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

AB 2348 (Bonta) - Medi-Cal: enhanced care management and community supports

Version: June 29, 2026
Urgency: No
Hearing Date: August 3, 2026

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

Bill Summary: AB 2348 would add requirements in the Medi-Cal program related to Enhanced Care Management and Community Supports.

Fiscal Impact:

- Unknown ongoing costs, potentially hundreds of thousands, for the Department of Health Care Services (DHCS) for state administration (General Fund and federal funds).

- Unknown ongoing cost pressures to increase Medi-Cal plan rates in order for plans to comply with required standards (General Fund and federal funds).

Background: The California Advancing and Innovating Medi-Cal (CalAIM) is a collection of Medi-Cal initiatives aimed at addressing social drivers of health, reducing program complexity, increasing program flexibility, and modernizing payment structures to promote better outcomes. Under the CalAIM initiative, Medi-Cal plans must offer Enhanced Care Management (ECM) benefits designed to address the clinical and nonclinical needs on a whole-person care basis for Medi-Cal recipients who meet certain criteria. The CalAIM initiative also includes the authority for a Medi-Cal plan to elect to cover Community Supports approved by DHCS as cost-effective and medically appropriate substitutes for a covered Medi-Cal benefit.

ECM is a statewide Medi-Cal benefit available through Medi-Cal plans to provide care management to Medi-Cal enrollees with the highest needs. These enrollees include people experiencing homelessness, people at risk of avoidable hospital care, people with serious mental health or substance use disorder needs, adults at risk for long term care institutionalization, adults in nursing homes transitioning to the community, children enrolled in California Children's Services with additional needs, children involved in child welfare, people transitioning from incarceration, and specific pregnant and postpartum individuals. A lead care manager is responsible for providing intensive coordination of health and health-related services.

Community Supports are optional Medi-Cal plan services offered as cost-effective alternatives to traditional medical services or settings. DHCS has a pre-approved list of Community Supports, building off previous pilot programs such as Whole Person Care, Health Homes, and a medically tailored meals pilot program. These services address health-related social needs of Medi-Cal enrollees such as support to secure and maintain housing, access to medically tailored meals, and various transitional services

when moving out of specific facilities. While DHCS encourages Medi-Cal plans to offer all of the Community Supports services, these services are not entitlements, but are offered at the option of the plan to any eligible Medi-Cal enrollee.

Proposed Law: Specific provisions of the bill would:

- Specify that ECM services comply with the ECM service model, as defined by the DHCS, and include access to a lead care manager, outreach and engagement, comprehensive assessment and care management planning, coordination of care, health promotion, comprehensive transitional care, member and family support, and coordination of and referral to community and social support services.

- Require DHCS, by July 1, 2027, to produce model managed care coverage standards and policy for each community support provided, for plan years beginning on January 1, 2028, as specified.

- Require DHCS to provide ongoing technical assistance to Medi-Cal managed care plans and require Medi-Cal managed care plans to continue to provide technical assistance to providers of these services.

- Require DHCS to post any policy changes publicly for stakeholder input for a minimum of one month before making updates to its community supports policy guidance.

- Require DHCS to publicly release written updates to its community supports policy guidance, including the model managed care coverage standards and policy, no later than six months prior to the effective date of the policy update, as specified.

- Require Medi-Cal managed care plans to track and report to the DHCS the number and percentage of the plan's providers that fit the definition of "nonprofit community provider," as defined, and the number and percentage of services provided by these community providers; and require DHCS to organize these data by plan and publish a report on these data not less than annually.

- Require DHCS, by March 31, 2029, to provide to the appropriate policy and fiscal committees of the Legislature information in writing necessary to inform legislative consideration of transitioning community supports to benefits that are required to be covered under the Medi-Cal program, including information on cost, effectiveness, and provider availability.

- Require DHCS to continue to publish specified information regarding ECM and Community Supports on the department's internet website on a quarterly basis through December 31, 2031.

- Require DHCS to continue to convene the CalAIM Implementation Advisory Group that is in effect on January 1, 2026, and as most recently updated; and repeal this requirement on January 1, 2032.

Related Legislation: SB 164 (Committee on Budget and Fiscal Review, Chapter 27, Statutes of 2026), the health budget trailer bill, extends the end of the CalAIM initiative from December 31, 2026 to December 31, 2031.

-- END --