Transitional Rent Services.

**8. Payment.**

- a. MCP shall compensate MHP for the delivery of Transitional Rent services in accordance with applicable laws, MCP’s Medi-Cal Contract with DHCS, DHCS Policy Guide, and MCP’s Policies and Procedures.

The Parties represent that they have caused this Transitional Rent Provider Agreement to be executed by their duly authorized representatives as of the dates set forth below, to be effective as of the Effective Date.

**MCP**

Kaiser Foundation Health Plan, Inc.

**MHP**

County of Sonoma  
Department of Health Services  
Behavioral Health Division.

**Signature:** \_\_\_\_\_

**Name:** Celia Williams

**Title:** Executive Director, Medicaid Care Delivery and Operations

**Date:** Click or tap to enter a date.

**Notice Address:**

393 E. Walnut St., Pasadena, CA 91188  
[kpmou@kp.org](mailto:kpmou@kp.org)

**Signature:** \_\_\_\_\_

**Name:** Nolan Sullivan

**Title:** Director, Department of Health Services

**Date:** \_\_\_\_\_

**Notice Address:**

Behavioral Health Division  
Department of Health Services  
County of Sonoma  
2227 Capricorn Way, Suite 207  
Santa Rosa, CA 95407

**NPI:** 1871647115

**Exhibit A-1****Responsibilities of the MCP and MHP**

This Exhibit outlines the respective responsibilities of MCP and MHP (acting as Transitional Rent Provider) under the Transitional Rent Provider Agreement.

MCPs must contract with a network of Transitional Rent Providers to administer the service, rather than administer payments directly to landlords.

A Transitional Rent Provider is the entity that issues payment for housing for Members receiving Transitional Rent or, alternatively, directly provides housing for Members receiving Transitional Rent (as in the case of a nonprofit organization that owns and operates a permanent supportive housing project).

To be qualified to serve as a Transitional Rent Provider, organizations must have the experience and expertise required to perform the function they will assume in the delivery of Transitional Rent.

The responsibilities of the Transitional Rent Provider (e.g., MHP) include but are not limited to:

1. Identifying an appropriate setting/unit.
2. Ensuring the housing unit is habitable.
3. Helping Members review, understand, and execute the lease agreement.
4. Ensuring the lease agreement is compliant and legal.
5. Structuring rent payment agreement with landlord or property owner.
6. Issuing timely payments to the landlord or housing provider.
7. Coordinating with supportive service providers (HTNS, Housing Deposits, HTSS, ECM, etc.).

**Table 1: Responsibility Matrix**

<b>MCP Responsibility</b>	<b>MHP Responsibility</b>
Authorize Transitional Rent for eligible Members and ensure coordination with ECM and Community Supports (HTNS, Housing Deposits, HTSS).	Accept referrals and coordinate with ECM, HTNS, and other providers to support housing transitions.
Accept Member or provider attestations to meet documentation requirements.	Assist Members in completing attestations and documenting housing needs in the housing support plan.
Monitor service utilization and ensure compliance with DHCS requirements, including the six-month Global Cap.	Track service delivery and notify MCP of changes in Member eligibility, housing status, or service needs.
Coordinate with providers (e.g., HTNS, Housing Deposits, ECM) for seamless service delivery.	Collaborate with providers and systems (e.g., Coordinated Entry, housing authorities) to support housing placement and retention.

<b>MCP Responsibility</b>	<b>MHP Responsibility</b>
Report service delivery data and outcomes to DHCS.	Provide data and documentation as requested by MCP for reporting and quality assurance.
Ensure housing settings meet minimum quality standards.	Conduct a basic unit or setting inspection to verify compliance with HUD or state habitability standards and submit attestation of compliance with HUD or state habitability standards as a condition of authorization.
Make good faith effort to ensure Transitional Rent is recorded in HMIS and encourage Coordinated Entry intake.	Complete HMIS entry and support Member intake into Coordinated Entry System, as applicable.
Reassess eligibility if Member discontinues and reapplies within the 6-month period.	Notify MCP of Member status changes that may affect eligibility or service continuity.
Track Room and Board cap, including prorated payments and holds per DHCS guidance.	Comply with MCP payment structure and Payment requirements in Exhibit A-2 and avoid issuing payments after a Member exits the unit.
When a Member switches MCPs, request and validate prior Room and Board utilization data.	Provide service utilization data to MCP as requested by MCP to support continuity and cap tracking.

**Exhibit A-2****Transitional Rent Payment**

This Exhibit outlines the payment structure from Managed Care Plans (MCPs) to Mental Health Plans (MHPs) acting as Transitional Rent Providers, under the Transitional Rent Provider Agreement. Background on DHCS-to-MCP payments is included for context.

**1. Payment Structure**

DHCS provides non-risk, supplemental payments to MCPs for Transitional Rent, including rental costs and an administrative fee. MCPs are responsible for distributing payments to contracted Transitional Rent Providers (e.g., MHPs) in alignment with these funds.

MCPs may issue prospective payments to MHPs to support cash flow, with reconciliation based on actual rental costs and DHCS ceilings. Administrative fees are not subject to reconciliation.

Members must not be charged for any portion of Transitional Rent. MHP will submit claims for rental subsidies using the identified HCPCS codes. MCPs will pay MHPs the actual cost of rental assistance or temporary housing paid to the landlords or property owners up to a reimbursable ceiling tied to the geographic location, setting and to a percentage of the U.S. Housing and Urban Development (HUD) Fair Market Rents (FMR), specifically the Small Area FMR (SAFMR).

MCPs and MHPs must ensure full coverage of housing costs. For Members transitioning to cost-sharing programs (e.g., HUD vouchers), planning support should be documented separately according to the DHCS Transitional Rent Payment Model.

**2. Administrative Fee**

While DHCS does not prescribe a specific allocation method, MCPs and Transitional Rent Providers are expected to mutually agree on a reasonable distribution of the fee that reflects their respective administrative roles.

<b>Region C</b>		
<b>Counties</b>	<b>El Dorado, Placer, Sacramento, Sonoma, Yolo</b>	
<b>Administrative Fee Paid to Transitional Rent Provider</b>	Standard administrative fee, per month	\$184.86
	Administrative fee for the first month that a Member is placed in a permanent setting	\$1,299.25

**3. Global Cap for Room and Board Services**

MHPs must support MCP compliance with DHCS's Global Cap on Room and Board services, including accurate tracking of service days and timely reporting of Member transitions.

**4. HCPCS Codes for Transitional Rent**

MHPs must use the following HCPCS codes and modifiers when submitting claims or service data to MCPs for Transitional Rent delivery:

Code	Description	Modifier	Setting
H0044	Supported housing, per month	U6	Permanent settings (e.g., apartments, homes)
H0043	Supported housing, per diem	U2	Interim settings (e.g., shelters, hotels/motels)

Additional codes or modifiers may be added as needed.