



JENNIFER KENT  
*Director*

State of California—Health and Human Services Agency  
Department of Health Care Services



EDMUND G. BROWN JR.  
*Governor*

July 9, 2018

The Honorable Anthony J. Portantino, Chair  
Senate Appropriations Committee  
State Capitol, Room 2206  
Sacramento, CA 95814

Dear Senator Portantino:

**ASSEMBLY BILL 2233 (AS AMENDED JUNE 25, 2018) – OPPOSE**

The Department of Health Care Services (DHCS) must inform you of its opposition to Assembly Bill (AB) 2233. AB 2233 would require DHCS to submit to the federal Centers for Medicare and Medicaid Services (CMS) a request for renewal of the Assisted Living Waiver (ALW) program in calendar year 2019. AB 2233 would also require DHCS to make specific changes to their current program within the request for renewal and take additional steps prior to waiver submission. These specified changes include an increase in the number of enrollment slots from 3,700 to at least 18,500 across the five-year waiver term, with the initial phase of additional slots prioritized for the 15 existing waiver counties; and expansion of the program on a regional basis beyond the existing 15 counties.

DHCS agrees and supports the expansion of the ALW. DHCS proposed to expand the ALW program by an additional 2,000 slots, which was included in the 2018-19 budget and will, if approved by CMS, bring the total number of approved waiver slots to 5,744. This increase in slots coupled with the attrition rate of approximately 50-60 slots a month will allow for enough slots to meet the current need of individuals on the waiting list.

AB 2233 would require DHCS to expand the ALW program on a more significant scale over a short amount of time. DHCS does not have the capacity to operate the program on such a large scale and an expansion of this capacity, under the proposed timeline, has the potential of putting the program participants' health and safety at risk. The expansion included in the 2018 budget allows for a more modest expansion while still addressing the needs of individuals on the current ALW waiting list.

For these reasons, DHCS opposes AB 2233.

Honorable Anthony J. Portantino

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If you have any questions, please contact me at 440-7500.

Sincerely,

o/s/by: CG

Carol Gallegos  
Deputy Director

cc: The Honorable Ash Kalra  
Senate Appropriations Committee, Members  
Senate Republican Caucus  
Senate Floor Analysis  
CHHSA Legislative Unit  
Department of Finance  
GO Deputy Legislative Secretary