

Date of Hearing: April 23, 2025

ASSEMBLY COMMITTEE ON APPROPRIATIONS

Buffy Wicks, Chair

AB 636 (Ortega) – As Amended March 13, 2025

Policy Committee: Health

Vote: 15 - 0

Urgency: No

State Mandated Local Program: No

Reimbursable: No

SUMMARY:

This bill requires Medi-Cal to cover diapers for a child who is older than three years and has a condition that contributes to incontinence, or an individual under 21 years with a condition that diapers would correct or ameliorate, as specified.

Specifically, this bill:

- 1) Requires Medi-Cal to cover diapers under the following circumstances, notwithstanding any other law:
 - a) For a child over three years of age who has been diagnosed with a physical, mental, neurological, or behavioral health condition that contributes to incontinence.
 - b) For an individual under 21 years of age if necessary to correct or ameliorate a condition pursuant to the Early and Periodic Screening, Diagnostic, and Treatment (EPSDT) standards under federal law, as specified.
- 2) Requires the Department of Health Care Services (DHCS) to update the Medi-Cal provider manual, as applicable.
- 3) Requires DHCS to seek any necessary federal approvals, and conditions implementation on necessary federal approvals, federal matching funds, and a legislative appropriation.

FISCAL EFFECT:

Annual cost pressures of an unknown amount, potentially high hundreds of thousands of dollars or more, to DHCS to cover diapers as required by this bill, and for state administration (General Fund, federal funds).

COMMENTS:

- 1) **Purpose.** This bill is sponsored by Grace/End Child Poverty and California Association of Food Banks. According to the author:

It is unacceptable that in California in 2024, families are having to choose between feeding their families and buying diapers for their infants. Especially since there is already a federal program such as EPSDT that addresses the exact issue of medically necessary

diaper access. AB 636 simply utilizes an existing federal program to expand access to much-needed diaper assistance for California children and families stuck in the endless loop of poverty.

2) **Background.**

EPSDT. The federal EPSDT program requires state Medicaid programs (Medi-Cal in California) to cover periodic and as-needed medical, vision, hearing and dental screening and services, as well as any other Medicaid service, if the service is needed to “correct or ameliorate defects and physical and mental illnesses and conditions discovered by the screening services,” regardless of whether such services are covered under the state Medicaid plan.

Medi-Cal Diaper Coverage. Medi-Cal covers diapers for children age five years and older when a physician has verified medical necessity. The Medi-Cal provider manual clearly states Medi-Cal does not reimburse for incontinence supplies for children younger than five years. However, the provider manual also states that Medi-Cal may reimburse for incontinence supplies through EPSDT, if the incontinence is due to a chronic physical or mental condition, including cerebral palsy or developmental delay, and occurs at an age when the child would normally be expected to achieve continence. Children age five years and older are eligible for medically necessary diapers under the EPSDT benefit in existing law, so this bill requires new coverage mainly for three- and four-year-old children.

Other State Diaper Programs. The Budget Act of 2024 included \$9 million to local community organizations to support diaper distribution to low-income families with infants and toddlers. Additionally, AB 480 (Gonzalez Fletcher), Chapter 690, Statutes of 2017, added a diaper benefit of \$30 per month for each child under 3 years of age to the list of supportive services available to CalWORKs clients who participate in welfare-to-work activities.

3) **Prior Legislation.**

AB 2446 (Ortega), of the 2023-24 Legislative Session, was nearly identical to this bill. The Governor vetoed AB 2446, noting the bill would expand coverage to include “conditions that contribute to incontinence,” which would result in “significant and ongoing General Fund costs for the Medi-Cal program and that should be evaluated as a part of the annual budget process.”

AB 492 (Gonzalez), of the 2015-16 Legislative Session, proposed a \$50 diaper supportive service per child two years old or younger in a CalWORKs, Welfare-to-Work family. Governor Brown vetoed AB 492, stating of AB 492 and several other bills together: “These bills are an end run of the budget process, and would commit us to spending an additional \$240 million every year.”

Analysis Prepared by: Allegra Kim / APPR. / (916) 319-2081