



## CALIFORNIA DEPARTMENT OF AGING (CDA)

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### FAX Cover

**TO:** All Community-Based Adult Services (CBAS) Providers  
**FROM:** CBAS Branch  
**DATE:** June 8, 2012  
**SUBJECT:** Postponement of CBAS Non-Profit Provider Requirement

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Attached is a letter updating CBAS providers regarding the postponement of the implementation of the CBAS Non-Profit Provider Requirement.

#### **Questions**

If you have questions, or need additional information, please contact the CBAS Branch at (916) 419-7545 or visit the following websites:

- DHCS CBAS/ADHC Transition website at <http://DHCS.ca.gov/ADHCtransition>
- CDA CBAS website at [www.aging.ca.gov/ProgramsProviders/ADHC-CBAS/Default.asp](http://www.aging.ca.gov/ProgramsProviders/ADHC-CBAS/Default.asp)

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Number of pages (including this page): 3

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Date: June 8, 2012

To: Community-Based Adult services (CBAS) Center Administrations and Program Directors

From: The California Department of Aging (CDA) CBAS Branch

Subject: Community-Based Adult Services (CBAS) Providers-Postponement of Non-Profit Provider Requirement

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**Purpose** This letter is being sent to provide information regarding the delay of the Community-Based Adult Services non-profit provider requirement.

**Non-Profit Requirement Delay** The Department of Health Care Services (DHCS) is postponing the implementation of the CBAS non-profit requirement from July 1, 2012 to January 1, 2013 (See non-profit requirement detail below). This six-month postponement allows for the CBAS transition to Managed Care to be complete, with a few months to demonstrate a "steady state" population from which to judge access demands. It also allows DHCS to work with providers and provider associations to obtain additional information to construct useful and effective criteria for subsequent exception processing. DHCS will issue advice and guidance to the provider community regarding criteria related to exceptions defined for this non-profit requirement in advance of the new implementation date.

**NEW CBAS Provider Non-Profit Requirement Detail** Requirements for CBAS provider non-profit status specified in the Standards of Participation, 1115 Bridge to Reform Waiver, are presented below with a change of the July 1, 2012 date to January 1, 2013.

- March 1, 2012 – January 1, 2013: A CBAS provider may be a non-profit or for-profit entity.
- After January 1, 2013: To remain or commence as an eligible CBAS provider in the Medi-Cal program, a CBAS provider must convert to a non-profit entity unless DHCS determines that the CBAS provider satisfies one of the following three exceptions to non-profit status:

1. The for-profit CBAS provider offers program specialization that meets the specific health needs of CBAS-eligible participants not otherwise met by any other CBAS provider in the participants' geographic area.
2. The for-profit CBAS provider's operation is necessary to preserve an adequate number of CBAS providers so that CBAS-eligible participants can transition seamlessly from Adult Day Health Care to CBAS without interruption in services due to wait lists.

3. DHCS determines that a provider needs additional time beyond January 1, 2013, for the for-profit provider to complete its conversion to non-profit status.

Additionally, after January 1, 2013, DHCS retains the discretion to re-examine whether one of the above-listed exceptions for a for-profit CBAS provider still applies to a CBAS provider, and in doing so, DHCS may withdraw such exception for a for-profit CBAS provider as needed.

### **Inquiries**

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