

December 23, 2024

*THIS LETTER SENT VIA EMAIL*

Ms. Jacey Cooper, Director  
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ACCEPTANCE OF THE BEHAVIORAL HEALTH COMMUNITY-BASED ORGANIZED  
NETWORKS OF EQUITABLE CARE AND TREATMENT (BH-CONNECT) SECTION  
1115 DEMONSTRATION

Dear Ms. Cooper and Ms. Kristian,

On December 16, 2024, the California Department of Health Care Services (DHCS) received approval from the Centers for Medicare and Medicaid Services (CMS) for the Section 1115(a) demonstration, entitled “Behavioral Health Community-Based Organized Networks of Equitable Care and Treatment (BH-CONNECT)” (Project Numbers 11-W-00472/9 and 21-W-00080/9 (the “demonstration”). The demonstration approval includes new initiatives aimed at strengthening the behavioral health workforce, incentivizing improvements in the behavioral health delivery system, promoting services to address health-related social needs (HRSN), supporting the health of children and youth involved in the child welfare system, reducing stays in institutional settings for significant behavioral health needs, and providing treatment for Serious Mental Illness (SMI).

This letter serves as California’s official acceptance of the demonstration award, associated special terms and conditions (STCs), and expenditure and waiver authorities, as requested in CMS’ approval letter. Approval of this demonstration will allow the State, through various waiver and expenditure authorities, to test the effectiveness of innovative practices aimed at strengthening the continuum of community-based behavioral health services.

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DHCS reviewed the STCs, and a copy of the revised document with our proposed technical corrections is enclosed for your consideration and approval. We appreciate and thank CMS for its continued partnership in addressing many of the complex challenges facing California's most vulnerable residents.

If you have any questions or need additional information, please contact Ms. Saralyn M. Ang-Olson, Chief Compliance Officer, Office of Compliance by email at [Saralyn.Ang-Olson@dhcs.ca.gov](mailto:Saralyn.Ang-Olson@dhcs.ca.gov).

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Enclosures

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