



Congress of the United States
House of Representatives
Washington, DC 20515

April 25, 2022

The Honorable Charles Rettig
Commissioner
Internal Revenue Service
U.S. Department of the Treasury
1111 Constitution Avenue, NW, Room 3241
Washington, DC 20224

Dear Commissioner Rettig:

We write in support of Housing for Health Orange County's request for expedited review of its application to obtain Internal Revenue Code ("IRC") Section 501(c)(3) status.

On March 22, 2022, Housing for Health Orange County, Inc. (HHOC) submitted IRS Form 1023 to obtain Internal Revenue Code ("IRC") Section 501(c)(3) status, and included in the application was a request for expedited review. The reason for the expedited review request is due to significant financial hardships HHOC will face if it does not obtain the Section 501(c)(3) determination letter, which would allow it to become a contracting party with CalOptima. However, the Internal Revenue Service ("IRS") denied the expedited request as they asserted the request did not satisfy a showing for such need. As the Congressional delegation for Orange County, California, we urge you to expedite review of this request, as it is crucial to HHOC's operations, and continuing support and betterment of the Orange County community.

HHOC was created to establish an umbrella and oversight over the four Orange County homeless service providers – Mercy House, Friendship Shelter, American Family Housing, and Jamboree (Member Organizations) – to provide centralized administrative and financial support to access Medi-Cal billing under the CalAIM Community Supports program, which is provided under a federal waiver from the Centers for Medicare and Medicaid Services (CMS), through the County Organized Health System, CalOptima.

The complexities surrounding the referral, authorization, and reimbursement processes under the Medi-Cal system require one centralized entity to coordinate and oversee the financial transactions to ensure proper auditing measures and oversight of funding. As a result, the new non-profit organization, HHOC, was created to resolve potential and inherent risks associated with mismanagement of funds, fund transfers, and audits.

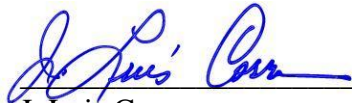
HHOC will provide centralized financial management and transparency for all four Member Organizations through the program by contracting with CalOptima on a multitude of services,

including but not limited to Housing Navigation, Housing Deposits, Housing Sustainability, Short-Term Post Hospitalization Housing, and Day Rehabilitation.

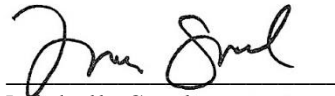
HHOC, through its Member Organizations, will be providing critical supporting housing services under CalOptima's CalAIM program. However, HHOC must receive its determination letter prior to the conclusion of CalOptima's RFP process. Failure on the part of HHOC to satisfy the IRC Section 501(c)(3) requirements for the CalOptima contract would result in a significant loss of revenue for HHOC. The total revenue expected from CalOptima under the CalAIM supportive housing program is in excess of \$2.3MM annually. HHOC is entirely dependent upon these funds to operate and will be unable to satisfy its mission and purpose otherwise.

Without expedited IRC Section 501(c)(3) status and the applicable determination letter, HHOC would result in significant loss of revenue, and in turn, HHOC would be unable to adequately provide adequate administrative support, where HHOC's support is vital to such program and the community. Thus, we are requesting HHOC's Form 1023 application be expedited and processed immediately.

Sincerely,



J. Luis Correa
Member of Congress



Michelle Steel
Member of Congress