SENATE COMMITTEE ON APPROPRIATIONS
Senator Sabrina Cervantes, Chair
2025 - 2026 Regular Session

AB 2278 (Ávila Farías) - In-home supportive services: Community First Choice Option program: noncompliance penalties

Version: May 18, 2026
Urgency: No
Hearing Date: August 3, 2026

Policy Vote: HUMAN S. 5 - 0
Mandate: No
Consultant: Agnes Lee

Bill Summary: AB 2278 would require the California Department of Social Services (CDSS) to submit a report to the Legislature on the amount of payments made by counties due to noncompliance of timely case reassessments for the Community First Choice Option in the In-Home Supportive Services program.

Fiscal Impact: Unknown one-time General Fund costs, potentially low hundreds of thousands, for the CDSS for state administration.

Background: The In-Home Supportive Services (IHSS) program provides personal care services to low-income individuals who are blind, 65 years old or older, or have disabilities. Personal care services include feeding, bathing, bowel and bladder care, meal preparation, and clean-up, laundry, and paramedical care. These services help program recipients avoid or delay more expensive and less desirable institutional care settings. County social workers determine IHSS eligibility and perform case management after conducting a standardized in-home assessment of an individual's ability to perform activities of daily living. In general, most social workers annually reassess recipients' need for services.

The federal Community First Choice Option (CFCO) allows states to provide home and community-based attendant services and supports to federally-eligible Medicaid enrollees under their state plan. The IHSS cases eligible for the CFCO program receive federal funding at the regular base Federal Medical Assistance Percentage (FMAP) share of 50 percent, plus an additional enhanced FMAP of 6 percent (for a total FMAP federal share of 56 percent). However, if counties do not conduct timely, federally required reassessments of CFCO recipients, those particular cases are no longer eligible to receive the additional 6 percent FMAP and those funds must be reimbursed to the federal government. State law requires a county to pay a 100 percent share of the lost enhanced FMAP if the state ceases to receive that funding due to noncompliance of the timely case reassessment requirement.

Proposed Law: AB 2278 would require CDSS, on or before July 1, 2029, to prepare and submit to the Legislature a report on the amount of payments made by counties due to noncompliance of timely case reassessments for the CFCO program.

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