

CALIFORNIA STATE BOARD OF BEHAVIORAL SCIENCES BILL ANALYSIS

BILL NUMBER: AB 2352 **VERSION: INTRODUCED FEBRUARY 19, 2026**
AUTHOR: VALENCIA **SPONSOR: CALIFORNIA BEHAVIORAL HEALTH ASSOCIATION (CBHA)**

STAFF RECOMMENDED POSITION: SUPPORT

SUBJECT: MEDI-CAL PROVIDERS: NONPROFIT PUBLIC BENEFIT CORPORATIONS

Summary: The Department of Health Care Services (DHCS), which administers the state’s Medi-Cal program, has been denying Medi-Cal provider enrollment to nonprofit public benefit corporation 501(c)(3)s based on its interpretation of the law that only individual providers or professional corporations may enroll. Many of these non-profit community-based organizations provide Medi-Cal beneficiaries with mental health care. These denials have created barriers for community mental health providers as they are finding that they are unable to enroll or re-certify, leaving them unable to serve this population. This bill addresses this issue by explicitly allowing nonprofit public benefit corporation 501(c)(3)s that provide nonspecialty mental health services to enroll in Medi-Cal.

Existing Law:

- 1) Establishes California’s Medi-Cal program, implemented by the state’s Department of Health Care Services (DHCS). (Welfare and Institutions Code (WIC) §14000 et seq.)
- 2) Sets requirements for provider enrollment in the Medi-Cal program. Applicants or providers who are licensed or certified pursuant to Division 2 of the Business and Professions Code (BPC) (which includes healing arts licensees under the Department of Consumer Affairs (DCA), including this Board’s licensees), or who are a professional corporation must apply and be enrolled as either an individual provider or as a rendering provider in a provider group (if they don’t meet the requirements to qualify as exempt from clinic licensure). (WIC §14043.15(b)(1))
- 3) Requires the following non-specialty mental health services to be covered by a Medi-Cal managed care plan (WIC §14184.402):
 - a) Individual and group mental health evaluation and treatment, including psychotherapy;
 - b) Psychological testing to evaluate a mental health condition;

- c) Outpatient services to monitor drug therapy;
 - d) Psychiatric consultation; and
 - e) Outpatient laboratory, drugs, supplies, and supplements
- 4) Defines a “professional corporation” as a corporation organized under the General Corporation Law that provides professional services in a single profession (or combinations of professions as permitted by law). Corporations Code (CC) §13401)
- 5) Defines a “nonprofit public benefit corporation” as one that is formed for any public or charitable purposes. (CC §5060, 5111)

This Bill:

- 1) Changes the requirements for provider enrollment in the Medi-Cal program to additionally allow a nonprofit public benefit corporation that provides non-specialty mental health services and that has tax exempt status as a 501(c)(3) to enroll. (WIC §14043.15(b))

Comment:

1) **Background.** The letter shown in **Attachment A** outlines a significant issue raised by numerous stakeholder organizations regarding Medi-Cal enrollment barriers for non-profit community counseling centers and other group providers. The letter explains that these providers, despite delivering non-specialty mental health services to Medi-Cal beneficiaries, are experiencing widespread denials when attempting to enroll through the state’s PAVE Medi-Cal enrollment system. This stems from the Department of Health Care Services’ interpretation that group providers must be organized as professional corporations rather than 501(c)(3) non-profits. Because several Medi-Cal Managed Care Plans now require PAVE enrollment for contract recertification, these denials have prevented qualified organizations from obtaining Medi-Cal reimbursement for services. This is threatening continuity of care, exacerbating workforce shortages, and undermining statewide behavioral health initiatives.

2) **Author’s Intent.** In the fact sheet for the bill, the author’s office states the following:

“Nonprofit community-based organizations (CBO) providing behavioral health services are a critical component of California’s behavioral health system. These organizations provide Non-Specialty Mental Health Services (NSMHS) to Medi-Cal beneficiaries with mild to moderate mental health diagnoses and collectively deliver thousands of psychotherapy services, community education and outreach, and clinical training opportunities for healthcare professionals pursuing licensure. These CBOs are essential to achieving the state’s goals under the State’s 1115 Waiver,

CalAIM, and the Behavioral Health Services Act (BHSA), both of which depend on a strong and stable outpatient behavioral health delivery system.”

“Despite the absence of any statutory prohibition, CBOs and licensed professionals are increasingly being denied Medi-Cal enrollment through the PAVE system based on an interpretation that group providers must be organized as professional corporations. This interpretation has created a significant administrative barrier for nonprofit CBOs that are legally organized, appropriately licensed, and otherwise qualified to deliver Medi-Cal reimbursable services.

In addition, Medi-Cal Managed Care Plans are increasingly requiring providers to enroll through PAVE as a condition of recredentialing. As a result, non-profit CBOs are losing reimbursement for services already rendered, facing disruptions to continuity of care, and being forced to reduce services, lay off staff, or consider site closures. These impacts exacerbate California’s behavioral health workforce shortage and directly limit Medi-Cal beneficiaries’ timely access to outpatient mental health care.”

3) Staff Recommended Position. Staff recommends that the Board consider taking a support position on this bill.

4) Support and Opposition.

Support:

- California Behavioral Health Association (CBHA) (Sponsor)
- California Association of Marriage and Family Therapists (CAMFT)
- California Access Coalition
- Airport Marina Counseling Service
- Alameda Family Services
- Amaad Institute (arming Minorities Against Addiction & Disease)
- California Family Counseling Center
- California Mental Health Connection
- California Psychological Association
- Children's Institute, INC.
- Counseling Partners of Los Angeles
- Fresno Pacific University Pacific Counseling Center
- Hamburger Home DbA Aviva Family and Children's Services
- Hillside Pasadena
- Maple Counseling
- NASW California
- Open Paths Counseling Center
- Orange County Asian and Pacific Islander Community Alliance, INC. (OCAPICA)
- Pathpoint
- Portia Bell Hume Behavioral Health and Training Center

- Shields for Families
- Sistahfriends
- Southern California Health & Rehabilitation Program
- Tarzana Treatment Centers, INC.
- The Fresno Center
- The Village Family Services
- Westmont Counseling Center
- Several individuals

Opposition: None at this time

5) History.

03/25/26 From committee: Do pass and re-refer to Com. on APPR. with recommendation: To Consent Calendar. (Ayes 16. Noes 0.) (March 24). Re-referred to Com. on APPR.

03/09/26 Referred to Com. on HEALTH.

02/20/26 From printer. May be heard in committee March 22.

02/19/26 Read first time. To print.

6) Attachments.

Attachment A – Professional Organization Letter to DHCS Provider Enrollment Division – dated May 22, 2025

**Introduced by Assembly Member Valencia
(Coauthor: Assembly Member Elhawary)**

February 19, 2026

An act to amend Section 14043.15 of the Welfare and Institutions Code, relating to Medi-Cal.

legislative counsel's digest

AB 2352, as introduced, Valencia. Medi-Cal providers: nonprofit public benefit corporations.

Existing law establishes the Medi-Cal program, which is administered by the State Department of Health Care Services and under which qualified low-income individuals receive health care services. The Medi-Cal program is in part governed by, and funded pursuant to, federal Medicaid program provisions.

Existing law sets forth various procedures, including the submission of an application package, for provider enrollment, continuing enrollment, or enrollment at a new location or a change in location under the Medi-Cal program.

Existing law requires an applicant or provider who is a natural person and is licensed or certificated under provisions relating to healing arts, the Osteopathic Initiative Act, or the Chiropractic Initiative Act, or is a professional corporation, to comply with the above-described procedures and to be enrolled in the Medi-Cal program as either an individual provider or as a rendering provider in a provider group for each application package that is submitted and approved.

This bill would also apply the above-described provision to a nonprofit public benefit corporation that has been granted tax-exempt status and that provides nonspecialty mental health services, as specified.

Vote: majority. Appropriation: no. Fiscal committee: yes.
 State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 14043.15 of the Welfare and Institutions
 2 Code is amended to read:

3 14043.15. (a) The department may adopt regulations for
 4 certification of each applicant and each provider in the Medi-Cal
 5 program. No certification shall be required for natural persons
 6 licensed or certificated under Division 2 (commencing with Section
 7 500) of the Business and Professions Code, the Osteopathic
 8 Initiative Act, or the Chiropractic Initiative Act.

9 (b) (1) ~~An applicant or provider who is a natural person, and~~
 10 ~~is licensed or certificated pursuant to Division 2 (commencing~~
 11 ~~with Section 500) of the Business and Professions Code, the~~
 12 ~~Osteopathic Initiative Act, or the Chiropractic Initiative Act, or is~~
 13 ~~a professional corporation, as defined in subdivision (b) of Section~~
 14 ~~13401 of the Corporations Code, The following applicants or~~
 15 ~~providers shall comply with Section 14043.26 and shall be enrolled~~
 16 ~~in the Medi-Cal program as either an individual provider or as a~~
 17 ~~rendering provider in a provider group for each application package~~
 18 ~~submitted and approved pursuant to Section 14043.26,~~
 19 ~~notwithstanding that the applicant or provider meets the~~
 20 ~~requirements to qualify as exempt from clinic licensure under~~
 21 ~~subdivision (a) or (m) of Section 1206 of the Health and Safety~~
 22 ~~Code. Code:~~

23 (A) *A natural person licensed or certificated pursuant to*
 24 *Division 2 (commencing with Section 500) of the Business and*
 25 *Professions Code, the Osteopathic Initiative Act, or the*
 26 *Chiropractic Initiative Act.*

27 (B) *A professional corporation, as defined in subdivision (b) of*
 28 *Section 13401 of the Corporations Code.*

29 (C) *A nonprofit public benefit corporation, as defined in Section*
 30 *5060 of the Corporations Code, that has been granted tax-exempt*
 31 *status under Section 501(c)(3) of the federal Internal Revenue*

1 *Code, and that provides nonspecialty mental health services as*
2 *described in Section 14184.402.*

3 (2) A provider enrolled in the Medi-Cal program pursuant to
4 paragraph (1), who has disclosed in the application package for
5 enrollment that the provider's practice includes the rendering of
6 services, goods, supplies, or merchandise solely at one, or at more
7 than one, health facility, as defined in Section 1250 of the Health
8 and Safety Code, or clinic, as defined in Section 1204 of the Health
9 and Safety Code, or medical therapy unit, for purposes of Section
10 123950 of the Health and Safety Code, or residence of the
11 provider's patient, or office of a physician and surgeon involved
12 in the care and treatment of the provider's patients, shall not be
13 required to enroll at each such health facility, clinic, medical
14 therapy unit, patient's residence, or physician and surgeon's office
15 location and may utilize the business addresses listed on the
16 application for enrollment pursuant to paragraph (1) to claim
17 reimbursement from the Medi-Cal program for services rendered
18 by the provider to Medi-Cal beneficiaries at all of those health
19 facilities, clinics, medical therapy units, residences, or physician
20 offices.

21 (3) This subdivision shall not be interpreted to allow the
22 violation of any state or federal law governing fiscal intermediaries
23 or Division 2 (commencing with Section 500) of the Business and
24 Professions Code, the Osteopathic Initiative Act, or the
25 Chiropractic Initiative Act. This subdivision does not remove the
26 requirement that each claim for reimbursement from the Medi-Cal
27 program identify the place of service and the rendering, ordering,
28 referring, and prescribing provider, where applicable.

29 (c) An applicant or provider licensed as a clinic pursuant to
30 Chapter 1 (commencing with Section 1200) of, or a health facility
31 licensed pursuant to Chapter 2 (commencing with Section 1250)
32 of, Division 2 of the Health and Safety Code may be enrolled in
33 the Medi-Cal program as a clinic or a health facility and need not
34 comply with Section 14043.26 if the clinic or health facility is
35 certified by the department to participate in the Medi-Cal program.

36 (d) An applicant or provider that meets the requirements to
37 qualify as exempt from clinic licensure under subdivisions (b) to
38 (l), inclusive, or subdivisions (n) to (p), inclusive, of Section 1206
39 of the Health and Safety Code shall comply with Section 14043.26
40 and may be enrolled in the Medi-Cal program as either a clinic or

1 within any other provider category for which the applicant or
 2 provider qualifies. An applicant or provider to which any of the
 3 clinic licensure exemptions specified in this subdivision apply
 4 shall identify the licensure exemption category and document in
 5 its application package the legal and factual basis for the clinic
 6 license exemption claimed.

7 (e) Notwithstanding subdivisions (a), (b), (c), and (d), an
 8 applicant or provider need not enroll in the Medi-Cal program as
 9 a separate provider and need not comply with Section 14043.26
 10 if all of the following conditions are met:

11 (1) The applicant or provider is one of the following:

12 (A) An intermittent site that qualifies as exempt from clinic
 13 licensure under subdivision (h) of Section 1206 of the Health and
 14 Safety Code.

15 (B) An affiliated mobile health care unit licensed or approved
 16 under Chapter 9 (commencing with Section 1765.101) of Division
 17 2 of the Health and Safety Code, and qualifies as exempt from
 18 clinic licensure under subdivision (h) of Section 1206 of the Health
 19 and Safety Code.

20 (2) The applicant or provider is operated by, and all staffing,
 21 protocols, equipment, supplies, and billing services are provided,
 22 directly or indirectly, by, one of the following:

23 (A) A licensed primary care clinic.

24 (B) A clinic exempt from licensure pursuant to subdivision (b)
 25 of Section 1206 of the Health and Safety Code.

26 (3) The licensed primary care clinic or clinic exempt from
 27 licensure under subdivision (b) of Section 1206 of the Health and
 28 Safety Code operating the applicant, provider clinic, or mobile
 29 health care unit has notified the department of its separate locations,
 30 premises, intermittent sites, or mobile health care units.

31 (f) A primary care clinic with (1) an additional physical plant
 32 added to its primary care clinic license under a consolidated license
 33 pursuant to subdivision (d) of Section 1212 of the Health and
 34 Safety Code, or (2) a physical plant that was added to an existing
 35 primary care clinic license by the State Department of Public
 36 Health, prior to January 1, 2017, whether by a regional district
 37 office or the centralized application unit, need not separately enroll
 38 the additional physical plant as a separate provider, and need not
 39 comply with Section 14043.26 if the primary care clinic has
 40 notified the department of its additional physical plant.

1 (g) Notwithstanding any other law and to the extent permitted
2 by federal law, an applicant or provider that meets the requirements
3 to qualify as a mobile optometric office pursuant to Section 3070.2
4 of the Business and Professions Code and Section 14043.26 may
5 be enrolled in the Medi-Cal program as either a mobile optometric
6 office or within any other provider category for which the applicant
7 or provider qualifies.

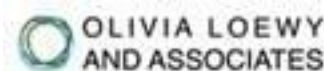
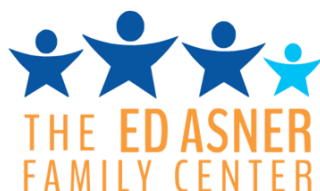
8 (1) An applicant or provider to which Section 3070.2 of the
9 Business and Professions Code applies shall demonstrate its
10 compliance by providing proof of its nonprofit or charitable
11 organization status pursuant to Section 501(c)(3) or 501(c)(4) of
12 the Internal Revenue Code and a statement that it shall not accept
13 payment for services other than those provided to Medi-Cal
14 beneficiaries, even if the State Board of Optometry has not yet
15 issued final regulations as required by Section 3070.2 of the
16 Business and Professions Code or issued any registrations at the
17 time of enrollment.

18 (2) A mobile optometric office shall use the address of the owner
19 and operator of the mobile optometric office as registered with the
20 State Board of Optometry for its place of business address and
21 shall not be required to comply with Section 51000.60 of Title 22
22 of the California Code of Regulations.

23 (3) To the extent federal financial participation is available, a
24 mobile optometric office shall be permitted to bill the Medi-Cal
25 program for the professional optometry services provided by
26 licensed optometrists. The licensed optometrists providing service
27 at a mobile optometric office shall use the address of the owner
28 and operator of the mobile optometric office as registered with the
29 State Board of Optometry for its place of business address and
30 shall not be required to comply with Section 51000.60 of Title 22
31 of the California Code of Regulations.

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May 22, 2025

California Department of Health Care Services
Provider Enrollment Division
Attn: Mistie Chiddick, Division Chief
Jenny Tudesko, Assistant Division Chief
1501 Capitol Ave
Sacramento, CA 95814

RE: Medi-Cal Enrollment Issue for Non-Profit Group Providers Rendering Non-Specialty Mental Health Services

Dear Chief Chiddick and Assistant Chief Tudesko,

On behalf of the undersigned professional associations, behavioral health advocacy groups, non-profit service providers, and community-based organizations across the state, we would like to express our deep concern with the denials of non-profit group providers applying for Medi-Cal enrollment through the state-level enrollment pathway PAVE. We believe these denials are due to an unnecessary administrative barrier stemming from a policy interpretation that is not aligned with the goals of key state behavioral health initiatives and has detrimental impacts on the community organizations with qualified providers rendering non-specialty mental health services (NSMHS) to Medi-Cal beneficiaries.

According to the Department of Health Care Services (Department) Provider Enrollment Division, the reason for the denials through PAVE is because non-profit counseling centers organized by and employed with licensed mental health providers cannot apply as group providers as they must be incorporated as professional corporations per Welfare and Institutions Code (WIC) Section 14043.15 and Corporations Code (CORP) Section 13401. Recently, it has come to our attention that several Medi-Cal Managed Care Plans' (MCPs) recertification processes for Medi-Cal are now requiring their providers, including group providers, to enroll through PAVE to recertify their contract. This is a huge issue that will cause the public behavioral health system to lose out on qualified community providers and negatively impact continuity of care for Medi-Cal beneficiaries.

Medi-Cal Enrollment Options

According to All Plan Letter (APL) 22-013¹, providers must enroll in the Medi-Cal program if they want to provide services to Medi-Cal beneficiaries and receive reimbursement. Providers may do so either through 1) the state enrollment pathway PAVE or 2) an Medi-Cal MCP's own enrollment pathway. However, community organizations face major challenges with both enrollment pathways as previously mentioned.

The remaining sections of this letter will detail the challenges that community organizations face in Medi-Cal enrollment and offer a policy solution for the Department's consideration.

¹ <https://www.dhcs.ca.gov/formsandpubs/Documents/MMCDAPLsandPolicyLetters/APL2022/APL22-013.pdf>

Challenges for Non-Profit Enrollment – MCP Pathway

As stated in APL 22-013, MCPs have the option to develop and implement their own provider screening and enrollment process that meets the requirements of the APL. However, this is just an option and there is no requirement for an MCP to develop their own screening and enrollment process. Nonetheless, some MCPs do offer this enrollment process, allowing some community group providers to contract and render NSMHS for reimbursement.

In a survey conducted earlier this year, providers who work at community organizations and are currently contracted with a Medi-Cal MCP through the MCP enrollment pathway have reported that numerous MCPs are now requiring their organization to enroll through PAVE to recertify their contract.

Challenges for Non-Profit Enrollment – State Pathway PAVE

On the other hand, providers may enroll in Medi-Cal through the state enrollment pathway PAVE. However, it is our understanding from conversations with the Provider Enrollment Division, provider bulletins, and seeing denial letters that there is no enrollment pathway through PAVE for community organizations that aren't a qualified autism service provider organization² or an organization that doesn't provide community health worker, asthma prevention, or justice-involved services.³

Our providers who work at community organizations and were denied enrollment through PAVE were told specifically by the Provider Enrollment Division that “to enroll in Medi-Cal for any professional services (as defined in Corp. Code Section 13401) provided to Medi-Cal beneficiaries, the applicant corporation must be organized as a professional corporation. Specifically, your professional practice is registered as a Non-Profit Public Benefit Corporation.”

Rather than having a state enrollment pathway for organizations, non-profit group providers have been instructed to enroll individual providers in PAVE. However, there are numerous reported challenges with this. For instance, it creates significant billing and administrative challenges as reimbursements are made to the individual provider and not the organization. Many individual providers also do not meet the sole proprietor criteria for enrollment. While identifying staff turnover rates is difficult, there is a general consensus that turnover within the behavioral health workforce is extremely high.⁴ When staff do leave, this leaves organizations unable to obtain reimbursement for services rendered until they hire new staff and new PAVE applications are submitted for those new providers who may qualify for individual enrollment.

² <https://mcweb.apps.prd.cammis.medi-cal.ca.gov/page/medi-cal-enrollment-requirements-and-procedures-for-qualified-autism-service-provider-organizations-and-individuals-offering-behavioral-health-treatment-services>

³ <https://mcweb.apps.prd.cammis.medi-cal.ca.gov/page/updated-medi-cal-enrollment-requirements-and-procedures-for-community-based-organizations-local-health-jurisdictions-and-county-children-and-families-commissions-amended-on-may-5-2025-for-cbo-providers-offering-behavioral-health-treatment-services>

⁴ <https://bhw.hrsa.gov/sites/default/files/bureau-health-workforce/state-of-the-behavioral-health-workforce-report-2024.pdf>

Analysis of the Law

It is our understanding that the reasoning for denials is derived from Welfare and Institutions Code (WIC) Section 14043.15, which sets forth the procedures for provider enrollment, application, and participation in the Medi-Cal program. Specifically, WIC Section 14043.15 states that “an applicant or provider who is a natural person, and is licensed or certificated pursuant to Division 2 (commencing with Section 500) of the Business and Professions Code, the Osteopathic Initiative Act, or the Chiropractic Initiative Act, or is a professional corporation, as defined in subdivision (b) of Section 13401 of the Corporations Code, shall comply with Section 14043.26 and shall be enrolled in the Medi-Cal program as either an individual provider or as a rendering provider in a provider group for each application package submitted and approved pursuant to Section 14043.26, notwithstanding that the applicant or provider meets the requirements to qualify as exempt from clinic licensure under subdivision (a) or (m) of Section 1206 of the Health and Safety Code.” We believe that the Provider Enrollment Division’s interpretation of WIC Section 14043.15 requiring that all group providers to be organized as a professional corporation is a misinterpretation of the law that unintentionally omits providers that are otherwise legally organized as a 501(c)(3) non-profit organization from enrolling in the Medi-Cal program.

First, mental health professionals provide mental health services across many work settings. A professional corporation is an option, but it is far from the only option for mental health professionals to render services. For example, the California Board of Behavioral Sciences (BBS) which licenses and regulates Licensed Marriage and Family Therapists (LMFTs), Licensed Clinical Social Workers (LCSWs), Licensed Educational Psychologists (LEPs), and Licensed Professional Clinical Counselors (LPCCs) recognizes 501(c)(3) non-profit counseling centers as lawful work settings, defined as “exempt settings” where registered associates and students (pre-licensed therapists) are able to provide therapy services and count hours toward licensure⁵.

Second, the reference in WIC 14043.15 to Corporations Code Section 13401 (Moscone-Knox Professional Corporations Act) is directed at professional corporations enrolling in Medi-Cal. Corporations Code Section 13401 governs the formation and operation of professional corporations in California and does not govern other legally organized business structures, such as non-profit organizations. We believe it is inaccurate to interpret this language as a requirement for all other legally organized group providers to successfully enroll through PAVE only as a professional corporation.

In our meeting with the Senate Health Committee consultant, they shared their interpretation of WIC Section 14043.15 to not have any legal restrictions precluding the enrollment of non-profit organizations in the Medi-Cal program. In other words, the law is silent regarding community organizations and Medi-Cal enrollment, indicating the issue of denials to be an administrative barrier and not a legislative barrier.

⁵ Business & Professions Code §§ 4980.01, 4980.43.3(b)(1)(A), 4996.14., 4996.23.2.(c)(1), 4999.22(d), and 4999.46.3(c)(2).

Many community organizations like non-profit counseling centers are already providing NSMHS to Medi-Cal beneficiaries with mild to moderate mental health concerns, yet they are now facing barriers in re-credentialing with Medi-Cal and are unable to continue providing reimbursable mental health treatment to Medi-Cal enrollees. A counseling center typically averages over 200 psychotherapy sessions a week for Medi-Cal beneficiaries, amassing significant amounts of eligible Medi-Cal NSMHS rendered to those in desperate need. The lack of reimbursement for services rendered threatens every aspect of these organizations including reduced services to people who need them the most, mass layoffs of clinical staff, the decrease in the pipeline for behavioral health providers in California, and potential counseling center site closures.

At a time when the state is already facing a major behavioral health workforce shortage⁶, these denials in Medi-Cal enrollment prevent community organizations from providing critical mental health services to low-income individuals and families and negatively impact clients' timely access to mental health care. If the goal of the California Advancing and Innovating Medi-Cal (CalAIM) and the Behavioral Health Services Act (BHSA) initiatives are to enhance health outcomes for Medi-Cal beneficiaries, we must implement policies that support the inclusion of our community workforce in the public behavioral health delivery system.

Proposed Solution

The Department's policy as stated in APL 22-013 already allows community organizations not organized as a professional corporation to directly enroll and contract with MCPs. Preventing those same organizations from enrolling through the state enrollment PAVE portal is a direct contradiction to the Department's policy in APL 22-013. As such, we urge the Provider Enrollment Division to consider our organizations' interpretation, which is consistent with Senate Health Committee consultant's interpretation as well as current practice with Medi-Cal MCPs, and broaden its policy to allow community organizations to enroll in the Medi-Cal program via the PAVE portal outside of the current narrow requirements.

This is not a new issue, nor does it only impact a handful of providers. We have heard struggles from providers dating back before 2020 and continue to hear firsthand from community organizations across the state that are very concerned about ongoing behavioral health treatment for their clients. During a time with major behavioral health workforce shortages and the increased need for mental health services, we are very alarmed and concerned about qualified providers working in community-based settings being denied enrollment to the Medi-Cal program. The emergence of MCPs requiring their network providers to be approved by governmental agencies significantly exacerbates this issue for community providers. In our survey, over 95% of total respondents said they would apply for Medi-Cal enrollment if their organization could be approved through PAVE.

⁶ https://hcai.ca.gov/wp-content/uploads/2024/09/HCAI-Behavioral-Health-Workforce-Strategy-Slide-Deck_240917.pdf

Thank you for your attention to these concerns and we urge you to ensure provider enrollment policies reflect these considerations to promote inclusivity of our qualified community providers and equity for Medi-Cal beneficiaries. Please contact me at (858) 429-7524 or sezrine@camft.org if you have any questions.

Sincerely,

Shanti Ezrine, MPA
State Government Affairs Associate
California Association of Marriage and Family Therapists

Dr. Jasmine Smith, LCSW
Co-Interim Executive Director
National Association of Social Workers – CA Chapter

Dr. Le Ondra Clark Harvey, Ph.D.
Chief Executive Officer
California Behavioral Health Association

Adrienne Shilton
Vice President, Public Policy & Strategy
California Alliance of Child and Family Services

Tyler Rinde
Director of Government Affairs
California Psychological Association

Robb Layne
Executive Director
California Association of Alcohol and Drug Program Executives

Lynn Rivas
Interim Executive Director
California Association of Mental Health Peer-Run Organizations

Chad Costello
Executive Director
California Association of Social Rehabilitation Agencies

Crystal Flexman
Vice President of Business Development & Communications
California Institute for Behavioral Health Solutions

Theresa Comstock
President
California Coalition for Behavioral Health

Camille Schraeder, M.A.
Chief Executive Officer
Full Circle Health Network

Eden Garcia-Balis, LMFT
Chief Executive Officer
Airport Marina Counseling Services

Richard Solano, LMFT, PPSC
Mental Health Program Coordinator
Alta Loma School District

Randy Christopher, Ph.D., LMFT
Clinical Director
CalFam Counseling Center

Elisa K. Jimenez
Director
California Mental Health Connection

Jack Mayhall, Ph.D., LMFT, LPCC
Executive Director
Center for Professional Counseling

Therese Funk
Co-Founder and Executive Director
Counseling Partners of Los Angeles

Chrisa Sadd, LMFT
Director of Mental Health
The Ed Asner Family Center

Ryan M. Watanabe, LMFT
Clinical Director
Living Success Center

Varina Bleil, Ph.D., LMFT
Chief Executive Officer
Maple Counseling

Kelly O'Connor
Executive Director
Maternal Mental Health NOW

Tiffany O'Shaughnessy, Ph.D.
Co-Chair
Northern California MFT Educator's Consortium

Olivia Loewy, Ph.D.
Olivia Loewy and Associates

Sierra Smith
Executive Director
Open Paths Counseling Center

Angela J. Turner, M.A.
Executive Director
Pacific Counseling Center

Patti Giggans
Executive Director
Peace Over Violence

Tony Rousmaniere, PsyD
Executive Director
Sentio Counseling

Michael Koch
Executive Director
Southern California Counseling Center

Jacqueline Mack-Harris, PsyD, LMFT
Founder
The Bridge Academy Collective

Joel McLafferty, LMFT
Executive Director
Westmont Counseling Center

cc: Senator Caroline Menjivar
Assembly Member Mia Bonta