

Senior Services Coalition of Alameda County

AGING IS SOMETHING WE ALL HAVE IN COMMON

March 27, 2024

The Honorable Mia Bonta
Assembly Committee on Health, Chair
1020 N St. Ste. 390
Sacramento, CA 95814

Re: SUPPORT: AB 2428 (Calderon) Medi-Cal: Community-Based Adult Services: SUPPORT

Dear Assemblymember Bonta,

On behalf of the Senior Services Coalition of Alameda County, I am writing in strong support of AB 2428 (Calderon). Senior Services Coalition (SSC) represents over 40 organizations that provide health and supportive services to low-income older adults in Alameda County and are committed to advancing public policy that improves health and life outcomes for older adults.

AB 2428 aligns with our coalition's policy priorities, as it would require that the Medi-Cal reimbursement for Community-Based Adult Services (CBAS) be in an amount equal to or greater than the amount paid for the service in the Medi-Cal fee-for-service delivery system. In other words, this bill creates a "rate floor" for CBAS; Medi-Cal Managed Care Plans (MCPs) can pay more but not less.

Our coalition members see every day the value of Community-Based Adult Services. CBAS provide life-affirming and life-saving services to one of California's most vulnerable populations: Medi-Cal-eligible frail elders, including those living with dementia, people with chronic disabling conditions, and people with disabilities. CBAS centers predominantly serve culturally and ethnically diverse populations, providing services in a culturally congruent manner.

Even though the need for CBAS greatly exceeds the supply in our county and across the state, centers are greatly under-resourced. Centers are barely making ends meet because Medi-Cal paid by Managed Care Plans (MCPs) rates have lagged far behind the actual cost of doing business. This includes significantly higher labor costs in response to severe workforce shortages, drastic increases in transportation and fuel costs, and new expenses resulting from mandated Medi-Cal and pandemic-related policy changes.

Centers have little to no ability to shift costs to Medicare, private pay, or other payors because Medi-Cal beneficiaries make up 98% of all enrollees. This makes the centers reliant on Medi-Cal Managed Care Plans for both authorizing services and paying for them. **As a result, centers in our county are at high risk of closure.**

AB 2428 is a small but important step in correcting the CBAS inequity in rates that the Legislature intended to remedy by restoring the Medi-Cal rate floor for these vital programs that support low-income and disabled elders' ability to live with dignity and independence outside of institutions.

For these reasons, Senior Services Coalition of Alameda County supports the passage of AB 2428. We ask you for your leadership on this critical legislation.

Sincerely,



Monica Kirkland
State Policy Director, Senior Services Coalition of Alameda County