NOTICE OF A
REGULAR JOINT MEETING OF THE
CALOPTIMA HEALTH BOARD OF DIRECTORS'
MEMBER ADVISORY COMMITTEE AND
PROVIDER ADVISORY COMMITTEE

THURSDAY, OCTOBER 9, 2025

12:00 P.M.

CALOPTIMA HEALTH
505 CITY PARKWAY WEST, SUITE 109
ORANGE, CALIFORNIA 92868

AGENDA

This agenda contains a brief description of each item to be considered. Except as provided by law, no action shall be taken on any item not appearing on the agenda. To speak on an item, complete a Public Comment Request Form(s) identifying the item(s) and submit to the Clerk. To speak on a matter not appearing on the agenda, but within the subject matter jurisdiction of the Board of Directors' Member Advisory and Provider Advisory Committees, you may do so during Public Comments. Public Comment Request Forms must be submitted prior to the beginning of the Approval of the Minutes portion of the agenda and/or the beginning of Public Comments. When addressing the Committee, it is requested that you state your name for the record. Address the Committee as a whole through the Chair. Comments to individual Committee Members or staff are not permitted. Speakers are limited to three (3) minutes per item.

In compliance with the Americans with Disabilities Act, those requiring accommodations for this meeting should notify the Clerk of the Board's Office at (714) 246-8806, at least 72 hours prior to the meeting.

The Board of Directors' Regular Member Advisory and Provider Advisory Committees joint meeting agenda and supporting materials are available for review at CalOptima Health, 505 City Parkway West, Orange, CA 92868, 8 a.m. – 5:00 p.m., Monday-Friday, and online at www.caloptima.org.

Register to Participate via Zoom at:
https://us02web.zoom.us/webinar/register/WN_NGmFHnFWSAavGntEUeaeww and Join the Meeting.

Webinar ID: 874 7271 5989

Passcode: 057260 – Webinar instructions are provided below.

1. **CALL TO ORDER**
   Pledge of Allegiance

2. **ESTABLISH QUORUM**

3. **MINUTES**
   A. Approve Minutes from the August 14, 2025 Regular Joint Meeting of the Member and Provider Advisory Committees

4. **PUBLIC COMMENT**
   At this time, members of the public may address the Member and Provider Advisory Committees on matters not appearing on the agenda, but within the subject matter jurisdiction of the Member or Provider Advisory Committees. Speakers will be limited to three (3) minutes.

5. **INFORMATIONAL ITEMS**
   A. Member Population Health Needs Assessment Update
   B. Community Reinvestment Update
   C. OneCare Update
   D. Committee Member Updates

6. **MANAGEMENT REPORTS**
   A. Deputy Chief Medical Officer Update
   B. Legislative Update
   C. Chief Financial Officer Update

7. **COMMITTEE MEMBER COMMENTS**

8. **ADJOURNMENT**

Webinar Information

Please register for the Regular Member Advisory and Provider Advisory Committees Joint Meeting on Thursday, October 9, 2025 at 12:00 p.m. (PDT)

To **Register** in advance for this webinar:

https://us02web.zoom.us/webinar/register/WN_NGmFHnFWSAavGntEUeaeww
Join from a PC, Mac, iPad, iPhone or Android device

On day of meeting, please click this URL to join:

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+16694449171,,87472715989#,,,,*057260# US

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+1 305 224 1968 US
+1 309 205 3325 US
+1 312 626 6799 US (Chicago)
+1 360 209 5623 US
+1 386 347 5053 US
+1 507 473 4847 US
+1 564 217 2000 US
+1 646 558 8656 US (New York)
+1 646 931 3860 US
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MINUTES

REGULAR JOINT MEETING OF THE CALOPTIMA HEALTH BOARD OF DIRECTORS' MEMBER ADVISORY COMMITTEE, AND PROVIDER ADVISORY COMMITTEE

August 14, 2025

A Regular Joint Meeting of the CalOptima Health Board of Directors' Member Advisory Committee (MAC) and the Provider Advisory Committee (PAC) was held on Thursday, August 14, 2025 at the CalOptima offices located at 505 City Parkway West, Orange, California.

CALL TO ORDER

MAC Chair Christine Tolbert called the meeting to order at 12:10 p.m. and led the Pledge of Allegiance.

ESTABLISH QUORUM

Member Advisory Committee

Members Present: Christine Tolbert, Chair; Linda Adair; Tawny Crane; Sandy Finestone (12:25 pm); Keiko Gamez (12:30 PM); Kim Goll; Peter Hersh; Hai Hoang; Paul Kaiser; Dr. Junie Lazo-Pearson; Sara Lee; Lee Lombardo; Nicole Mastin; Margie Moore (12:15 AM); Shirley Valencia

Members Absent: Meredith Chillemi, Vice-Chair;

Provider Advisory Committee

Members Present: John Nishimoto, O.D., Chair; Gio Corzo, Vice Chair; Alpesh Amin, M.D (1:10 PM); Lorry Belhumeur, Ph.D.; Andrew Inglis, M.D.; Jena Jensen; Morgan Mandigo, M.D.; Mary Pham, Pharm.D.; Alex Rossel; Jacob Sweidan, M.D.; Christy Ward

Members Absent: Tiffany Chou, NP; Patty Mouton;

Others Present

Staff Present: Michael Hunn, Chief Executive Officer; Yunkyung Kim, Chief Operating Officer; Veronica Carpenter, Chief Administrative Officer; Richard Pitts, D.O., Ph.D., Chief Medical Officer; Zeinab Dabbah, M.D., Deputy Chief Medical Officer; Michaell Rose, DrPH, LCSW, Chief Health Equity Officer; Troy Szabo, Outside Legal Counsel; Carmen Katsarov, Executive Director, Behavioral Health; Linda Lee, Executive Director, Quality Improvement; Heather Sedillo, Director, Grievance and Appeals; Carlos Soto, Manager, Cultural and Linguistics; Cheryl Simmons, Staff to the Advisory Committees; Ruby Nunez, Executive Assistant

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MINUTES

Approve the Minutes of the June 12, 2025 Regular Joint Meeting of the CalOptima Health Board of Directors' Member Advisory and Provider Advisory Committees

MAC Action: ***On motion of MAC Member Paul Kaiser, seconded and carried, the Committee approved the minutes of the June 12, 2025 Regular Joint Meeting (Motion carried 13-0-0; (Members Meredith Chillemi, Vice-Chair; Sandy Finestone; Keiko Gamez absent)***

PAC Action: ***On motion of PAC Member Dr. Sweidan, seconded and carried, the Committee approved the minutes of the June 12, 2025 Regular Joint Meeting (Motion carried 10-0-0; (Members Alpesh Amin, M.D; Tiffany Chou, NP; Patty Mouton absent)***

PUBLIC COMMENTS

There were no public comments.

REPORT ITEMS

Consider a Recommendation to Restructure Existing Seats and Add Additional Seats to the Member Advisory Committee

MAC Chair Christine Tolbert reviewed the recommendations of the Seat Composition Ad Hoc on MAC and noted that the ad hoc recommended that three additional seats be added to the MAC which include a Dental Provider, Local Education Agency and an additional Medi-Cal Beneficiaries or Authorized Family Member Representatives. The ad hoc also recommended that the following seats be renamed: Adult Beneficiaries to Medi-Cal Beneficiaries or Authorized Family Members, Family Support to Family/Caregiver Support and Persons with Special Needs to Developmental Disabilities

MAC Action: ***On motion of MAC member Dr. Junie Lazo-Pearson, seconded and carried, the Committee approved the Recommendation to add three additional seats and rename three seats to the MAC. (Members Meredith Chillemi, Vice-Chair; Sandy Finestone; Keiko Gamez absent)***

Consider a Change to the Stipend Amount and Stipend Format for the Medi-Cal Beneficiaries and OneCare Members or Authorized Family Members on the Member Advisory Committee

Yunkyung Kim, Chief Operating Officer reviewed the decision to change the stipend amount from $50 to $100 beginning upon board approval. She noted that CalOptima Health had surveyed other California health plans and the majority were providing $100 stipends to the Medi-Cal Members on their committees.

MAC Action: ***On motion of MAC Member Paul Kaiser, seconded and carried, the Committee approved the Recommendation to change the stipend amount and format. (Members Meredith Chillemi, Vice-Chair; Sandy Finestone; Keiko Gamez absent)***

Consider a Recommendation for a Physician Representative Appointment to the Provider Advisory Committee

PAC Nominations Ad Hoc Member Dr. Inglis reviewed the recommendation to appoint Jonathan Megerian, M.D. as a Physician Representative on the PAC.

PAC Action: ***On motion of PAC Member Dr. Sweidan, seconded and carried, the Committee approved the Recommendation of Jonathan Megerian, M.D. for the open Physician seat on the PAC (Motion carried 10-0-0; (Members Alpesh Amin, M.D; Tiffany Chou, NP; Patty Mouton absent)***

INFORMATION ITEMS

Grievance and Appeals Update

Heather Sedillo, Director, Grievance and Appeals, presented an overview of the 2025 Quarter 2 (Q2) Member Trend Report. She reviewed the definitions, executive summary, grievance volume and trends, grievance actions taken, appeals volume and trends, and appeals actions taken. She reported that CalOptima Health received a total of 5,056 grievances and appeals across both lines of business during Q2. The average turnaround time for resolving both grievances and appeals was 23 days and she noted that Medi-Cal experienced a notable increase in grievances, rising from 3,675 in Q1 to 4,506 in Q2 equating to a 23% increase. OneCare also saw a significant rise, with grievances increasing from 371 in Q1 to 550 in Q2, representing a 48% increase. Ms. Sedillo emphasized that such increases from Q1 to Q2 are typical and consistent with historical year-over-year patterns.

Member Population Health Needs Assessment

Michaell Silva-Rose, DrPH, LCSW, Chief Health Equity Officer, began her presentation by clarifying the distinction between several assessments CalOptima Health has shared over the past year. She referenced the Population Needs Assessment (PNA), an annual National Committee for Quality Assurance (NCQA) requirement completed in April 2025, which was distributed to stakeholders in May. Members who did not receive the report were encouraged to contact Cheryl Simmons. Dr. Rose also mentioned CalOptima Health's involvement in the Orange County Health Care Agency's (OCHCA) Community Health Assessment (CHA) and Community Health Improvement Plan (CHIP), with a joint CHA planned for 2028.

Dr. Rose also presented the Member Population Health Needs Assessment (MPHNA), which launched earlier this year following a Board recommendation. This comprehensive assessment aims to inform health equity strategies, community investments, and program development for CalOptima

Health members. Dr. Rose noted that CalOptima Health is partnering with the National Opinion Research Center (NORC) to implement a three-pronged approach: member and provider surveys, key informant interviews, and community focus groups. Additionally, the MPHNA will assess community assets and barriers to care, using a strength-based approach to develop targeted interventions and asset maps. This work supports National Committee for Quality Assurance (NCQA) accreditation and lays the groundwork for the 2028 CHA. The final MPHNA report is expected by Q2 2026.

Dr. Rose also thanked the MAC and PAC committees for their input in co-designing the member and provider surveys. Feedback provided by the committees helped refine the instruments and focus areas. She also highlighted a collaborative session with the OCHCA, where 18 community-based organizations contributed valuable input on both the assessment and asset mapping. Dr. Rose emphasized that the member survey will assess needs, barriers to care, service gaps, and health status and that it would be translated into threshold languages and take approximately 12–15 minutes to complete. Distribution would use both random and convenience sampling, and participants would receive a gift card. The survey is expected to launch in late September 2025 as it is pending the Department of Health Care Services (DHCS) approval.

Dr. Rose also discussed the provider survey, which launched at the end of July and evaluated provider perspectives on member needs and access barriers. Providers received an email from NORC, and those who did not are encouraged to contact Cheryl Simmons for a link to the survey. Dr. Rose noted that the survey would be open through August 29, 2025 and outreach efforts were ongoing to maximize participation. As of the most recent update, 127 surveys had been completed, with 40 in progress. All providers are encouraged to participate, regardless of their network affiliations.

Dr. Rose reviewed upcoming focus groups and in-depth interviews, which will be conducted in partnership with the Community Action Partnership. These qualitative methods will complement the survey data and further inform the MPHNA.

Cultural and Linguistics Update

Carlos Soto, Manager of Cultural and Linguistic Services, presented on current Cultural and Linguistic services and noted that CalOptima Health offers interpreter and translation services to all members. Currently, the team is focused on translating materials for this year's Annual Notice of Change (ANOC), ensuring all threshold languages are covered. They are working diligently to meet translation timelines so that materials can be mailed by the September 30 deadline.

Mr. Soto also reviewed ongoing services and utilization trends and noted that the Cultural and Linguistics' team continues to process written translation requests, as well as telephonic, video relay (VRI), and face-to-face interpreter services. Utilization data is regularly analyzed to identify trends and make necessary adjustments, ensuring timely and adequate language services. Spanish and Vietnamese remain the most requested languages due to the size of those populations served. Recently, there has been a noticeable increase in Russian language requests, likely due to a growing

Russian population in Orange County. As a result, Russian has been added as a new threshold language, which became effective in August. He also noted that the Cultural and Linguistics' department also evaluated satisfaction with language services through staff and member surveys. A staff survey, distributed via internal communications, received 73 responses, all of which were very positive. A member survey was mailed to 32,480 individuals, yielding a 6% response rate, with similarly positive feedback.

Mr. Soto also discussed how CalOptima Health had conducted a Sexual Orientation and Gender Identity (SOGI) survey targeting members aged 18 and older. A total of 61,109 surveys were mailed, resulting in a 9% response rate. The collected data is stored in the core eligibility system and updated as needed. Member demographic information, including SOGI data, continues to be shared with practitioners to support inclusive care.

Committee Member Updates

MAC Chair Christine Tolbert welcomed new member Tawny Crane as the Foster Children Representative. Chair Tolbert also noted that at the August 7, 2025 Board meeting that Margie Moore, Sara Lee and Keiko Gamez had all been reappointed for a three-year term.

PAC Chair Dr. Nishimoto also noted that the Board had reappointed Patty Mouton, Dr. Pham, Dr. Mandigo and himself for an additional three-year term.

Both Chairs reminded the committee that if they had agenda items they would like heard to please let staff know so that they could be added to a future agenda.

CEO AND MANAGEMENT REPORTS

Chief Operating Officer Report

Yunkyung Kim, Chief Operating Officer, provided an update on current membership trends and noted that while membership remains relatively flat, there is an expectation of potential declines in the coming months due to the ongoing wave of redeterminations. Early data from August suggests more fluctuation than in previous months and noted that membership data typically takes about two months to stabilize, as some individuals are re-enrolled after initial disenrollment.

Ms. Kim also discussed changes to the Grant Management Policy at the August Board meeting and noted that the changes were relevant for both current and future grantees. One key clarification was around grant eligibility and noted that going forward, only nonprofit organizations, government entities, municipalities, educational institutions, and tribal entities will be eligible to receive grants. For-profit organizations were excluded from eligibility, although CalOptima Health continues to engage with them through other contractual means. The Board also discussed the future of grant funding and noted that while CalOptima Health had been able to make significant grant investments in recent years, this level of funding is expected to decrease due to budget constraints and anticipates fewer grant opportunities in the coming years compared to the recent past.

Ms. Kim also discussed CalOptima Health's commitment to inclusive grantmaking by ensuring that small and qualified organizations have fair access to funding opportunities and that initially there was consideration of limiting organizations to one grant at a time, but after receiving significant feedback, that idea was discarded. Organizations may now hold multiple grants, provided they are not duplicative in nature. She noted that updates were made to grant monitoring practices—such as requiring grantees to spend current funds before requesting additional ones. These practices were already in place informally but are now formally included in policy. The updated grant policy is now effective and will be shared with current and future grantees. She also reviewed the Retroactive Authorization Policy Adjustment and noted that earlier this year, CalOptima Health had extended the retroactive authorization window to one year. However, this change proved impractical due to conflicts with claims submission timelines. As a result, the policy is now reverting to a 60-day retroactive authorization window, aligning with Medicare standards.

Ms. Kim concluded her report with updates on provider transitions within CalOptima Health's Direct Network noting that previously, when a provider left a health network, members remained with the network. An exception was made for the Community Care Network (CCN), allowing providers to recommend member reassignment if they joined another contracted network. However, this created unintended issues for high-risk members, such as those with End-Stage Renal Disease (ESRD) who are assigned to the Direct Network and cannot choose their network. In order to preserve continuity of care, the policy is being modified to allow providers leaving CCN to continue caring for these members within the direct network. This correction is expected to be implemented in September. She also provided a brief update on how CalOptima Health has been working with Providence to establish it as a formal health network noting that Providence already serves a significant number of members through the Direct Network. With the Board's authorization, efforts are underway to transition Providence into its own health network, enhancing care coordination as well as network structure.

Chief Medical Officer Update

Richard Pitts, D.O., Ph.D, Chief Medical Officer, emphasizing the importance of everyone becoming ambassadors for health, even if they are not healthcare professionals and noted that with the many distractions in the world, it was crucial not to lose focus on pressing local health issues. Dr. Pitts also reviewed the leading cause of death for people aged 15 to 54 in Orange County and noted that drug overdoses were the number one cause of death. This underscores the urgent need to address behavioral health, which is often a root cause of substance abuse.

Chief Administrative Officer Report

Veronica Carpenter, Chief Administrative Officer at Cal Optimal Health, directed attendees to the legislative matrix included in their packets. She also pointed out a one-page summary on HR 1 located at the end of the packet, which outlined key implementation timeline dates.

Chief Executive Officer Update

Michael Hunn, Chief Executive Officer, asked MAC member Kim Goll, President/Chief Executive Officer of First 5 OC, to speak briefly about the anticipated impacts of recent legislation, including HR 1, the state budget, and the upcoming end of continuous Medi-Cal eligibility for children ages 0–5, effective January 1, 2026.

Ms. Goll emphasized the urgency of outreach to families regarding re-enrollment in Medi-Cal. She stressed that many children would remain eligible but may lose coverage due to the administrative process, leading to missed well-child visits and screenings. She described the situation as a "domino effect," where families unaware of the changes may struggle with paperwork and accessing care. First 5 OC is mobilizing its workforce, including home visits and pediatric clinic staff, to support families through this transition. Ms. Goll also noted the challenge of declining tobacco tax revenue, which funds First 5 OC, and invited everyone to collaborate and come up with ideas to enhance outreach efforts.

Mr. Hunn reiterated the importance of reminding families that, starting in 2026, they must reapply for Medi-Cal during their eligibility month through the County of Orange Social Services Agency. He acknowledged that many families may not understand the new requirements and highlighted efforts to raise awareness, including a recent front-page article in the Orange County Register about declining well-child visits and immunizations.

Mr. Hunn then asked Dr. Jacob Sweidan, Health Network Representative on the PAC to share his concerns about the declining visits and Dr. Sweidan discussed trends from his pediatric practice, including a 60–70% drop in patient volume. He discussed the increasing vaccine hesitancy, partly fueled by misinformation in the media and described how fear of Immigration and Customs Enforcement (ICE) deters families from attending appointments, and how some families are requesting exemption letters for school immunizations. Dr. Sweidan emphasized the need for public messaging to reassure families that clinics are safe and open, and that immunizations are critical. Dr. Sweidan also noted the strain on his staff, who are working hard to maintain contact with families and discourage unnecessary ER visits.

Michael Hunn concluded his report by discussing a recent back-to-school event where 750 bike helmets were distributed to address rising head injuries from e-bike accidents. He also noted the need to pursue grants that support Medi-Cal re-enrollment navigation and promised future updates on budget and legislative impacts, particularly as more data becomes available in October.

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ADJOURNMENT

There being no further business before the Committees, PAC Chair Dr. Nishimoto adjourned the meeting at 2:10 p.m.

_____
Cheryl Simmons
Staff to the Advisory Committees

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Member and Population Health Needs Assessment Update

Member and Provider Advisory Committees

October 9, 2025

Michaell Silva Rose, DrPH, LCSW

Chief Health Equity Officer

Our Mission

To serve member health with excellence and dignity, respecting the value and needs of each person.

Our Vision

Provide all members with access to care and supports to achieve optimal health and well-being through an equitable and high-quality health care system.

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MPHNA Updates

- Provider surveys completed = 301
- Member surveys are being translated
- Focus groups will be starting
- Health Equity asset mapping is underway
  - dashboard

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CalOptima Health

Community Reinvestment Review and Update

Member and Provider Advisory Committees

October 9, 2025

Michaell Silva Rose, DrPH, LCSW

Chief Health Equity Officer

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Our Mission

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Community Reinvestment

- All Plan Letter 25-004
  - February 2025
  - Managed Care Plans (MCPs) with positive net income are to “demonstrate a commitment to the local communities in which they operate by contributing a minimum percentage of annual net income to those communities”

https://www.dhcs.ca.gov/formsandpubs/Documents/MMCDAPLsandPolicyLetters/APL%202025/APL25-004.pdf

CalOptima Health

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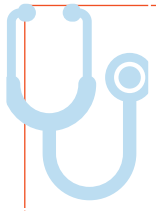
DHCS Permissible Categories

- Community Reinvestment spending must fall into at least one of the following five categories:

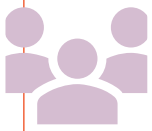
Neighborhoods & Built Environment

- Promotes health, well-being and safety



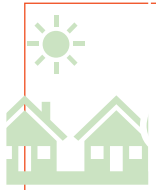
Health Care Workforce

- Building the next generation of health care workers



Well-Being for Priority Populations

- Addresses community-specific needs through tailored supports and services*



Local Communities

- Bolsters the lives of individuals and contribute to advancement and well-being of the community

Improved Health

- Initiatives targeted toward upstream root causes of poor health

**Populations covered under MCP contract such as those identified through the CHA/CHIP process or an ECM population of focus.*

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CalOptima Health

Community Health Improvement Plan (CHIP) 2024-2026 Priority Areas

- Community Reinvestment activities must be directly informed by the needs identified in the Orange County Community Health Assessment (CHA) and the CHIP.

Mental Health	Substance Use	Diabetes and Obesity
Housing and Homelessness	Care Navigation	Economic Disparities

https://www.ochealthinfo.com/sites/healthcare/files/2025-02/OC_CHIP_Report_24-26_v10_ADA_v01.pdf

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CalOptima Health

Behavioral Health Transformation (BHT) Planning Process Priorities

- Community Reinvestment activities must align with the needs identified in the BHT community planning process.
- BHT became effective January 1st
- OC Behavioral Health is currently wrapping up the needs assessment process
- Findings will be reported out later this fall

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Non-Permissible Investment

- Community Reinvestment obligations may **not** be met through expenditures that include the following:

Procedural/ Administrative Activities	Member incentives or Member grants	Benefits Covered under Medi-Cal Contract*
• MCP implementation of CR efforts • Local Health Jurisdiction CHA/CHIP Processes • Outreach/onboarding efforts to support Community Advisory Committee activities	• Member incentive gift cards • Member incentives for completing preventive services	• Medi-Cal covered health care services or state-funded services (including those that are carved out of the primary or secondary operations contract)

* Including quality improvement activities counted toward medical loss ration (MLR)

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CalOptima Health Community Reinvestment Framework

Assess

- OC CHA/CHIP
- OC BHT Community Plan
- CalOptima Health Member and Population Needs Assessment (MPHNA)
- Community Asset Mapping

Engage

Key Stakeholders:

- Community sessions
- CalOptima Health governance and advisory committees
- County engagement
  - CHIP workgroups
  - BHT Planning Process

Recommend

- Make recommendations based on:
  - CHA/CHIP
  - MPHNA
  - Asset mapping findings
  - Stakeholder input
  - Community Benefit Hospitals' CHNA

Approve

- County attests to CHIP alignment
- Signed letters from MAC
- Board approval
- Submit plan to DHCS Q3 2026

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CalOptima Health's Joint Internal and External Community Reinvestment Workgroup

- Internal and mandated external stakeholders (OC Public Health and OC Behavioral Health Director)
- 2 meetings thus far
  - September 30, 2025:
    - Updates on Behavioral Health Transformation and Public Health were discussed
    - Alignment upon potential Community Reinvestment Strategy for Community Reinvestment Plan #1

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Community Reinvestment Plan Timeline

- Q2 CY 2026: Receive CY 2024 funding obligations from DHCS

- Q3 CY 2026: Submit CR Plan #1 that covers funding obligations for CY 2024-CY 2026
  - MCPs can earn a “credit” for eligible voluntary investments made for CY 2024

- By close of CY 2026: Initiate CR Plan #1 investments and expend all funds for the initial investment period (CY 2024 - CY 2026) by the end of CY 2029

CalOptima Health

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Discussion: Proposed Community Reinvestment Strategy for Plan #1

1. Increase Access to Health and Well-Being

2. Behavioral Health Related Initiatives
   - To align with our Quality Achievement -Enforcement Tier 2 and OC HCA's BHT process

3. Improvement in Health Outcomes and Equity
   - Prevention and upstream causes of poor health

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Community Reinvestment Plan #1 Input and Recommendations from MAC/PAC

Given the DCHS's Community Reinvestment funding requirements and our proposed strategy:

1. How should CalOptima Health invest to meet the community's needs?
2. Which populations, services, or systems need support?
3. Where are the biggest gaps in care or community infrastructure?
4. What are our upstream/prevention opportunities?
5. What existing efforts could be scaled or sustained?
6. What other funding streams could we partner with for community reinvestment and sustainability?

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For Input and Recommendations:

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2026 OneCare Updates

2025 October MAC/PAC

October 9, 2025

Cheryl Meronk, Director of Medicare Program Development

Our Mission

To serve member health with excellence and dignity, respecting the value and needs of each person.

Our Vision

By 2027, remove barriers to health care access for our members, implement same-day treatment authorizations and real-time claims payments for our providers, and annually assess members' social determinants of health.

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2026 Changes

- CMS ended the Value-Based Insurance Design (VBID) Model
- Members will have one plan option: OneCare Complete
- Enhanced most supplemental benefits
- Continuing flex card benefit
  - Members must meet Special Supplemental Benefits for the Chronically Ill (SSBCI) criteria to purchase **healthy** food and produce with a flex card
- Part D benefit changes
  - $0 copay for generic medications
  - Small copays for brand-name medications
  - Addition of mail-order pharmacy service

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2026 Benefits Summary

Benefit	2025 Benefits		2026 Benefits
	OneCare Complete	OneCare Flex Plus	OneCare Complete
Transportation	Unlimited trips to/from the gym and 100 one-way trips to grocery stores (10-mile radius)	Unlimited trips to/from the gym (10-mile radius)	**Unlimited trips to/from the gym (10-mile radius)**
Vision	Annual Exam and up to $300 for eyeglasses or contact lenses every year	Annual Exam and up to $300 for eyeglasses or contact lenses every year	**Annual Exam and up to $500 for eyeglasses, contact lenses, and repairs every 2 years**
Hearing	$1,000 of hearing hardware above the Medicaid limit of $1,510	$1,000 of hearing hardware above the Medicaid limit of $1,510	**$500 allowance to be covered by OneCare prior to the Medi-Cal allowance ($1,510) is used – total allowance is $2,010**
Flex Card: Over the Counter (OTC) and Food and Produce	$135 per quarter and no roll over of unused funds *(Available to all members)*	$245 per quarter and no roll over of unused funds *(Groceries only available to members with chronic conditions)*	**$167 per quarter and no roll over of unused funds *(Healthy food and produce only available to members with chronic conditions)***

Benefits are subject to change prior to September 2025

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OneCare CalOptima Health

2026 Benefits Summary (cont.)

Benefit	2025 Benefits		2026 Benefits
	OneCare Complete	OneCare Flex Plus	OneCare Complete
In-Home Support Services and Companionship	Up to 90 hours	Not covered	Up to 90 hours
Fitness Benefit	Covered	Covered	Covered
Worldwide ER Coverage	$100,000 coverage	$100,000 coverage	Up to $100,000 reimbursement
Erectile Dysfunction Drug	Not covered	4 pills per month	**6 pills per month**
Annual Physical Exam	Once every 12 months	Once every 12 months	Once per year
Comprehensive Dental	Dental services	Dental services	Dental services

Benefits are subject to change prior to September 2025

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OneCare CalOptima Health

2026 Benefits Summary (cont.)

Benefit	2025 Benefits		2026 Benefits
	OneCare Complete	OneCare Flex Plus	OneCare Complete
Part D Premium Coverage	Buy Down of drug benefit premium to decrease generic and name brand drug co-pays to $0	Standard Part D copays based on low-income status up to $4.90 for generics and $12.15 for brands	**Tier 1: Buy Down of drug benefit premium to decrease generic drug co-pays to $0** **Tier 2: Standard Part D brand drug nominal copays based on low-income status:** - **$4.90 (Full Benefit Dual Eligible up to 100% of Federal Poverty Level)** - **$12.65 (Full Benefit Dual Eligible 100% to 150% of Federal Poverty Level)**

Benefits are subject to change prior to September 2025

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OneCare CalOptima Health

Changes in Prior Authorization Requirements

These services <u>will no longer require</u> prior authorizations:

- Podiatry
- Dental:
  - Diagnostic and preventive
  - Oral exams

These services <u>will require</u> prior authorizations:

- Dental:
  - Prosthodontics, removable or fixed
  - Adjunctive general services

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Changes in Referral Requirements

These services <u>will no longer require</u> referrals:

- Observation Services
- Colorectal cancer screening
- Dental:
  - Oral Exams
  - Prosthodontics, removable or fixed
  - Adjunctive general services

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Dental Benefit Coordination

- Customer Service assists members with dental benefit coordination
  - Members are encouraged to see Liberty Dental providers
  - All Liberty Dental Providers are Medi-Cal Dental providers

- Some services are covered by Medi-Cal Dental and some are covered by Liberty Dental
  - These services are explained in more detail in the Comprehensive Dental section of the OneCare website
  - FAQs are also available on the website
  - OneCare supplemental dental benefits must be provided by a Liberty Dental network provider

- Liberty Dental Customer Service: 888-704-9838

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Wider Circle Pilot

- Member engagement in their health care is low.
- Wider Circle provides a community-based approach to engaging members to talk about their health care needs and connect with their community.
- The pilot will engage a small number of OneCare members who have gaps in care and are willing to participate.

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Medi-Cal Vaccine Coverage Update

Member and Provider Advisory Committees

October 9, 2025

Zeinab Dabbah, MD, JD, MPH, FACP – Deputy Chief Medical Officer

Our Mission

To serve member health with excellence and dignity, respecting the value and needs of each person.

Our Vision

Provide all members with access to care and supports to achieve optimal health and well-being through an equitable and high-quality health care system.

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Agenda

- ACIP Immunization Updates-September 2025
  - COVID-19, Hepatitis B in Pregnancy and Varicella Recommendations
- Vaccines Covered by VFC (as of 2025)
- California Assembly Bill 144 – Vaccine Access & Coverage
  - signed into law Signed into Law – September 17, 2025

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COVID-19 Vaccination – New Guidance

- **ACIP recommends individual decision-making** for COVID-19 vaccination.
- Applies to **all individuals aged 6 months and older**.
- Emphasis on **shared clinical decision-making** with providers.
- **Risk-Based Considerations:**
  - **Most favorable** for: Individuals **under 65** at **increased risk** for severe COVID-19.
  - **Less favorable** for: Individuals **not at increased risk**.

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COVID-19 Vaccination – New Guidance (cont.)

- Based on **CDC's list of COVID-19 risk factors**.
- Vaccination remains **covered** under:
  - **Vaccines for Children (VFC)**
  - **CHIP, Medicaid, Medicare**
  - **Private insurance & ACA Marketplace plans**

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Hepatitis B Testing in Pregnancy

- **Universal testing** for all pregnant women recommended.
- Covered by **all insurance programs**.
- Goal: **Prevent mother-to-child transmission** of Hepatitis B.

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Varicella Vaccine Update

- ACIP recommends:
  - **Separate MMR + Varicella vaccines** for toddlers (12–23 months).
  - Avoid **MMRV combination vaccine**.
- **Rationale for Varicella Change:**
  - **MMRV vaccine doubles risk** of febrile seizures.
  - No added protection from varicella vs. separate vaccines.
  - Based on CDC Immunization Safety Office data (Sept 18, 2025).
- The committee also voted to ensure that the standalone vaccination is covered by the Vaccines for Children Program.

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Summary of Key Changes

- **COVID-19:** Individual/shared decision-making model.
- **Hepatitis B:** Universal prenatal testing.
- **Varicella:** Separate MMR + Varicella vaccines for toddlers.
- **Coverage:** Consistent across all public and private programs.

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Vaccines Covered by VFC

- The VFC program covers **all vaccines recommended by the ACIP** for children and adolescents, including:
  - **DTaP, Tdap**
  - **Hepatitis A & B**
  - **Hib**
  - **HPV**
  - **Influenza (flu)**
  - **MMR**
  - **Meningococcal (MenACWY, MenB)**
  - **Pneumococcal (PCV15, PCV20)**

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Vaccines Covered by VFC (cont.)

- The VFC program covers **all vaccines recommended by the ACIP** for children and adolescents, including (cont.):
  - **Polio (IPV)**
  - **Rotavirus**
  - **Varicella (chickenpox)**
  - **COVID-19** (updated annual formulation)
  - **RSV (nirsevimab)** for infants during RSV season

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California Assembly Bill 144 – Vaccine Access & Coverage

- Ensuring Vaccine Access in California
  - Enacted in response to **potential federal changes**
  - Aims to **protect access** to immunizations and preventive care
  - Reinforces California's **independent public health authority**

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California Assembly Bill 144 – Vaccine Access & Coverage (cont.)

- CDPH Empowered to Set Vaccine Policy
  - CDPH can issue **state-specific vaccine recommendations**
  - May **differ from federal guidance** (e.g., ACIP/CDC)
  - Informed by:
  - American Academy of Pediatrics (AAP)
  - American College of Obstetricians and Gynecologists (ACOG)
  - American Academy of Family Physicians (AAFP)

California Assembly Bill 144 – Vaccine Access & Coverage (cont.)

- **Mandated Insurance Coverage**-No-Cost Preventive Care
  - Health plans must cover:
    - **Vaccines & preventive services**
    - **No cost-sharing** (e.g., copays, deductibles)
  - Coverage must follow **CDPH recommendations**, even if **off-label**

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California Assembly Bill 144 – Vaccine Access & Coverage (cont.)

- Guaranteed Access to Critical Vaccines
  - **COVID-19, Influenza, RSV** vaccines remain covered
  - Applies to **all Californians**, including:
    - Children **6 months and older**
    - Adults regardless of risk status
  - Aligns with **CDPH**, not recent **ACIP individual-choice model**

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California Assembly Bill 144 – Vaccine Access & Coverage (cont.)

- Legal Protections for Providers
  - Providers protected when following **CDPH vaccine guidance**
  - Encourages continued **vaccine administration** without legal risk
  - Supports **public health confidence** and provider participation

California Assembly Bill 144 – Vaccine Access & Coverage (cont.)

- Summary
  - CDPH can issue independent vaccine guidance
  - Mandatory insurance coverage for CDPH-recommended vaccines
    COVID-19, flu, and RSV vaccines remain accessible
  - Legal protections for vaccine providers

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California AB 144 – Pharmacist Vaccine Authority

- Empowering Pharmacists in Vaccine Delivery
  - AB 144 expands pharmacists' role in immunization
  - Focus on **COVID-19** and **CDPH-recommended vaccines**
  - Enhances **access, authority, and protection**
- Pharmacists Can Prescribe & Administer
  - No physician prescription required
  - Applies to vaccines **recommended by CDPH**
  - Increases **access points** for immunization

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California AB 144 – Pharmacist Vaccine Authority (cont.)

- CDPH Guidelines Take Precedence
  - Pharmacists follow **California-specific recommendations**
  - May differ from **ACIP/CDC guidance**

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California AB 144 – Pharmacist Vaccine Authority (cont.)

- Legal Protections for Pharmacists
  - Protected when following **CDPH vaccine guidance**
  - Applies to **all healthcare providers**
  - Effective through **January 1, 2030**
- Coverage Without Cost-Sharing
  - Insurers must cover **CDPH-recommended vaccines**
  - No copays or deductibles
  - Ensures **pharmacists are reimbursed** for vaccine services

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Questions?

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2025–26 Legislative Tracking Matrix

Bill Number Author	Bill Summary	Bill Status	Position/Notes
Behavioral Health			
SB 483 Stern	**Mental Health Diversion:** Would require that a court be satisfied that a recommended mental health treatment program is consistent with the underlying purpose of mental health diversion and meets the specialized treatment needs of the defendant. ***Potential CalOptima Health Impact*:** Increased oversight of behavioral health treatment for members.	**07/16/2025** Passed Assembly Public Safety Committee; referred to Assembly Appropriations Committee **06/04/2025** Passed Senate floor	CalOptima Health: Watch
SB 626 Smallwood-Cuevas	**Maternal Mental Health Screenings and Treatment:** Would require a licensed health care practitioner who provides perinatal care for a patient to screen, diagnose and treat the patient for a maternal mental health condition. ***Potential CalOptima Health Impact:*** Increased access to behavioral health services for eligible members.	**07/15/2025** Passed Assembly Health Committee; referred to Assembly Appropriations Committee **06/02/2025** Passed Senate floor	CalOptima Health: Watch CAHP: Oppose
SB 812 Allen	**Qualified Youth Drop-In Center Health Care Coverage:** Would require a health plan to provide coverage for mental health and substance use disorders at a qualified youth drop-in center, defined as a center providing behavioral or primary health and wellness services to youth 12 to 25 years of age with the capacity to provide services before and after school hours and that has been designated by or embedded with a local educational agency or institution of higher education. ***Potential CalOptima Health Impact*:** Increased access to behavioral health services for CalOptima Health Medi-Cal youth members.	**07/16/2025** Passed Assembly Health Committee; referred to Assembly Appropriations Committee **05/28/2025** Passed Senate floor	CalOptima Health: Watch CAHP: Concerns
AB 37 Elhawary	**Behavioral Health Workforce:** Would require the California Workforce Development Board to study how to expand the workforce of mental health service providers providing services to homeless persons. ***Potential CalOptima Health Impact*:** Increased access to behavioral health services for members experiencing homelessness.	**03/13/2025** Referred to Assembly Labor and Employment Committee	CalOptima Health: Watch

Bill Number Author	Bill Summary	Bill Status	Position/Notes
AB 348 Krell	**Full-Service Partnership:** Would establish presumptive eligibility for Full-Service Partnership programs contingent upon meeting criteria and receiving recommendation for enrollment by a licensed behavioral health clinician. ***Potential CalOptima Health Impact*:** Increased continuity of care for members with serious mental illness.	**09/11/2025** Assembly concurred in amendments; ordered to the Governor **09/03/2025** Passed Senate floor **05/12/2025** Passed Assembly floor	CalOptima Health: Watch
AB 384 Connolly	**Inpatient Prior Admission Authorization:** Would prohibit a health plan from requiring prior authorization for admission to medically necessary 24-hour care in inpatient settings, including general acute care hospitals and psychiatric hospitals, for mental health and substance use disorders (SUDs) as well as for any medically necessary services provided to a beneficiary while admitted for that care. ***Potential CalOptima Health Impact*:** Modified utilization management (UM) procedures for covered Medi-Cal benefits.	**04/22/2025** Passed Assembly Health Committee; referred to Assembly Appropriations Committee	CalOptima Health: Watch CAHP: Oppose
AB 423 Davies	**Disclosures for Alcoholism, Drug Abuse Recovery or Treatment Programs and Facilities:** Would mandate a business-operated recovery residence to register its location with the California Department of Health Care Services (DHCS). ***Potential CalOptima Health Impact*:** Increased oversight for members who have received SUD treatment.	**02/18/2025** Referred to Assembly Health Committee	CalOptima Health: Watch
AB 618 Krell	**Behavioral Health Data Sharing:** Would require each Medi-Cal managed care plan (MCP), county specialty mental health plan (MHP) and Drug Medi-Cal program to electronically share data for its members to support coordination of behavioral health services. Would also require the DHCS, in consultation with the California Health and Human Services Agency (CalHHS), to determine minimum data elements and the frequency and format of data sharing through a stakeholder process and guidance, with final guidance to be published by January 1, 2027. ***Potential CalOptima Health Impact*:** Increased coordination between Medi-Cal delivery systems regarding behavioral health services.	**07/07/2025** Passed Senate Health Committee; referred to Senate Appropriations Committee **06/03/2025** Passed Assembly floor	**05/07/2025** CalOptima Health: SUPPORT LHPC: Sponsor

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Bill Number Author	Bill Summary	Bill Status	Position/Notes
AB 877 Dixon	**Nonmedical SUD Treatment:** Would require DHCS and the California Department of Managed Health Care (DMHC) to send a letter to the chief financial officer of every health plan (including a Medi-Cal MCP) that provides SUD coverage in residential facilities. The letter must inform the plan that SUD treatment in licensed or unlicensed facilities is almost exclusively nonmedical, with rare exceptions, including for billing purposes. These provisions would be repealed on January 1, 2027. ***Potential CalOptima Health Impact*:** Enhanced transparency and clarity around nonmedical treatment provided for SUDs.	**03/03/2025** Referred to Assembly Health Committee	CalOptima Health: Watch
AB 951 Ta	**Autism Diagnosis:** Prohibits a health plan from requiring an enrollee previously diagnosed with pervasive developmental disorder or autism to receive a diagnosis to maintain coverage for behavioral health treatment for their condition. ***Potential CalOptima Health Impact*:** Increased access to care for specific behavioral health treatments.	**07/30/2025** Signed into law	CalOptima Health: Watch

Bill Number Author	Bill Summary	Bill Status	Position/Notes
Budget			
H.R. 1 Arrington (TX)	**One Big Beautiful Bill Act:** Makes substantial changes to Medicaid program funding and policies, including but not limited to the following: • Work, community service and/or education requirement of 80 hours per month for able-bodied adults without dependents (with exceptions for pregnant women, foster youth, medically frail, caregivers and others), effective December 31, 2026, or no later than December 31, 2028 • Increased frequency of eligibility redeterminations for Medicaid Expansion (MCE) enrollees from annually to every six months, effective December 31, 2026 • Emergency Medicaid services provided to all undocumented beneficiaries subject to the traditional Federal Medical Assistance Percentage (FMAP) — 50% in California — regardless of the FMAP for which those would otherwise be eligible, effective October 1, 2026 Cost-sharing for MCE enrollees with incomes of 100–138% Federal Poverty Level (FPL), not to exceed $35 per service and 5% of total income, and not to be applied to primary, prenatal, pediatric, or emergency care, effective October 1, 2028 • Prohibition on any new or increased provider taxes, effective immediately • Significant restrictions on current Managed Care Organization (MCO) taxes, which could effectively repeal California's MCO tax that was recently made permanent by Proposition 35 (2024), with a potential winddown period of up to three fiscal years (FYs) ***Potential CalOptima Health Impact*:** Reduced funding to CalOptima Health and contracted providers; decreased number of members; increased administrative costs; implementation of co-pay systems; increased financial and administrative burdens for some existing members; decreased health care utilization by some existing members; reduced benefits for some existing members. A separate overview is also enclosed.	**07/04/2025** Signed into law	**05/20/2025** CalOptima Health: OPPOSE

Bill Number Author	Bill Summary	Bill Status	Position/Notes
SB 101 Wiener **AB 102** Gabriel	**Budget Act of 2025:** Makes appropriations for the government of the State of California for FY 2025–26. Total spending is $321 billion, of which $228.4 billion is from the General Fund. ***Potential CalOptima Health Impact:*** An overview of the FY 2025–26 Enacted State Budget is enclosed.	**06/30/2025** Signed into law	CalOptima Health: Watch
AB 100 Gabriel	**Budget Acts of 2023 and 2024:** Increases Medi-Cal's current FY 2024–25 General Fund appropriation by $2.8 billion and federal funds appropriation by $8.25 billion in order to solve a deficiency in the Medi-Cal budget. ***Potential CalOptima Health Impact:*** Continued funding for current Medi-Cal rates and initiatives through June 30, 2025.	**04/14/2025** Signed into law	CalOptima Health: Watch
AB 116 Committee on Budget	**Health Omnibus Trailer Bill:** Consolidates and enacts certain budget trailer bill language containing policy changes needed to implement health-related budget expenditures. Provisions related to the Medi-Cal program include but are not limited to the following: • Enrollment freeze for undocumented individuals 19 years or older, effective no sooner than January 1, 2026, with exceptions for pregnant individuals • Implementation of $30 monthly premiums for undocumented individuals ages 19-59, effective no sooner than July 1, 2027 • Reinstatement of the asset limit at $130,000 for individuals, adding $65,000 for each additional household member, capping at 10 members, effective January 1, 2026 • Enacts PACE provider sanctions, effective immediately ***Potential CalOptima Health Impact:*** An overview of the FY 2025–26 Enacted State Budget is enclosed.	**06/30/2025** Signed into law	CalOptima Health: Watch

Bill Number Author	Bill Summary	Bill Status	Position/Notes
California Advancing and Innovating Medi-Cal (CalAIM)			
SB 324 Menjivar	**Enhanced Care Management (ECM) and Community Supports Contracting:** Would require a Medi-Cal MCP to give preference to contracting with community providers that demonstrate capability of providing access and meeting quality requirements when covering the ECM benefit and/or Community Supports. In addition, would require DHCS to develop standardized templates to be used by MCPs. Would also require DHCS to develop guidance to allow community providers to subcontract with other community providers. ***Potential CalOptima Health Impact*:** Increased collaboration with community providers and standardized contracts.	**07/01/2025** Passed Assembly Health Committee; referred to Assembly Appropriations Committee **05/27/2025** Passed Senate floor	CalOptima Health: Watch CAHP: Watch LHPC: Oppose
AB 543 Gonzalez	**Street Medicine:** Would authorize a Medi-Cal MCP to elect to offer Medi-Cal covered services through a street medicine provider. MCPs that elect to do so would be required to allow a Medi-Cal beneficiary who is experiencing homelessness to receive those services directly from a contracted street medicine provider, regardless of the beneficiary's network assignment. Additionally, would require the MCP to allow a contracted street medicine provider enrolled in Medi-Cal to directly refer the beneficiary for covered services within the appropriate network and share that information with the relevant county for inclusion in CalSAWS. ***Potential CalOptima Health Impact*:** Continued access to street medicine services for members experiencing homelessness.	**09/10/2025** Assembly concurred in amendments; ordered to the Governor **09/09/2025** Passed Senate floor **06/02/2025** Passed Assembly floor	CalOptima Health: Watch CAHP: Watch
Covered Benefits			
SB 40 Wiener	**Insulin Coverage:** Would prohibit a health plan, effective January 1, 2026 (or a policy offered in the individual or small group market, effective January 1, 2027), from imposing a copayment or other cost sharing of more than $35 for a 30-day supply of an insulin prescription drug or imposing a deductible, coinsurance, or any other cost sharing on an insulin prescription drug. Additionally, would require a health plan to cover all types of insulin without step therapy on and after January 1, 2026. ***Potential CalOptima Health Impact:*** Decreased out-of-pocket costs for future members enrolled in Covered California line of business; new UM procedures.	**09/09/2025** Senate concurred in amendments; ordered to the Governor **09/03/2025** Passed Assembly floor **05/28/2025** Passed Senate floor	CalOptima Health: Watch CAHP: Oppose

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Bill Number Author	Bill Summary	Bill Status	Position/Notes
SB 62 Menjivar **AB 224** Bonta	**Essential Health Benefits (EHBs):** Would express the intent of the Legislature to review California's EHB benchmark plan and establish a new benchmark plan for the 2027 plan year. Additionally, upon approval from the United States Department of Health and Human Services and by January 1, 2027, would require the new benchmark plan include certain additional benefits, including coverage for fertility services, hearing aids and exams, and durable medical equipment. ***Potential CalOptima Health Impact:*** New covered benefits for future members enrolled in Covered California line of business.	**09/08/2025** Senate concurred in SB 62 amendments; ordered to the Governor **07/15/2025** SB 62 passed Assembly floor **05/27/2025** SB 62 passed Senate floor **09/15/2025** Assembly concurred in AB 224 amendments; ordered to the Governor **09/03/2025** AB 224 passed Senate floor **05/29/2025** AB 224 passed Assembly floor	CalOptima Health: Watch CAHP: Concerns
SB 535 Richardson **AB 575** Arambula	**Obesity Care Access Act:** Would require an individual or group health care plan that provides coverage for outpatient prescription drug benefits to cover at least one specified anti-obesity medication and bariatric surgery for the treatment of obesity. ***Potential CalOptima Health Impact:*** Expanded covered benefits for future members enrolled in Covered California line of business.	**07/15/2025** SB 535 passed Assembly Health Committee; referred to Assembly Appropriations Committee **05/28/2025** SB 535 passed Senate floor **02/24/2025** AB 575 referred to Assembly Health Committee	CalOptima Health: Watch CAHP: Oppose
AB 242 Boerner	**Genetic Disease Screening:** Would expand statewide newborn screenings to include Duchenne muscular dystrophy by January 1, 2027. ***Potential CalOptima Health Impact:*** Expanded covered benefits for members.	**04/01/2025** Passed Assembly Health Committee; referred to Assembly Appropriations Committee	CalOptima Health: Watch
AB 298 Bonta	**Cost-Sharing Under Age 21:** Effective January 1, 2026, would prohibit a health plan from imposing a deductible, coinsurance, copayment, or other cost-sharing requirement for in-network health care services provided to an individual under 21 years of age, with certain exceptions for high deductible health plans that are combined with a health savings account. ***Potential CalOptima Health Impact:*** Increased costs for CalOptima Health; decreased costs for future members enrolled in Covered California line of business under 21 years of age.	**02/10/2025** Referred to Assembly Health Committee	CalOptima Health: Watch

Bill Number Author	Bill Summary	Bill Status	Position/Notes
AB 350 Bonta	**Fluoride Treatments:** Would require a health plan to provide coverage for fluoride varnish in the primary care setting for children under 21 years of age by January 1, 2026. ***Potential CalOptima Health Impact:*** New covered benefit for pediatric members.	**08/29/2025** Passed Senate Appropriations Committee; referred to Senate floor **07/02/2025** Passed Senate Health Committee **06/02/2025** Passed Assembly floor	CalOptima Health: Watch CAHP: Oppose
AB 432 Bauer-Kahan	**Menopause:** Would require a health plan that covers outpatient prescription drugs to provide coverage for evaluation and treatment options for symptoms of perimenopause and menopause. Would also require a health plan to annually provide clinical care recommendations for hormone therapy to all contracted primary care providers who treat individuals with perimenopause and menopause. ***Potential CalOptima Health Impact:*** New covered benefits for members; increased communications to providers.	**09/10/2025** Assembly concurred in amendments; ordered to the Governor **09/09/2025** Passed Senate floor **06/03/2025** Passed Assembly floor	CalOptima Health: Watch CAHP: Oppose
AB 636 Ortega	**Diapers:** Would add diapers as a covered Medi-Cal benefit for the following individuals, contingent upon an appropriation by the Legislature: • Children greater than three years of age diagnosed with a condition that contributes to incontinence • Other individuals under 21 years of age to address a condition pursuant to Early and Periodic Screening, Diagnostic, and Treatment (EPSDT) standards ***Potential CalOptima Health Impact:*** New covered benefit for pediatric members.	**04/01/2025** Passed Assembly Health Committee; referred to Assembly Appropriations Committee	CalOptima Health: Watch

Bill Number Author	Bill Summary	Bill Status	Position/Notes
Medi-Cal Eligibility and Enrollment			
AB 315 Bonta	**Home and Community-Based Alternatives (HCBA) Waiver:** Would remove the cap on the number of HCBA Waiver slots and instead require DHCS to enroll all eligible individuals who apply for HCBA Waiver services. By March 1, 2026, would require DHCS to seek any necessary waiver amendments to ensure there is sufficient capacity to enroll all individuals currently on a waiting list. Would also require DHCS by March 1, 2026, to submit a rate study to the Legislature addressing the sustainability, quality and transparency of rates for the HCBA Waiver. ***Potential CalOptima Health Impact*:** Expanded member access to HCBA Waiver services.	**03/25/2025** Passed Assembly Health Committee; referred to Assembly Appropriations Committee	CalOptima Health: Watch
AB 974 Patterson	**Managed Care Enrollment Exemption:** Would exempt any dual-eligible and non-dual-eligible beneficiaries who receive services from a regional center and who use the Medi-Cal fee-for-service delivery system as a secondary form of health care coverage from mandatory enrollment in a Medi-Cal MCP. ***Potential CalOptima Health Impact:*** Decreased number of members.	**04/22/2025** Passed Assembly Health Committee; referred to Assembly Appropriations Committee	CalOptima Health: Watch
AB 1012 Essayli	**Unsatisfactory Immigration Status:** Would make an individual who does not have satisfactory immigrant status ineligible for Medi-Cal benefits. In addition, would transfer funds previously appropriated for such eligibility to a newly created Serving our Seniors Fund to restore and maintain payments for Medicare Part B premiums for eligible individuals. ***Potential CalOptima Health Impact:*** Decreased number of members.	**02/21/2025** Introduced	CalOptima Health: Watch
AB 1161 Harabedian	**State of Emergency Continuous Eligibility:** Would require DHCS and the California Department of Social Services to provide continuous eligibility for its applicable programs (including Medi-Cal and CalFresh) to all beneficiaries within a geographic region who have been affected by a state of emergency or a health emergency. ***Potential CalOptima Health Impact*:** Extended Medi-Cal eligibility for certain members.	**04/29/2025** Passed Assembly Health Committee; referred to Assembly Appropriations Committee **04/08/2025** Passed Assembly Human Services Committee	CalOptima Health: Watch

Bill Number Author	Bill Summary	Bill Status	Position/Notes
Medi-Cal Operations and Administration			
SB 278 Cabaldon	**Health Data HIV Test Results:** Would authorize disclosures of HIV test results that identify or include identifying characteristics of a Medi-Cal beneficiary without written authorization of the member or their representative to the MCP for quality improvement efforts such as value-based payment and incentive programs. ***Potential CalOptima Health Impact:*** Increased quality oversight of HIV program development.	**09/09/2025** Senate concurred in amendments; ordered to the Governor **09/08/2025** Passed Assembly floor **05/29/2025** Passed Senate floor	CalOptima Health: Watch
SB 497 Wiener	**Legally Protected Health Care Activity:** Would prohibit a health care provider, health plan, or contractor from releasing medical information related to a person seeking or obtaining gender-affirming health care or mental health care in response to a criminal or civil action. Would also prohibit these entities from cooperating with or providing medical information to an individual, agency, or department from another state or to a federal law enforcement agency or in response to a foreign subpoena. ***Potential CalOptima Health Impact:*** Increased protection of medical information related to gender-affirming care; increased staff training regarding disclosure processes.	**09/10/2025** Senate concurred in amendments; ordered to the Governor **09/09/2025** Passed Assembly floor **06/02/2025** Passed Senate floor	CalOptima Health: Watch
SB 530 Richardson	**Medi-Cal Time and Distance Standards:** Would extend current Medi-Cal time and distance standards until January 1, 2029. In addition, would require a Medi-Cal MCP to ensure that each subcontractor network complies with certain appointment time standards and incorporate into reporting to DHCS, unless already required to do so. Additionally, the use of telehealth providers to meet time or distance standards would not absolve the MCP of responsibility to provide a beneficiary with access, including transportation, to in-person services if the beneficiary prefers. ***Potential CalOptima Health Impact:*** Increased oversight of contracted providers; increased reporting to DHCS.	**09/10/2025** Senate concurred in amendments; ordered to the Governor **09/09/2025** Passed Assembly floor **05/29/2025** Passed Senate floor	CalOptima Health: Watch

Bill Number Author	Bill Summary	Bill Status	Position/Notes
SB 660 Menjivar	**California Health and Human Services Data Exchange Framework (DxF):** Would require the Center for Data Insights and Innovation within California Health and Human Services Agency (CalHHS) to absorb all functions related to the DxF initiative, including the data sharing agreement and policies and procedures, by January 1, 2026. Additionally, would expand DxF to include social services information. ***Potential CalOptima Health Impact:*** Increased care coordination with social service providers.	**09/10/2025** Senate concurred in amendments; ordered to the Governor **09/09/2025** Passed Assembly floor **06/02/2025** Passed Senate floor	CalOptima Health: Watch
AB 45 Bauer-Kahan	**Reproductive Data Privacy:** Would prohibit the collection, use, disclosure, sale, sharing, or retention of the information of a person who is physically located at, or within a precise geolocation of, a family planning center, except any collection or use necessary to perform services or provide goods that have been requested. Would also authorize an aggrieved person to institute and prosecute a civil action against any person or organization in violation of these provisions. ***Potential CalOptima Health Impact:*** Increased safeguards regarding reproductive health information.	**09/13/2025** Assembly concurred in amendments; ordered to the Governor **09/12/2025** Passed Senate floor **06/03/2025** Passed Assembly floor	CalOptima Health: Watch
AB 257 Flora	**Specialty Telehealth Network Demonstration:** Would require the establishment of a demonstration project or grant program for a telehealth and other virtual services specialty care network designed to serve patients of safety-net providers. ***Potential CalOptima Health Impact:*** Expanded member access to telehealth specialists.	**03/25/2025** Passed Assembly Health Committee; referred to Assembly Appropriations Committee	CalOptima Health: Watch CAHP: Oppose
AB 316 Krell	**Artificial Intelligence Defenses:** Prohibits a defendant that developed or used artificial intelligence from asserting a defense that artificial intelligence autonomously caused the alleged harm to the plaintiff. ***Potential CalOptima Health Impact:*** Increased liability related to UM procedures.	**09/09/2025** Assembly concurred in amendments; ordered to the Governor **09/08/2025** Passed Senate floor **05/19/2025** Passed Assembly floor	CalOptima Health: Watch

Bill Number Author	Bill Summary	Bill Status	Position/Notes
AB 403 Ortega	**Medi-Cal Community Health Service Workers:** Would require DHCS to annually review the Community Health Worker (CHW) benefit and present an analysis to the Legislature beginning July 1, 2027. The analyses would include an assessment of Medi-Cal MCP outreach and education efforts, CHW utilization and services, demographic disaggregation of the CHWs and beneficiaries receiving services, and fee-for-service reimbursement data. ***Potential CalOptima Health Impact:*** New reporting requirements to DHCS.	**03/25/2025** Passed Assembly Health Committee; referred to Assembly Appropriations Committee	CalOptima Health: Watch
AB 577 Wilson	**Prescription Drug Antisteering:** Would prohibit a health plan or pharmacy benefit manager (PBM) from engaging in specified steering practices, including requiring an enrollee to use a retail pharmacy for dispensing prescription oral medications and imposing any requirements, conditions or exclusions that discriminate against a physician in connection with dispensing prescription oral medications. Additionally, would require a health care provider, physician's office, clinic or infusion center to obtain consent from an enrollee and disclose a good faith estimate of the applicable cost-sharing amount before supplying or administering an injected or infused medication. ***Potential CalOptima Health Impact:*** Increased oversight of contracted PBM and referral processes.	**04/29/2025** Passed Assembly Health Committee; referred to Assembly Appropriations Committee	CalOptima Health: Watch
AB 688 Gonzalez	**Telehealth for All Act of 2025:** Beginning in 2028 and every two years thereafter, would require DHCS to use Medi-Cal data and other data sources to produce analyses in a publicly available Medi-Cal telehealth utilization report. ***Potential CalOptima Health Impact:*** New reporting requirements to DHCS.	**08/28/2025** Assembly concurred in amendments; ordered to the Governor **08/08/2025** Passed Senate floor **06/02/2025** Passed Assembly floor	CalOptima Health: Watch
AB 980 Arambula	**Health Plan Duty of Care:** As it pertains to the required "duty of ordinary care" by a health plan, would define "medically necessary health care service" to mean legally prescribed medical care that is reasonable and comports with the medical community standard. ***Potential CalOptima Health Impact:*** Modified UM procedures.	**04/22/2025** Re-referred to Assembly Health Committee	CalOptima Health: Watch

Bill Number Author	Bill Summary	Bill Status	Position/Notes
Older Adult Services			
SB 242 Blakespear	**Medicare Supplemental Coverage Open Enrollment Periods:** Would make Medicare supplemental benefit plans available to qualified applicants with end stage renal disease under the age of 64 years. Would also create an annual open enrollment period for Medicare supplemental benefit plans and prohibit such plans from denying an application or adjusting premium pricing due to a preexisting condition. Additionally, would authorize premium rates offered to applicants during the open enrollment period to vary based on the applicant's age at the time of issue, but would prohibit premiums from varying based on age after the contract is issued. ***Potential CalOptima Health Impact:*** Expanded Medicare coverage options for dual-eligible members.	**04/30/2025** Passed Senate Health Committee; referred to Senate Appropriations Committee	CalOptima Health: Watch CAHP: Oppose
SB 412 Limón	**Home Care Aides:** Would require a home care organization to ensure that a home care aide completes training related to the special care needs of clients with dementia prior to providing care and annually thereafter. ***Potential CalOptima Health Impact:*** New training requirements for PACE staff.	**09/09/2025** Senate concurred in amendments; ordered to the Governor **08/28/2025** Passed Assembly floor **05/08/2025** Passed Senate floor	CalOptima Health: Watch
Providers			
SB 32 Weber Pierson	**Timely Access to Care:** Would require DHCS, DMHC and the California Department of Insurance to consult stakeholders for the development and adoption of geographic accessibility standards of perinatal units to ensure timely access for enrollees by July 1, 2027. ***Potential CalOptima Health Impact:*** Additional timely access standards; increased contracting with perinatal units.	**07/01/2025** Passed Assembly Health Committee; referred to Assembly Appropriations Committee **06/02/2025** Passed Senate floor	CalOptima Health: Watch LHPC: Oppose
SB 250 Ochoa Bogh	**Medi-Cal Provider Directory — Skilled Nursing Facilities:** Would require an annually updated provider directory issued by a Medi-Cal MCP to include skilled nursing facilities as a searchable provider type. ***Potential CalOptima Health Impact:*** Modifications to CalOptima Health's online provider directory.	**09/10/2025** Senate concurred in amendments; ordered to the Governor **09/04/2025** Passed Assembly floor **05/29/2025** Passed Senate floor	CalOptima Health: Watch

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Bill Number Author	Bill Summary	Bill Status	Position/Notes
SB 306 Becker	**Prior Authorization Exemption:** No later than January 1, 2028, would eliminate prior authorization for the most frequently approved covered health care services, except in cases of fraudulent provider activity or clinically inappropriate care ***Potential CalOptima Health Impact:*** Implementation of new UM procedures to assess prior authorization approval rates; decreased number of prior authorizations; decreased care coordination for members.	**09/09/2025** Senate concurred in amendments; ordered to the Governor **09/08/2025** Passed Assembly floor **05/28/2025** Passed Senate floor	CalOptima Health: Watch CAHP: Oppose Unless Amended LHPC: Oppose Unless Amended
SB 504 Laird	**HIV Reporting:** Would authorize a health care provider for a patient with an HIV infection that has already been reported to a local health officer to communicate with a local health officer or the California Department of Public Health (CDPH) to obtain public health recommendations on care and treatment or to refer the patient to services provided by CDPH. ***Potential CalOptima Health Impact:*** Increased coordination of care for HIV-positive members.	**09/09/2025** Senate concurred in amendments; ordered to the Governor **09/08/2025** Passed Assembly floor **05/08/2025** Passed Senate floor	CalOptima Health: Watch
AB 29 Arambula	**Adverse Childhood Experiences (ACEs) Screening Providers:** Would require DHCS to include community-based organizations, local health jurisdictions and doulas as qualified providers for ACEs trauma screenings and require clinical or other appropriate referrals as a condition of Medi-Cal payment for conducting such screenings. ***Potential CalOptima Health Impact:*** Increased access to care for pediatric members with ACEs.	**04/01/2025** Passed Assembly Health Committee; referred to Assembly Appropriations Committee	CalOptima Health: Watch
AB 50 Bonta	**Over-the-Counter Contraceptives:** Would allow pharmacists to provide over-the-counter hormonal contraceptives without following certain procedures and protocols, such as requiring patients to complete a self-screening tool. As such, these requirements would become limited to prescription-only hormonal contraceptives. ***Potential CalOptima Health Impact:*** Increased member access to hormonal contraceptives.	**09/08/2025** Assembly concurred in amendments; ordered to the Governor **09/08/2025** Passed Senate floor **04/28/2025** Passed Assembly floor	CalOptima Health: Watch

Bill Number Author	Bill Summary	Bill Status	Position/Notes
AB 55 Bonta	**Alternative Birth Centers Licensing:** Would remove the requirement for alternative birth centers to provide comprehensive perinatal services as a condition of CDPH licensing and Medi-Cal reimbursement. ***Potential CalOptima Health Impact:*** Decreased member access to comprehensive perinatal services; reduced operating requirements for alternative birth centers.	**09/09/2025** Assembly concurred in amendments; ordered to the Governor **09/08/2025** Passed Senate floor **04/28/2025** Passed Assembly floor	CalOptima Health: Watch LHPC: Support
AB 220 Jackson	**Medi-Cal Subacute Care Authorization:** Would require a provider seeking prior authorization for pediatric subacute or adult subacute care services under the Medi-Cal program to submit a specified form. Additionally, would prohibit a Medi-Cal MCP from developing or using its own criteria for medical necessity and from requiring a subsequent treatment authorization request upon a patient's return from a bed hold for acute hospitalization. ***Potential CalOptima Health Impact:*** Modified UM procedures and forms.	**09/04/2025** Passed Senate floor; referred to Assembly for concurrence in amendments **05/29/2025** Passed Assembly floor	CalOptima Health: Watch
AB 280 Aguiar-Curry	**Provider Directory Accuracy:** Would require health plans to maintain accurate provider directories, starting with minimum 60% accuracy by July 1, 2026, and increasing to 95% by July 1, 2029, or otherwise receive administrative penalties. If a patient relies on inaccurate directory information, would require the provider to be reimbursed at the out-of-network rate without the patient incurring charges beyond in-network cost-sharing amounts. Would also allow DMHC to create a standardized format to collect directory information as well as establish methodologies to ensure accuracy, such as use of a central utility, by January 1, 2026. Additionally, would require a health plan to provide information about in-network providers to enrollees upon request, including whether the provider is accepting new patients at the time, and would limit the cost-sharing amounts an enrollee is required to pay for services from those providers under specified circumstances. ***Potential CalOptima Health Impact:*** Increased oversight of CalOptima Health provider directory; increased coordination with contracted providers; increased penalty payments to DHCS.	**07/09/2025** Passed Senate Health Committee; referred to Senate Appropriations Committee **06/02/2025** Passed Assembly floor	CalOptima Health: Watch CAHP: Oppose LHPC: Oppose

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Bill Number Author	Bill Summary	Bill Status	Position/Notes
AB 375 Nguyen	**Qualified Autism Service Paraprofessional:** Would expand the definition of "health care provider" to also include a qualified autism service paraprofessional. ***Potential CalOptima Health Impact:*** Increased access to autism services for eligible members; additional provider contracting and credentialing.	**04/08/2025** Passed Assembly Business and Professions Committee; referred to Assembly Appropriations Committee	CalOptima Health: Watch
AB 416 Krell	**Involuntary Commitment:** Would authorize a person to be taken into custody by an emergency physician under the Lanterman-Petris-Short Act and would exempt the emergency physician from criminal and civil liability. ***Potential CalOptima Health Impact:*** New legal standards for certain CalOptima Health providers.	**09/11/2025** Assembly concurred in amendments; ordered to the Governor **09/03/2025** Passed Senate floor **05/15/2025** Passed Assembly floor	CalOptima Health: Watch
AB 510 Addis	**Utilization Review Appeals and Grievances:** Would require that an appeal or grievance regarding a decision to delay, deny or modify health services be reviewed by a physician or peer health care professional matching the specialty of the service within two business days. In urgent cases, responses must match the urgency of the patient's condition. If these deadlines are not met, the authorization request would be automatically approved. ***Potential CalOptima Health Impact***: Expedited and modified UM, grievance and appeals procedures for covered Medi-Cal benefits; increased hiring of specialists to review grievances and appeals.	**04/22/2025** Passed Assembly Health Committee; referred to Assembly Appropriations Committee	CalOptima Health: Watch CAHP: Oppose Unless Amended LHPC: Oppose Unless Amended
AB 512 Harabedian	**Prior Authorization Timelines:** Would shorten the timeline for prior or concurrent authorization requests to no more than 24 hours via electronic submission or 48 hours via non-electronic submission for *urgent* requests and three business days via electronic submission or five business days via non-electronic submission for *standard* requests, starting from plan receipt of the information reasonably necessary and requested by the plan to make the determination. ***Potential CalOptima Health Impact***: Expedited and modified UM procedures for covered Medi-Cal benefits.	**09/10/2025** Assembly concurred in amendments; ordered to the Governor **09/09/2025** Passed Senate floor **06/03/2025** Passed Assembly floor	CalOptima Health: Watch CAHP: Oppose Unless Amended LHPC: Oppose Unless Amended

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Bill Number Author	Bill Summary	Bill Status	Position/Notes
AB 517 Krell	**Wheelchair Prior Authorization:** Would prohibit a Medi-Cal MCP from requiring prior authorization for the repair of a Complex Rehabilitation Technology (CRT)-powered wheelchair, if the cost of repair does not exceed $1,250. Would also no longer require a prescription or documentation of medical necessity, if the wheelchair has already been approved for use by the patient. Additionally, would require supplier documentation of the repair. ***Potential CalOptima Health Impact:*** Modified UM procedures for a covered Medi-Cal benefit.	**04/08/2025** Passed Assembly Health Committee; referred to Assembly Appropriations Committee	CalOptima Health: Watch
AB 539 Schiavo	**One-Year Prior Authorization Approval:** Would require a prior authorization for a health care service to remain valid for a period of at least one year, or throughout the course of prescribed treatment if less than one year, from the date of approval. ***Potential CalOptima Health Impact:*** Modified UM procedures for covered Medi-Cal benefits; decreased number of prior authorizations; increased costs.	**05/12/2025** Passed Assembly floor; referred to Senate	CalOptima Health: Watch CAHP: Oppose Unless Amended LHPC: Oppose Unless Amended
AB 787 Papan	**Provider Directory Disclosures:** Would require a health plan to include in its provider directory a statement advising an enrollee to contact the plan for assistance in finding an in-network provider. Would also require the plan to respond within one business day if contacted for such assistance and to provide a list of in-network providers confirmed to be accepting new patients within two business days for urgent requests and five business days for nonurgent requests. Medi-Cal MCPs would not be required to distribute a printed provider directory. ***Potential CalOptima Health Impact:*** Expanded customer service support and staff training; technical changes to CalOptima Health's provider directory.	**06/18/2025** Passed Senate Health Committee; referred to Senate Appropriations Committee **05/05/2025** Passed Assembly floor	CalOptima Health: Watch

Bill Number Author	Bill Summary	Bill Status	Position/Notes
AB 1041 Bennett	**Provider Credentialing:** Would require a health plan to credential a provider within 90 days from the receipt of a completed application, or otherwise conditionally approve the credential. A plan would be required to notify the provider whether the application is complete within 10 days of receipt. Additionally, would require a health plan to use the standardized credentialing form on and after January 1, 2028, or six months after the form is developed, whichever is later. ***Potential CalOptima Health Impact:*** Expedited and modified credentialing procedures for interested providers.	**09/09/2025** Assembly concurred in amendments; ordered to the Governor **09/08/2025** Passed Senate floor **06/03/2025** Passed Assembly floor	CalOptima Health: Watch CAHP: Oppose LHPC: Oppose Unless Amended
Rates & Financing			
SB 339 Cabaldon	**Medi-Cal Laboratory Rates:** Would require Medi-Cal reimbursement rates for clinical laboratory or laboratory services to *equal* the lowest of the following metrics: 1. the amount billed; 2. the charge to the general public; 3. 100% of the lowest maximum allowance established by Medicare; or 4. a reimbursement rate based on an average of the lowest amount that other payers and state Medicaid programs are paying. For any such services related to the diagnosis and treatment of sexually transmitted infections on or after July 1, 2027, the Medi-Cal reimbursement rates shall not consider the rates described in clause (4) listed above. ***Potential CalOptima Health Impact*:** Increased payments to contracted clinical laboratories.	**04/29/2025** Passed Senate Judiciary Committee; referred to Senate Appropriations Committee **04/23/2025** Passed Senate Health Committee	CalOptima Health: Watch

Information in this document is subject to change as bills proceed through the legislative process.

CAHP: California Association of Health Plans
LHPC: Local Health Plans of California

Last Updated: September 22, 2025

2025 Federal Legislative Dates

January 3	119th Congress, 1st Session convenes
July 25–September 1	Summer recess for House
August 2–September 1	Summer recess for Senate
December 19	1st session adjourns

Source: Floor Calendars, United States Congress: https://www.congress.gov/calendars-and-schedules

2025 State Legislative Dates

January 6	Legislature reconvenes
January 10	Proposed budget must be submitted by Governor
February 21	Last day for legislation to be introduced
April 10–20	Spring recess
May 2	Last day for policy committees to hear and report to fiscal committees any fiscal bills introduced in that house
May 9	Last day for policy committees to hear and report to the Floor any non-fiscal bills introduced in that house
May 23	Last day for fiscal committees to hear and report to the Floor any bills introduced in that house
June 2–6	Floor session only
June 6	Last day for each house to pass bills introduced in that house
June 15	Budget bill must be passed by midnight
July 18	Last day for policy committees to hear and report bills in their second house to fiscal committees or the Floor
July 18–August 17	Summer recess
August 29	Last day for fiscal committees to report bills in their second house to the Floor
September 2–12	Floor session only
September 5	Last day to amend bills on the Floor
September 12	Last day for each house to pass bills; interim recess begins upon adjournment
October 12	Last day for Governor to sign or veto bills passed by the Legislature

Source: 2025 Legislative Deadlines, California State Assembly: http://assembly.ca.gov/legislativedeadlines

About CalOptima Health

CalOptima Health is a county organized health system that administers health insurance programs for low-income children, adults, seniors and people with disabilities. As Orange County's community health plan, our mission is to serve member health with excellence and dignity, respecting the value and needs of each person. We provide coverage through three major programs: Medi-Cal, OneCare (HMO D-SNP) and the Program of All-Inclusive Care for the Elderly (PACE).

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H.R. 1: One Big Beautiful Bill Act

Fiscal Year 2025 Federal Budget Reconciliation

As signed into law on July 4, 2025

Please note that H.R. 1 includes several distinct implementation dates over the coming years, but there are no major immediate impacts to Medicaid beneficiaries until 2026.

In addition, most Medicaid provisions of H.R. 1 still require federal rulemaking by the U.S. Centers for Medicare and Medicaid Services (CMS) and subsequent state implementation by the California State Legislature and/or the California Department of Health Care Services (DHCS).

MEDICAID HIGHLIGHTS
Eligibility
Work, community service and/or education requirement of **80 hours per month** for able-bodied adults ages 19–64 (with exceptions for short-term hardship, parents with dependents under age 14, pregnant women, medically frail, caregivers and others), effective **December 31, 2026** (or no later than **December 31, 2028**, at the discretion of the U.S. Secretary of Health and Human Services [HHS])
Increased frequency of eligibility redeterminations for Medicaid Expansion (MCE) enrollees from annually to **every six months**, effective **December 31, 2026**
Financing
Prohibition on any new or increased provider taxes, effective **immediately**
Existing provider taxes (except those related to nursing or intermediate care facilities) would be gradually reduced from the current maximum **6.0%** hold harmless threshold to a new **3.5%** hold harmless threshold by **0.5% annually** from **October 1, 2027, through October 1, 2031**
Significant restrictions on current Managed Care Organization (MCO) taxes, which could effectively **repeal** California's MCO tax that was recently made permanent by Proposition 35 (2024), with a potential winddown period of up to **three fiscal years** at the discretion of the HHS Secretary
Cap on new state-directed payments (SDPs) at **100%** of the Medicare payment rate, effective **immediately**; gradually reduces existing SDPs to that cap by **10% annually**, starting **January 1, 2028**
Emergency Medicaid services provided to all undocumented beneficiaries would be subject to the traditional Federal Medical Assistance Percentage (FMAP) — **50%** in California — regardless of the FMAP for which those would otherwise be eligible, effective **October 1, 2026**
Access
Cost-sharing for MCE enrollees with incomes of **100–138%** Federal Poverty Level (FPL), not to exceed **$35** per service and **5.0%** of total income, and not to be applied to primary, prenatal, pediatric, behavioral or emergency care, effective **October 1, 2028**
Temporary **one-year** prohibition on all Medicaid funding to Planned Parenthood, effective **immediately**

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Fiscal Year 2025–26 Enacted State Budget

On May 14, Governor Gavin Newsom released a Fiscal Year (FY) 2025–26 Revised State Budget Proposal, known as the May Revision. On June 13, the State Senate and State Assembly both passed a counterproposal — Senate Bill (SB) 101 — as a placeholder budget to meet the June 15 constitutional deadline while negotiations with the governor on a final budget remained ongoing.

On June 24, Gov. Newsom and legislative leaders announced a final budget agreement. After both houses of the Legislature passed the agreed-upon revisions as Assembly Bill (AB) 102 on June 27, Gov. Newsom signed both SB 101 and AB 102 into law. Additionally, the Legislature passed and the governor signed the consolidated Health Trailer Bill (AB 116) containing policy changes needed to implement health-related budget expenditures. Together, these bills represent the FY 2025-26 Enacted State Budget.

MEDI-CAL HIGHLIGHTS
Unsatisfactory Immigration Status (UIS)-Member Impacts
Freeze on *new* enrollment of UIS individuals ages 19+ (except those who are pregnant or one-year postpartum), effective **January 1, 2026**, including a three-month grace/cure period for re-enrollment following payment of outstanding premium balances; *currently enrolled* individuals are not affected
Implementation of $30/month premiums for UIS individuals ages 19–59, effectively **July 1, 2027**
Elimination of dental coverage for UIS individuals ages 19+, effective **July 1, 2026**
Elimination of Prospective Payment System rates to Federally Qualified Health Centers for state-only-funded services provided to UIS individuals, effective **July 1, 2026**
All-Member Impacts
Reinstatement of asset limit at $130,000 for individuals (plus $65,000 for each additional household member) in non-Modified Adjusted Gross Income eligibility categories, effective **January 1, 2026**
Elimination of pharmacy coverage for GLP-1 agonists for weight loss; coverage for diabetes and on a case-by-case basis will continue, effective **January 1, 2026**
Elimination of pharmacy coverage of some over-the-counter drugs, including COVID-19 antigen tests, vitamins and certain antihistamines, such as dry eye products, effective **January 1, 2026**
Implementation of prior authorization for hospice services, effective **July 1, 2026**
Limitation on capitation payments to Program of All-Inclusive Care for the Elderly (PACE) organizations at the midpoint of the actuarial rate ranges, effective **January 1, 2027**
Elimination of the Workforce and Quality Incentive Program (WQIP) for skilled nursing facilities, effective **December 31, 2025**, with all close-out activities to be completed by January 1, 2027

State agencies, including the California Department of Health Care Services, will begin implementing the policies included in the enacted budget. Staff will continue to monitor these policies and provide updates regarding issues that have a significant CalOptima Health impact. In addition, the Legislature will continue to advance policy bills through the legislative process. Bills with funding allocated in the enacted budget are more likely to be passed and signed into law. The Legislature has until September 12 to pass legislation, and Gov. Newsom has until October 12 to either sign or veto that passed legislation.

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Finance Update

Member Advisory Committee

Provider Advisory Committee

October 9, 2025

Nancy Huang, Chief Financial Officer

Our Mission

To serve member health with excellence and dignity, respecting the value and needs of each person.

Our Vision

Provide all members with access to care and supports to achieve optimal health and well-being through an equitable and high-quality health care system.

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Overview

- **Who are our members?**
  - Gender and Age
  - Spoken Language
  - By Location
- **Enrollment Trend**
  - Consolidated Enrollment: Distinct Members
- **Financial Highlights, as of August 31, 2025**

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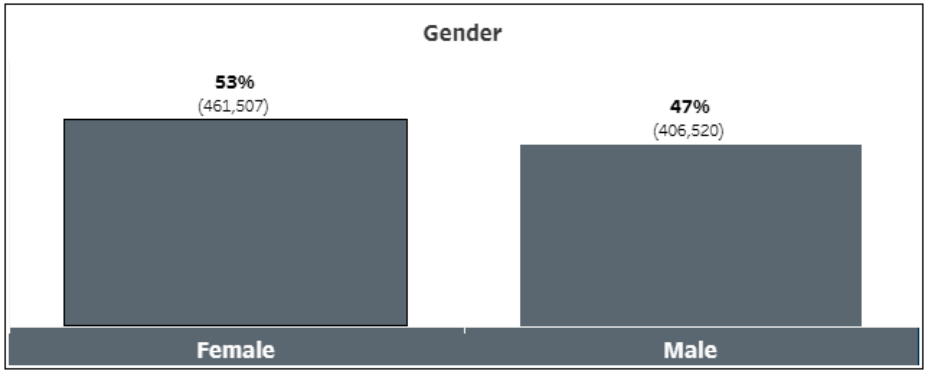
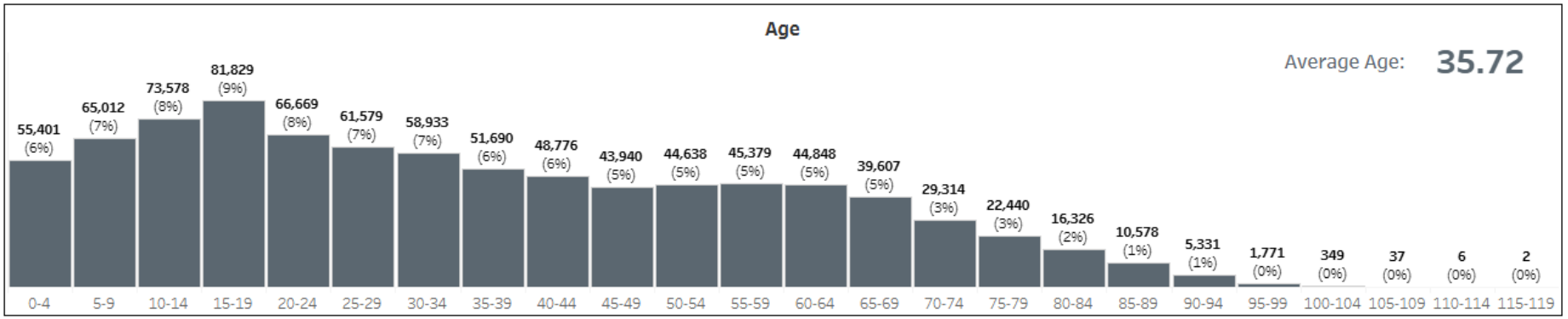
Who are our members: Gender and Age

- **Gender:** 53% Female and 47% Male
- **Average Age:** 35.72





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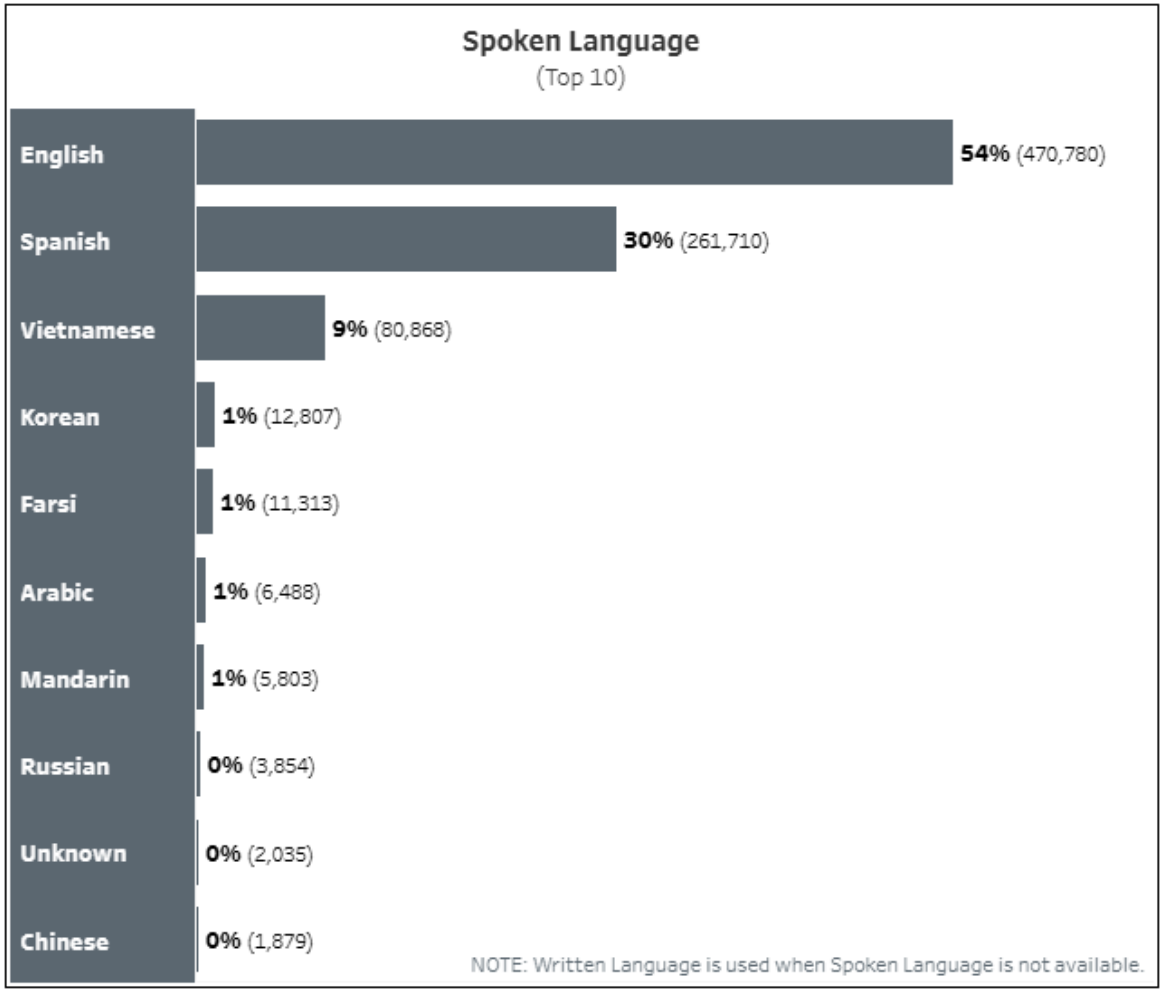
Who are our members: Spoken Language



Threshold Languages:

- English
- Spanish
- Vietnamese
- Korean
- Farsi
- Arabic
- Mandarin Chinese
- Russian

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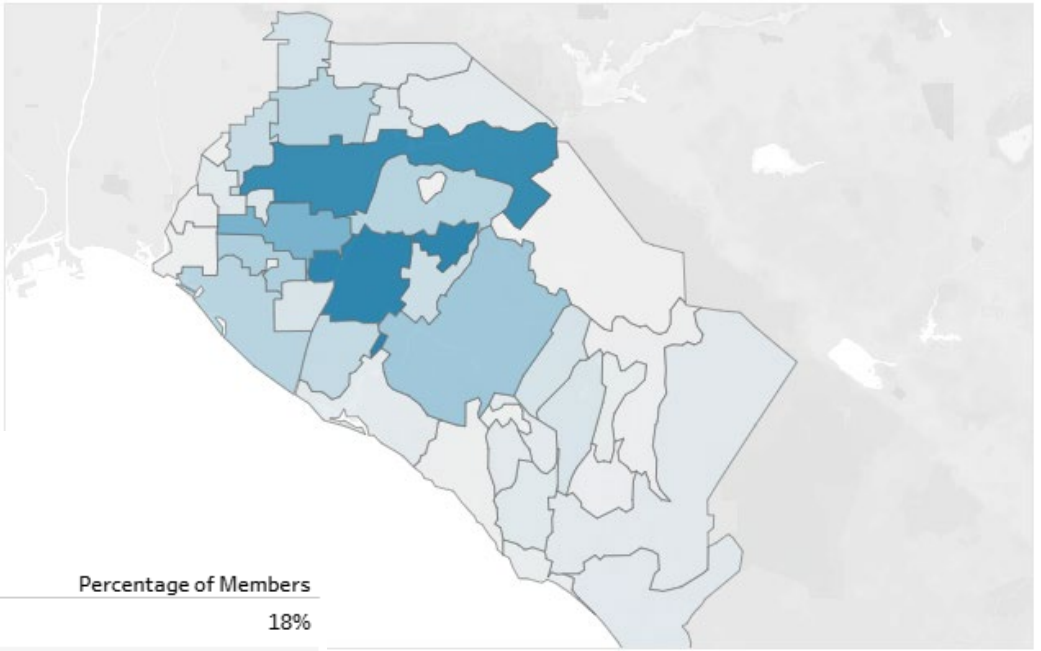
Who are our members: By Location

Top 3 Cities:

- Santa Ana
- Anaheim
- Garden Grove



Membership by City

Top 10 Cities

Member City	Member Months	Percentage of Members
Santa Ana	155,663	18%
Anaheim	144,534	17%
Garden Grove	81,815	9%
Irvine	52,184	6%
Westminster	42,644	5%
Orange	36,350	4%
Fullerton	35,399	4%
Huntington Beach	35,299	4%
Costa Mesa	28,115	3%
Buena Park	24,872	3%

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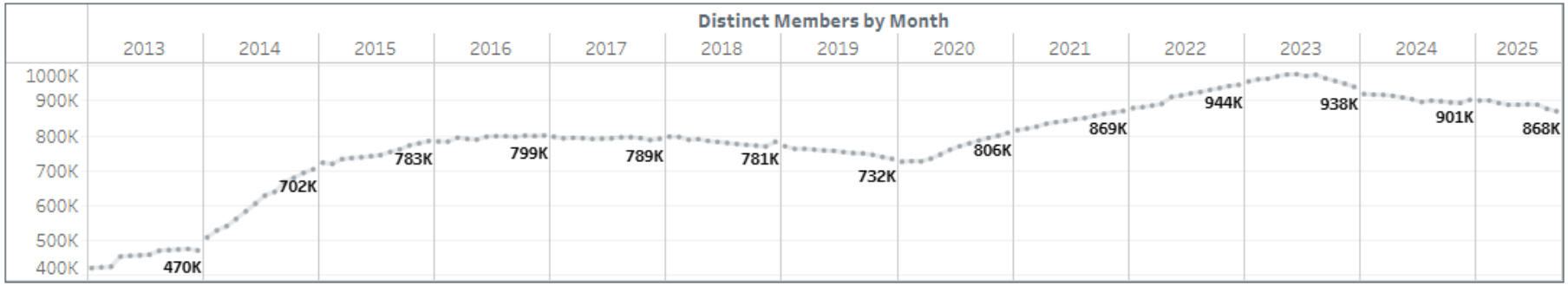
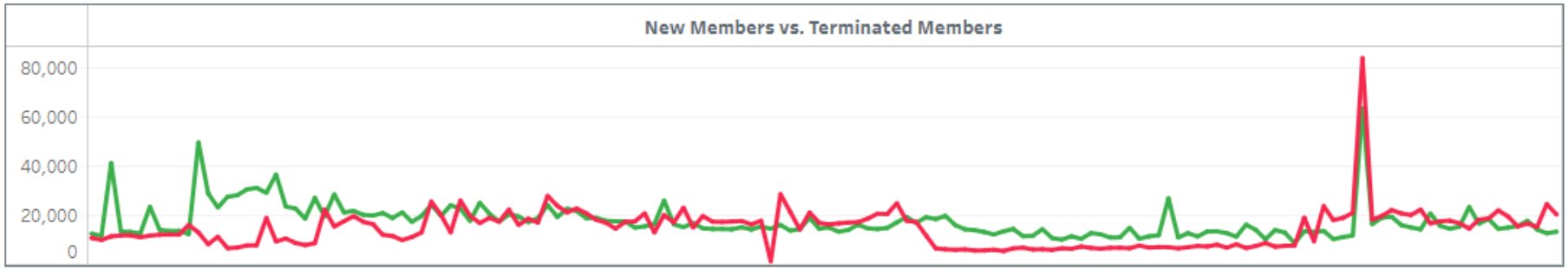
Consolidated Enrollment: Distinct Members





Historical Drivers

A. May 2022 – Undocumented Adults Age 50+

B. January 2023 – OCC Enrollment Moves to OC and MC (Duals)

C. July 2023 – Redetermination Begins

D. January 2024 – Undocumented Adults Age 26-49 (+45K)

E. January 2024 – Kaiser Transition (-55K), Asset Test Elimination

Potential Future Drivers

F. January 2026 – Asset Test Reinstatement

G. January 2026 – UIS Freeze of Enrollment

H. After January 1, 2027 – Work Requirement Instituted, Increase Frequency of Eligibility Checks from 12 to 6 months, Implementation of UIS Premium

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CalOptima Health

Financial Highlights (as of August 31, 2025)

August 2025					July - August 2025			
Actual	Budget	$ Variance	% Variance		Actual	Budget	$ Variance	% Variance
891,812	902,853	(11,041)	(1.2%)	Member Months	1,796,090	1,809,320	(13,230)	(0.7%)
392,561,825	397,270,146	(4,708,321)	(1.2%)	Revenues	789,019,971	796,644,810	(7,624,839)	(1.0%)
351,033,292	369,659,873	18,626,581	5.0%	Medical Expenses	717,746,794	740,530,773	22,783,979	3.1%
21,103,399	24,677,656	3,574,257	14.5%	Administrative Expenses	41,631,276	50,277,498	8,646,222	17.2%
20,425,134	**2,932,617**	**17,492,517**	**596.5%**	**Operating Margin**	**29,641,901**	**5,836,539**	**23,805,362**	**407.9%**
				Non-Operating Income (Loss)				
24,390,390	8,333,340	16,057,050	192.7%	Net Investment Income/Expense	32,307,522	16,666,680	15,640,842	93.8%
(7,901,463)	-	(7,901,463)	(100.0%)	Community Reinvestment	(10,450,081)	-	(10,450,081)	(100.0%)
(22,035)	(138,610)	116,575	84.1%	Other Income/Expense	(162,348)	(277,220)	114,872	41.4%
16,466,892	**8,194,730**	**8,272,162**	**100.9%**	**Total Non-Operating Income (Loss)**	**21,695,094**	**16,389,460**	**5,305,634**	**32.4%**
36,892,025	**11,127,347**	**25,764,678**	**231.5%**	**Change in Net Assets**	**51,336,995**	**22,225,999**	**29,110,996**	**131.0%**
89.4%	*93.1%*	*(3.6%)*		*Medical Loss Ratio*	*91.0%*	*93.0%*	*(2.0%)*	
5.4%	*6.2%*	*0.8%*		*Administrative Loss Ratio*	*5.3%*	*6.3%*	*1.0%*	
5.2%	*0.7%*	*4.5%*		*Operating Margin Ratio*	*3.8%*	*0.7%*	*3.0%*	
100.0%	*100.0%*			*Total Operating*	*100.0%*	*100.0%*		
85.0%	*88.6%*	*(3.7%)*		**Adjusted MLR*	*86.5%*	*88.6%*	*(2.0%)*	
5.4%	*6.2%*	*0.8%*		**Adjusted ALR*	*5.3%*	*6.3%*	*1.0%*	

*Adjusted MLR/ALR excludes estimated Board-approved Provider Rate increases and Directed Payments, but includes costs associated with CalOptima Health's Digital Transformation Strategy (DTS) budget

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CalOptima Health

MEMORANDUM

DATE: September 26, 2025

TO: CalOptima Health Board of Directors

FROM: Michael Hunn, Chief Executive Officer

SUBJECT: CEO Report — October 2, 2025, Board of Directors Meeting

COPY: Sharon Dwiers, Clerk of the Board; Member Advisory Committee; Provider Advisory Committee; and Whole-Child Model Family Advisory Committee

A. Covered California Monthly Update

CalOptima Health continues to prepare for the launch of a Covered California line of business, effective January 1, 2027. Following the Board's approval on June 5, staff submitted an initial filing on June 16 to the California Department of Managed Health Care (DMHC) to expand the scope of CalOptima Health's current Knox-Keene Act license, which is required to offer a commercial insurance product. Since then, we have interfaced with DMHC on two rounds of comments and are working on exhibits for our second filing in late October. With the conclusion of the Deloitte Consulting LLP operational gap analysis, staff have initiated several new workstreams to discuss and implement solutions to achieve operational readiness during the next year. On September 15, Covered California issued the draft 2027 Qualified Health Plan application. Our teams are currently reviewing and developing strategies to respond in April 2026. Lastly, CalOptima Health continues to negotiate provider contracts and execute amendments with several existing vendors to include Covered California in their scopes of service.

B. Program of All-Inclusive Care for the Elderly (PACE) Celebrates 12-Year Anniversary

There are currently 171 PACE organizations across the United States, 28 in California and three in Orange County. As the first PACE program to open in Orange County, CalOptima Health PACE is proud to be celebrating our 12-year anniversary this month. We are currently serving more than 525 participants, and in a recent survey, participants rated CalOptima Health PACE as one of the top five PACE organizations. Our current advertising campaign distinguishes CalOptima Health PACE as the premier PACE program in Orange County. The tagline is "Senior Care to Keep You Active and Living at Home" and emphasizes that CalOptima Health PACE is a leader in complete care for Orange County seniors. It increases awareness of our PACE program through advertising that includes print, outdoor, radio, television, digital display, social media, programmatic video (YouTube), search engine marketing and direct mail. Using a unique, personal approach, the campaign features photography of our actual PACE participants enjoying the benefits of the program.

C. CalOptima Health 30th Anniversary Member Wellness Fair

On Saturday, October 18, from 9 a.m. to 1 p.m., we are hosting a special wellness fair for our members in celebration of our 30th anniversary. The event will be held at our 505 building and will include

dental and vision screenings, flu vaccines, food and diaper distribution, Medi-Cal and CalFresh enrollment, and community organization resources. We will be sending text messages to our members inviting them to attend.

D. OneCare Annual Election Period Coming Soon

The annual election period (AEP) for CalOptima Health OneCare (HMO D-SNP), a Medicare Medi-Cal Plan, will open October 15 and will run through December 7. To be eligible for OneCare a member must be:

- Age 21 and older
- Living in Orange County
- Enrolled in Medicare Parts A and B
- Receiving Medi-Cal benefits

Starting in 2026, the OneCare Flex Plus plan will be consolidated into the OneCare Complete plan due to changes in the federal Medicare program. All existing OneCare Flex Plus members will be transitioned into OneCare Complete.

- CalOptima Health OneCare Complete — Our original plan offers $0 copays on medical and hospital services and generic prescription drugs. It includes many extras, such as a fitness benefit, comprehensive dental, more vision care, a flex card for over-the-counter (OTC) items and for those who qualify, food and produce.

As an Exclusively Aligned Enrollment D-SNP, OneCare can accept enrollment from members every month due to the Special Election Period (SEP) for dual-eligibles.

E. Affordable Housing Complex Breaks Ground in Costa Mesa

Recently, I celebrated the groundbreaking of a new affordable housing complex in Costa Mesa. American Family Housing, an Orange County-based developer, received a nearly $500,000 grant through our Housing and Homelessness Incentive Program to renovate a former motel site into the Avon River Apartments. Once complete, it will offer 76 brand-new, fully remodeled rental homes for households at risk of homelessness or those transitioning out of homelessness.

F. CalOptima Health Continues to Monitor KPC Quality Issues

CalOptima Health continues oversight of KPC hospitals, addressing regulatory compliance, patient experience and quality outcomes. Corrective action plans from recent California Department of Public Health and Centers for Medicare & Medicaid Services reviews are in progress, with certification efforts focused on reinstating Stroke Receiving Center status and elevating Chapman Global's rating. Performance highlights include strong infection prevention, zero sentinel events and improved ED metrics, though challenges remain in discharge efficiency, sepsis, maternal outcomes and specialty access. Patient surveys show progress in nurse communication but ongoing concerns with environment and responsiveness. A CalOptima Health site visit is scheduled for October 1 to validate care quality.

G. U.S. House Committee Requests Medi-Cal Information on Undocumented Beneficiaries

On September 3, the U.S. House Committee on Oversight and Government Reform sent a letter to Governor Gavin Newsom and state leadership requesting documents and communications related to California's Medicaid program (Medi-Cal) to be sent to the committee no later than September 17. Among the eight separate requests are the names of all state and local programs that provide health coverage and other services for undocumented immigrants, the cost of every Medi-Cal-covered procedure and benefit performed on or received by that population, and all processes related to the

verification of enrollment eligibility in California's full-scope and emergency Medi-Cal programs, including any related to the verification of immigration status. The state has not yet shared an update on the status of its response.

H. CalOptima Health Gains Media Coverage

- On September 1, New Santa Ana ran an article sharing news about our no-cost mental health support, which is available in person, via telehealth or by app.
- News on the groundbreaking of the Costa Mesa Avon River Apartments with 76 affordable housing units ran in the following media outlets:
    - August 29 and September 2 in the Daily Pilot/TimesOC online. The news also ran on September 7 in the print edition.
    - August 29 on ABC7 Eyewitness News

CalOptima Health

Fast Facts
October 2025

Mission: To serve member health with excellence and dignity, respecting the value and needs of each person.

Membership Data* (as of August 31, 2025)

Total CalOptima Health Membership

891,812

Program	Members
Medi-Cal	873,410
OneCare (HMO D-SNP)	17,873
Program of All-Inclusive Care for the Elderly (PACE)	529

*Based on unaudited financial report and includes prior period adjustments.

Key Financial Indicators (for the month ended August 31, 2025)

	Dashboard	YTD Actual	Actual vs. Budget ($)	Actual vs. Budget (%)
Operating Income/(Loss)	●	$30.4M	$23.0M	311.7%
Non-Operating Income/(Loss)	●	$21.7M	$5.3M	32.4%
Covered California Start-up Expenses	●	($0.7M)	$0.8M	52.1%
Bottom Line (Change in Net Assets)	●	$51.3M	$29.1M	131.0%
Medical Loss Ratio (MLR) *(Percent of every dollar spent on member care)*	●	91.0%	---	(2.0%)
Administrative Loss Ratio (ALR) *(Percent of every dollar spent on overhead costs)*	●	5.3%	---	1.0%

Notes:
- For additional financial details, refer to the financial packages included in the Board of Directors meeting materials.
- Adjusted MLR (without the estimated provider rate increases funded by reserves) is 86.5%.

Reserve Summary (as of August 31, 2025)

	Amount (in millions)
Board Designated Reserves*	$1,599.1
Statutory Designated Reserves	$133.7
Capital Assets (Net of depreciation)	$102.4
Unspent Balance of Allocated Resources	$396.8
Unspent Balance of Board Approved Provider Rate Increase**	$280.6
Unallocated Resources*	$339.2
Total Net Assets	$2,851.9

* Total of Board-designated reserves and unallocated resources can support approximately 177 days of CalOptima Health's current operations.

**5/5/24 meeting: Board of Directors committed $526.2 million for provider rate increases from 7/1/24–12/31/26.

Total Annual Budgeted Revenue **$4.7 Billion**

Note: CalOptima Health receives its funding from state and federal revenues only and does not receive any of its funding from the County of Orange.

CalOptima Health Fast Facts

October 2025

Personnel Summary (as of September 6, 2025, pay period)

	Filled	Open	Vacancy % Medical	Vacancy % Administrative	Vacancy % Combined
Staff	1,353.5	81.75	36.67%	63.33%	5.7%
Supervisor	85	2	0%	100%	2.3%
Manager	111	15	20%	80%	11.9%
Director	74	12.5	20%	80%	12.5%
Executive	21	1	---%	100%	4.55%
Total FTE Count	1,644.5	112.3	32.48%	67.52%	6.39%

FTE count based on position control reconciliation and includes both medical and administrative positions.

Provider Network Data (as of September 22, 2025)

	Number of Providers
Primary Care Providers	1,290
Specialists	7,657
Pharmacies	496
Acute and Rehab Hospitals	43
Community Health Centers	71
Long-Term Care Facilities	225

Treatment Authorizations (as of July 31, 2025)

	Mandated	Average Time to Decision
Inpatient Concurrent Urgent	72 hours	36.59 hours
Prior Authorization – Urgent	72 hours	12.23 hours
Prior Authorization – Routine	5 days	1.56 days

Average turnaround time for routine and urgent authorization requests for CalOptima Health Community Network.

Member Demographics (as of August 31, 2025)

Member Age	
0 to 5	8%
6 to 18	22%
19 to 44	34%
45 to 64	20%
65 +	16%

Language Preference	
English	54%
Spanish	31%
Vietnamese	9%
Other	2%
Korean	1%
Farsi	1%
Chinese	1%
Arabic	<1%
Russian	<1%

Medi-Cal Aid Category	
Expansion	38%
Temporary Assistance for Needy Families	37%
Seniors	12%
Optional Targeted Low-Income Children	7%
People With Disabilities	5%
Long-Term Care	<1%
Other	<1%