

Date of Hearing: April 14, 2026

ASSEMBLY COMMITTEE ON HEALTH
Mia Bonta, Chair
AB 2486 (Addis) – As Amended April 6, 2026

SUBJECT: Medi-Cal: Whole Child Model program.

SUMMARY: Removes the sunset on a current advisory group for the California Children’s Services (CCS) program, broadens its mandate, adds specified stakeholders, requires a biennial report and makes conforming changes. Specifically, **this bill:**

- 1) Renames the statewide Whole Child Model (WCM) program stakeholder advisory group to the CCS advisory group.
- 2) Adds to the list of stakeholder participants in the group former CCS clients, representatives of CCS clients not enrolled in a managed care plan, and caregivers of former CCS clients.
- 3) Requires the Department of Health Care Services (DHCS) to, additionally, consult with the advisory group on the implementation of the “Classic CCS” program and to consider the recommendations of the advisory group in developing monitoring processes and outcome measures for the CCS program.
- 4) Requires, beginning no later than December 31, 2027, DHCS to biennially deliver a summary report to the Legislature, with feedback from the advisory group, that briefly describes the department’s progress and actions on the department’s actions towards the top CCS program priorities that have been informed by feedback from the CCS advisory group members.
- 5) Deletes the sunset date of December 31, 2026, for the advisory group.
- 6) Makes conforming changes in other sections of code.

EXISTING LAW:

- 1) Establishes the CCS Program, which is administered by DHCS and counties, to provide medically necessary services, based on financial eligibility, for persons under 21 years of age who have certain medical conditions, including, among others, cystic fibrosis or hemophilia. [Health and Safety Code (HSC) § 123800, *et seq.*]
- 2) Authorizes the DHCS director to establish which conditions are eligible medical conditions, except as the Legislature may otherwise include. Specifies phenylketonuria, hyaline membrane disease, cystic fibrosis, and hemophilia as included conditions. Includes, through regulation, many conditions under the categories of infectious diseases; neoplasms; endocrine, nutritional and metabolic diseases, and immune disorders; diseases of blood and blood-forming organs; diseases of the nervous system; diseases of the eye; diseases of the ear and mastoid process; diseases of the circulatory system; diseases of the respiratory system; diseases of the digestive system; diseases of the genitourinary system; diseases of the skin and subcutaneous tissues; diseases of the musculoskeletal system and connective tissue; congenital anomalies; accidents, poisonings, violence, and immunization reactions; as well as

another list of conditions specifically eligible for a medical therapy program provided within CCS. [HSC § 123830; Title 22, California Code of Regulations §§ 41515.1 – 41518.9]

- 3) Establishes financial eligibility for the CCS program to include children eligible for full-scope Medi-Cal, children in families with adjusted gross incomes below \$40,000 as calculated for California state income tax purposes, and children in families with higher incomes if the estimated cost of care to the family is expected to exceed 20% of the family's adjusted gross income. [HSC § 123870]
- 4) Establishes the Medi-Cal program, which is administered by DHCS, and under which qualified low-income individuals receive health care services. [Welfare and Institutions Code (WIC) § 14000, *et seq.*]
- 5) Prohibits CCS-covered services from being incorporated into any Medi-Cal managed care contract (known as the CCS “carve out”) entered into after August 1, 1994, except for contracts entered into pursuant to the WCM program described in 6) below, and for county organized health systems or Regional Health Authority in the Counties of San Mateo, Santa Barbara, Solano, Yolo, Marin, and Napa. [WIC § 14094.3]
- 6) Authorizes DHCS to establish a WCM program for Medi-Cal enrolled children who are also enrolled in CCS, under which managed care plans served by a county organized health system or Regional Health Authority in designated counties provide services for CCS-eligible conditions to Medi-Cal enrolled children and youth. Establishes readiness, monitoring, reporting, and evaluation requirements, as well as numerous requirements on plans related to delivery of CCS services. [WIC § 14094.4, *et seq.*]
- 7) Requires DHCS to establish a statewide WCM program stakeholder advisory group and to consult with that advisory group on prescribed matters on the implementation of the WCM program, as specified. Terminates the advisory group on December 31, 2026. [WIC § 14094.17]

FISCAL EFFECT: Unknown. This bill has not been analyzed by a fiscal committee.

COMMENTS:

- 1) **PURPOSE OF THIS BILL.** According to the author, this bill ensures that families, providers, and stakeholders can continue to shape the CCS program by extending the CCS Advisory Group. The author notes feedback strengthens care coordination and improves outcomes for some of California's most medically vulnerable children.
- 2) **BACKGROUND.**
 - a) **CCS.** The CCS program provides diagnostic and treatment services, medical case management, and physical and occupational therapy health care services to children under 21 years of age with CCS-eligible conditions (e.g., severe genetic diseases, chronic medical conditions, serious infectious diseases, and traumatic injuries) in families unable to afford catastrophic health care costs. A child eligible for CCS must be a resident of California, have a CCS-eligible condition, and must generally be income-eligible.

- b) **CCS “carve out” and Whole Child Model.** Approximately 181,000 children are in CCS, roughly 95% of whom are also enrolled in Medi-Cal. Generally, most children with CCS-eligible conditions enrolled in Medi-Cal receive services for their CCS-eligible condition through the CCS program on a fee-for-service basis, and other health care services through Medi-Cal managed care plans. This is known as the CCS “carve out,” which been extended a number of times since it was first established in 1994. The fee-for-service CCS program that is operated separately from managed care plans is referred to as “Classic CCS.”

Although the CCS program staff and providers have expertise in delivery of children’s specialty care for a variety of complex conditions, issues have been raised related to coordination of care between CSS and managed care plans. When the CCS program reached the end of one of its “carve out” authorization periods in 2015, the Brown Administration indicated that it would support an extension of the “carve out” only if it is accompanied by a plan for a more organized delivery system. SB 586 (Hernandez), Chapter 625, Statutes of 2015, authorized DHCS to establish the WCM in 21 counties, in which both Medi-Cal and most CCS services would be covered and paid for by the Medi-Cal managed care plan. Currently, about 29,000 children of the 181,000 are served through WCM, while the rest are served through “Classic CCS.”

- c) **Advisory Group.** SB 586 also required DHCS to create a statewide WCM stakeholder advisory group to inform implementation of WCM, as well as the development of related monitoring and evaluation processes. According to the charter of the current CCS Advisory Group (called the WCM Advisory Group in statute), the purpose of the group is to advise the DHCS on the improvement of the CCS Program to ensure that children and youth who are in the program receive appropriate and timely access to quality care. Although the charge of the group currently includes advising on WCM implementation, the group’s scope is already broader than the WCM. For instance, the group’s scope includes recommendations and feedback regarding the delivery of CCS statewide and ensuring consistency across models of CCS delivery. This means this bill’s broadening of the charge of the Advisory Group appears consistent with current practice. DHCS has stated intent to continue the current Advisory Group.

- 3) **SUPPORT.** This bill is sponsored by Children Now and supported by child, family and consumer advocates as well as physician and hospital providers of specialty care to CCS-eligible children. According to Children Now, families and caregivers who live the reality of caring for a medically complex child hold irreplaceable knowledge about what the program gets right, where it falls short, and what must change. Supporters note the extension and reforms to the Advisory Group, such as a biennial report to promote transparency and accountability, mean the CCS Advisory Group will be well poised to improve the CCS program for years to come.

4) **PREVIOUS LEGISLATION.**

- a) SB 424 (Durazo) of 2024, among many other changes, would have prohibited the expansion of the WCM for Medi-Cal eligible CCS children and youth enrolled in specified counties. SB 424 was later amended to a different subject matter.

- b) AB 118 (Committee on Budget), Chapter 42, Statutes of 2023, extends the operation of the Whole Child Model advisory group until December 31, 2026, and makes other changes related to program oversight and improvement.
- c) AB 2458 (Weber) of 2022 would have required, subject to an appropriation, that the reimbursement rates for physician services provided under CCS be increased if physicians met certain conditions. AB 2548 was held on the Assembly Appropriations suspense file.
- d) AB 382 (Kamlager), Chapter 51, Statutes of 2021, extended the sunset date of the WCM Advisory Group by two years, from December 31, 2021 to December 31, 2023.
- e) AB 1688 (Committee on Health), Chapter 511, Statutes of 2017, required DHCS to provide a report on the CCS WCM by the later of January 1, 2021, or three years from the date when all counties in which DHCS is authorized to establish the WCM program are fully operational, instead of by January 1, 2021, under prior law.
- f) SB 586 (Hernandez) authorized the WCM in 21 counties.
- g) SB 208 (Steinberg), Chapter 714, Statutes of 2010, implemented the 2010 Medi-Cal Section 1115 Waiver, and required DHCS to establish a pilot project and seek proposals to test four models exploring potential options to redesign the CCS program. It also authorized DHCS to require mandatory enrollment of CCS eligible children in such a pilot project.

REGISTERED SUPPORT / OPPOSITION:**Support**

Children Now (sponsor)
California Children's Hospital Association
Children's Specialty Care Coalition
Family Voices of California
Western Center on Law & Poverty

Opposition

None on file

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