

## CONCURRENCE IN SENATE AMENDMENTS

AB 870 (Hadwick)

As Amended September 04, 2025

Majority vote

**SUMMARY**

Authorizes counties with a total population under 2,000 persons (Alpine County) to designate another county to administer the California Children's Services (CCS) program, if that county agrees and otherwise meets the standards set forth by the Department of Health Care Services (DHCS), and neither county is a "Whole Child Model" county (a county where CCS services are provided through managed care plans).

**Senate Amendments**

Require DHCS to adopt regulations necessary to implement the bill, including, but not limited to, requirements applicable to written agreements between the counties, and allows DHCS to implement the bill through non-regulatory guidance until regulations are adopted.

**COMMENTS**

*California Children's Services (CCS) program.* 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 complications, and traumatic injuries) who are income eligible or otherwise unable to afford catastrophic health care costs. Nearly 200,000 California children are enrolled in CCS, and the majority of these children are also enrolled in Medi-Cal.

*CCS Program Administration.* In counties with populations greater than 200,000 (independent counties), county staff perform all case management activities for eligible children residing within their county. This includes determining all phases of program eligibility, evaluating needs for specific services, determining the appropriate provider(s), and authorizing for medically necessary care. For 27 smaller, more rural counties with populations under 200,000 (dependent counties), DHCS provides medical case management and eligibility and benefits determination through its regional offices located in Sacramento and Los Angeles, while dependent counties interact directly with families to perform some functions. According to a 2023 overview published by DHCS outlining state and local responsibilities for CCS in dependent counties, each county is assigned to a specific level of responsibility for eligibility determinations, case management, and other functions. The overview indicates Alpine County retains responsibility for CCS financial and residential program eligibility determinations and less complex CCS case management procedures and liaison functions.

*CCS and Medi-Cal Managed Care.* In most counties, children who are eligible for both Medi-Cal and the CCS program are enrolled in Medi-Cal managed care and receive CCS-covered services through the CCS program on a fee-for-service basis. However, in counties whose Medi-Cal services are provided through County Organized Health Systems (a single managed care plan authorized at the county level) counties assume full financial responsibility, with some exceptions. In addition, SB 586 (Hernandez, Chapter 625, Statutes of 2015) authorizes DHCS to establish the Whole Child Model, in which both Medi-Cal and most CCS services would be covered and paid for by the Medi-Cal managed care plan. AB 113 (Committee on Budget),

Chapter 42, Statutes of 2023, expanded DHCS's authority to implement Whole Child Model programs in Butte, Colusa, Glenn, Nevada, Placer, Plumas, Sierra, Sutter, Tehama, Yuba, Mariposa, and San Benito Counties, no sooner than January 1, 2025.

### **According to the Author**

Alpine County is the smallest county in California, with a total population of roughly 1,200 residents and a single public health nurse who manages their CCS program. The author indicates that when the single nurse is unavailable, the program comes to a halt as no one else in the county has the credentials to administer the CCS program, which could leave sick and/or physically handicapped children without services. Recently, when this employee was out on extended leave, Alpine County worked with neighboring El Dorado County to ensure continued administration of CCS. Although no current residents of Alpine County are enrolled in CCS, the county must maintain infrastructure to administer CCS. This bill would authorize such an arrangement as a sustainable long-term solution for a very small county that struggles to maintain sufficient resources to administer the CCS program.

### **Arguments in Support**

This bill is supported by Alpine County and a number of county-based organizations, including the California Health Executives Association of California (CHEAC). According to CHEAC, this bill would enable the smallest county in the state to partner with a willing county for program administration to ensure quality care for all CCS-eligible children.

### **Arguments in Opposition**

None.

## **FISCAL COMMENTS**

According to the Senate Committee on Appropriations, the Department of Health Care Services (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. 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, DHCS does not currently have standards in place to support this type of program transition.

## **VOTES:**

### **ASM HEALTH: 16-0-0**

**YES:** Bonta, Chen, Addis, Aguiar-Curry, Rogers, Carrillo, Flora, Mark González, Krell, Patel, Patterson, Celeste Rodriguez, Sanchez, Schiavo, Sharp-Collins, Stefani

### **ASSEMBLY FLOOR: 76-0-3**

**YES:** 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

**ABS, ABST OR NV:** Chen, McKinnor, Papan

**UPDATED**

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