SENATE RULES COMMITTEE

Office of Senate Floor Analyses

(916) 651-1520 Fax: (916) 327-4478

THIRD READING

Bill No: AB 870 Author: Hadwick (R) Amended: 9/4/25 in Senate

Vote: 21

SENATE APPROPRIATIONS COMMITTEE: 6-0, 9/11/25

AYES: Caballero, Seyarto, Cabaldon, Dahle, Richardson, Wahab

NO VOTE RECORDED: Grayson

ASSEMBLY FLOOR: 76-0, 5/1/25 (Consent) - See last page for vote

SUBJECT: California Children's Services Program: county designation

SOURCE: Alpine County Board of Supervisors

DIGEST: This bill allows counties with populations under 2,000 to designate another county to administer its California Children's Services (CCS) program so long as the other county agrees, abides by the CCS program standards, and neither county is a "Whole Child Model" county that provides CCS services through Medi-Cal managed care plans.

Senate Floor Amendments of 9/4/25 requires the Department of Health Care Services (DHCS) to adopt the necessary regulations to implement this bill, including requirements for applicable written agreements between the counties, but authorizes DHCS to implement instead via guidance until regulations are adopted.

ANALYSIS:

Existing law:

1) Establishes CCS, administered by DHCS, under which individuals under the age of 21 who have eligible medical conditions established in regulation and meet financial requirements, are eligible to receive medically necessary services and treatments. [Health and Safety Code (HSC) §123800, et seq.]

- 2) Authorizes DHCS to establish a "Whole Child Model" (WCM) program for children enrolled in a Medi-Cal managed care plan who are also enrolled in CCS in 33 specified counties. [Welfare & Institutions Code §14094.4, et seq.]
- 3) Requires each county board of supervisors to designate a county agency to administer the CCS program. Permits counties with populations under 200,000 to administer the county program independently or jointly with DHCS. Requires counties with populations over 200,000 to administer the county program independently. [HSC §123850]
- 4) Requires the DHCS director to establish standards relating to the local administration and minimum services counties must offer in the CCS program. [HSC §123850]

This bill:

- 1) Allows counties with populations under 2,000 to designate another county to administer the CCS program so long as: the other county agrees to the designation; the other county meets the required CCS program standards; and, neither county is a WCM county.
- 2) Allows DHCS to issue guidance regarding the administration of the CCS program by counties, including agreements between counties, prior to adopting regulations.

Comments

According to the author of this bill:

Alpine County is the smallest county in California with a total population of roughly 1,200 residents. There is a single Public Health Nurse who manages their CCS program; when the nurse is sick or misses work for any reason, the program comes to a halt as no one else in the county carries the credentials to administer the CCS program. This leaves sick and/or physically handicapped children to go without medically-necessary services until the employee is back to work. This bill would allow neighboring El Dorado County to operate Alpine County's CCS program.

Background

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, infectious diseases producing major sequelae, and traumatic injuries) from 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 generally be income eligible. According to March 2025 data, approximately 185,000 children are in CCS; of those, roughly 93% are also in Medi-Cal and 7% are in the CCS-only program.

CCS "carve out" and WCM. Children who are eligible for both Medi-Cal and the CCS program are enrolled in a Medi-Cal plan and receive CCS-covered services through the CCS program on a fee-for-service basis. SB 586 (Hernandez, Chapter 625, Statutes of 2015) authorized DHCS to establish WCM in 21 counties, in which both Medi-Cal and most CCS services would be covered and paid for by the Medi-Cal plan. SB 586 also required DHCS to create a statewide WCM stakeholder advisory group to inform implementation, as well as, the development of the monitoring and evaluation process. AB 118 (Committee on Budget, Chapter 42, Statutes of 2023) authorized the expansion of WCM to 12 additional counties starting January 1, 2025.

CCS program administration. Current law requires counties with over 200,000 residents to administer their own CCS program, and allows counties with under 200,000 residents to either independently administer their CCS program or do so jointly with DHCS. This bill would allow a county with fewer than 2,000 residents to designate another county to administer the program so long as neither county is not a WCM county. Alpine County is currently the only county in California with fewer than 2,000 residents, and neither it nor neighboring El Dorado County are WCM counties. Additionally, Alpine county does not currently have any children enrolled in the CCS program.

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: No

According to the Senate Appropriations Committee, DHCS estimates costs for staffing resources of approximately \$164,000 (\$82,000 General Fund and \$82,000 federal funds) in 2026-27, and \$155,000 (\$78,000 General Fund and \$77,000 federal funds) in 2027-28 and annually thereafter. The DHCS indicates that while the bill would require the department to set standards for a county to designate

another county as the administrator of their CCS program, the DHCS does not currently have standards in place to support this type of program transition.

SUPPORT: (Verified 9/11/25)

Alpine County Board of Supervisors (source)
California State Association of Counties
County Health Executives Association of California
Health Officers Association of California
Rural County Representatives of California

OPPOSITION: (Verified 9/11/25)

None received

ARGUMENTS IN SUPPORT: This bill is sponsored by the Alpine County Board of Supervisors who write that Alpine County is the state's smallest county, consisting largely of federal land, no incorporated cities, and 85 county employees. Alpine County's current CCS program has been administered with a single public health nurse. When this employee is not available, there is no one to manage the program in her absence, as nursing credentials are required to process and coordinate care for recipients. This bill would allow Alpine County to enter into an agreement with a neighboring county to administer its CCS program to facilitate the most timely and effective care for CCS recipients. Current law does not allow this flexibility. As the state's smallest county, Alpine County requires an alternative approach to ensure consistent and quality care for CCS-eligible children.

ASSEMBLY FLOOR: 76-0, 5/1/25

AYES: Addis, Aguiar-Curry, Ahrens, Alanis, Alvarez, Arambula, Ávila Farías, Bains, Bauer-Kahan, Bennett, Berman, Boerner, Bonta, Bryan, Calderon, Caloza, Carrillo, Castillo, Connolly, Davies, DeMaio, Dixon, Elhawary, Ellis, Flora, Fong, Gabriel, Gallagher, Garcia, Gipson, Jeff Gonzalez, Mark González, Hadwick, Haney, Harabedian, Hart, Hoover, Irwin, Jackson, Kalra, Krell, Lackey, Lee, Lowenthal, Macedo, Muratsuchi, Nguyen, Ortega, Pacheco, Patel, Patterson, Pellerin, Petrie-Norris, Quirk-Silva, Ramos, Ransom, Celeste Rodriguez, Michelle Rodriguez, Rogers, Blanca Rubio, Sanchez, Schiavo, Schultz, Sharp-Collins, Solache, Soria, Stefani, Ta, Tangipa, Valencia, Wallis, Ward, Wicks, Wilson, Zbur, Rivas

NO VOTE RECORDED: Chen, McKinnor, Papan

Prepared by: Jen Flory / HEALTH / (916) 651-4111

9/12/25 11:10:02

**** END ****