



L.A. Care Health Plan and Health Net Commit \$114 Million to Bolster Los Angeles County's Emergency Response to Support the Unhoused

In Collaboration with the Los Angeles County CEO Homeless Initiative, the Investment Increases Access to Permanent Housing to Benefit People Who Need Higher Levels of Care

LOS ANGELES, May 3, 2023 – L.A. Care Health Plan and Health Net are excited to announce they are investing \$114 million over multiple years to address the homelessness crisis in Los Angeles County. Earlier this year, the county board of supervisors officially declared a [state of emergency](#) to expedite resources to support the unhoused.

In collaboration with the Los Angeles County Homeless Initiative (CEO-HI), the investment will fund two initial strategies:

- Secure leases on as many as 1,900 housing units and pay for vacancy coverage, damage repair, trash services, greenspace, maintenance, and/or pest control.
- Identify the needs of unhoused people through field assessments to determine who requires assistance with Activities of Daily Living (ADL) to move into permanent housing, which is especially important due to the growing number of [seniors experiencing homelessness](#) and people with disabilities.

UNIT ACQUISITION

Every year, a combination of local, state and federal funding supports various permanent and time-limited housing vouchers that are used to house people experiencing homelessness in the County. But a recent [study](#) found only 65% of people issued a voucher are able to lease a unit, and it takes an average of 122 days for those lucky enough to find a rental location. L.A.'s tight rental market is partly to blame, but so is illegal landlord discrimination against voucher holders, the majority of whom are people of color.

Supervisor Hilda L. Solis said, *"When people experiencing homelessness try to use their rental vouchers in the private housing market, they often contend with unaffordable rent, tough competition, and historic and systemic housing discrimination. We've entered into this collaboration with L.A Care and Health Net during a moment of urgency, but it will expand our housing portfolio over the long term and maximize the use of federal and local rental vouchers to bring people indoors."*

L.A. Care Health Plan and Health Net's investment will be used to help the County secure housing units in the private rental market to serve people experiencing homelessness who have rental vouchers. This could include leasing entire apartment complexes, expanding opportunities for shared housing, providing additional support to landlords, and more. Leases could run from three to 10 years.

“Housing is critical for good health. This collaboration will help address housing inequities, which have resulted in health inequities, and it will make the voucher system more effective,” said John Baackes, L.A. Care CEO. *“Securing rental units in advance will ensure vouchers are able to be used and will cut down on the long wait times. At the same time, it will give landlords a long-term funding commitment.”*

This model of partnership is just another example of how Health Net and L.A. Care Health Plan continuously and consistently work to improve the lives of the communities they serve and provide crucial care to those who need it most.

“Health Net is proud to take part in this critical initiative, which will continue to increase access to housing for people experiencing homelessness,” said Martha Santana-Chin, Medi-Cal President at Health Net. *“Together we aim to improve access to whole-person care services for vulnerable Angelenos. Health Net will continue to build valuable partnerships that connect our members to needed housing services, helping to reduce and prevent homelessness in Los Angeles County.”*

ASSISTANCE WITH DAILY LIVING

Most shelters and interim housing settings are designed for people who can meet their own daily living needs. However, people experiencing homelessness who need help with things like bathing, dressing, or getting in and out of bed, are often deemed too needy for placement and remain unsheltered for longer periods. The investment over five years will enable the County to create assessment teams that will visit shelters and other interim housing sites to identify people needing ADL help, as well as connecting them with caregiver help in interim or permanent housing. This expands on current county programming.

Supervisor Holly Mitchell said, *“Many people experiencing homelessness with a range of health and behavioral conditions or age-related impairments can find it difficult to access various systems of care, including housing. Thanks to this partnership with L.A. Care Health Plan and Health Net, we can reduce barriers and more quickly support a particularly vulnerable segment of the homeless population get the help they need to be housed, and to thrive.”*

HEALTH EQUITY

Being unhoused, and the quality of one’s housing, can affect the health and well-being of Angelenos. Coupled with the knowledge that many experiencing homelessness in L.A. County are people of color, L.A. Care and Health Net view this challenge as a health equity issue.

The funding for this investment is the result of California’s Housing and Homelessness Incentive Program (HHIP), which the state launched with the help of matching funds from the American Rescue Plan Act. HHIP is a voluntary incentive program allowing Medi-Cal managed care plans (MCPs) to earn incentive funds for making progress in addressing homelessness and housing insecurity as social determinants of health. L.A. Care and Health Net both serve Medi-Cal beneficiaries in L.A. County, and the plans are working together to meet funding guidelines and maximize the project impact. Because the funding is based on membership, L.A. Care will be allocating \$80 million to the project and Health Net will allocate \$34 million.

The health plans believe this investment will improve the lives of their members and communities, so they are also funding a robust evaluation to inform future policy, programs and future investments.

Under emergency declarations recently enacted by the city and county of Los Angeles, this project joins multiple efforts that are under way to dedicate and expedite additional resources to help the currently estimated 69,000 people experiencing homelessness.

About L.A. Care Health Plan

L.A. Care Health Plan serves more than 2.8 million members in Los Angeles County, making it the largest publicly operated health plan in the country. L.A. Care offers four health coverage plans including [Medi-Cal](#), [L.A. Care Covered™](#), [L.A. Care Medicare Plus](#) and the [PASC-SEIU Homecare Workers Health Care Plan](#), all dedicated to being accountable and responsive to members. As a public entity, L.A. Care's mission is to provide access to quality health care for L.A. County's low-income communities, and to support the safety net required to achieve that purpose. L.A. Care prioritizes quality, access and inclusion, elevating health care for all of L.A. County. For more information, follow us on [Twitter](#), [Facebook](#), [LinkedIn](#) and [Instagram](#).

About Health Net

Founded in California more than 40 years ago, Health Net believes that every person deserves a safety net for their health, regardless of age, income, employment status or current state of health. Today, we provide health plans for individuals, families, businesses of every size and people who qualify for Medi-Cal or Medicare. Together with our 90,000 network providers, Health Net serves three million members across the state. We also offer access to substance abuse programs, behavioral health services, employee assistance programs and managed health care products related to prescription drugs. We make these health plans and services available through Health Net, LLC and its subsidiaries: Health Net of California, Inc., Health Net Life Insurance Company and Health Net Community Solutions, Inc. These entities are wholly owned subsidiaries of Centene Corporation (NYSE: CNC), a Fortune 26 company that offers affordable and high-quality products to nearly 1 in 15 individuals across the nation. Health Net and Centene employ more than 6,300 people in California who work at one of five regional Talent Hub offices. For more information, visit www.HealthNet.com.

About the Los Angeles County Homeless Initiative

The Homeless Initiative is the central coordinating body for Los Angeles County's effort to expand and enhance services for people experiencing homelessness or at risk of losing their home. Created by the Board of Supervisors within the County's Chief Executive Office, the Homeless Initiative administers Measure H and other funding to provide outreach to people living on the streets; interim housing, such as temporary shelters; permanent housing such as subsidized apartments; and links to supportive services, such as healthcare, mental health care, substance use disorder treatment, job training and employment. It also offers homeless prevention services and works to increase the supply of affordable housing. The Homeless Initiative is overseeing the County's response to the local State of Emergency on homelessness proclaimed by the Board on January 10, 2023. For more information, visit <https://homeless.lacounty.gov/>, and follow us on [Facebook](#).

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