
SENATE COMMITTEE ON APPROPRIATIONS

Senator Sabrina Cervantes, Chair
2025 - 2026 Regular Session

AB 2081 (Stefani) - Medi-Cal: Home and Community-Based Alternatives Waiver

Version: March 26, 2026
Urgency: No
Hearing Date: June 29, 2026

Policy Vote: HEALTH 11 - 0
Mandate: No
Consultant: Agnes Lee

Bill Summary: AB 2081 would require the Department of Health Care Services (DHCS) to expand the number of Medi-Cal Home and Community-Based Alternative waiver slots, as specified.

Fiscal Impact: Unknown ongoing costs, potentially hundreds of thousands, for DHCS for state administration (General Fund and federal funds).

Background: The Home and Community-Based Alternative (HCBA) waiver is one of various federal waivers that allow states that participate in Medicaid to develop alternatives for individuals who would otherwise require care in an institutional setting. The services offered under the waiver must cost no more than the alternative institutional level of care. The HCBA waiver provides care management services to persons of any age who are medically fragile or technologically dependent. The care management services are provided by a multidisciplinary care management team comprised of a nurse and social worker. The care management team coordinates waiver and other services (such as medical, behavioral health, In-Home Supportive Services, etc.), and arranges for other long-term services and supports available in the local community. Care management and waiver services are provided in the participant's community-based residence.

The HCBA waiver has an enrollment cap and the program has reached maximum capacity. New applicants can apply and secure a placement on a waiting list. When slots are available, applicants will be prioritized based on certain criteria that includes applicants transitioning from other home and community-based waiver programs because their needs can no longer be met, applicants under 21, or applicants who have been residing in a health care facility (such as a nursing home) for at least 60 days.

Proposed Law: Specific provisions of the bill would:

- Require DHCS, beginning in 2027, and for the HCBA waiver period, to increase the total number of HCBA waiver slots by 10,000, in addition to any planned expansion of waiver slots federally approved as of January 1, 2026.
- Require DHCS, by March 1, 2027, to seek any necessary amendments to the HCBA waiver to ensure that there is sufficient capacity to enroll all individuals who are eligible for, and express an interest in, participating in the HCBA waiver who are currently on a waiting list.
- Require DHCS to continue to monitor the capacity of the HCBA waiver and to expand capacity through any necessary HCBA waiver amendments at least 180

calendar days prior to reaching capacity, based on enrollment trends, to ensure that no individual is placed on a waiting list for the HCBA waiver.

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