Senate President Pro Tem Monique Limón
1021 O Street, Suite 8518
Sacramento, CA 95814

Assembly Speaker Robert Rivas
1021 O Street, Suite 8330
Sacramento, CA 95814

Senator John Laird
Chair, Senate Budget Committee
1020 N Street, Suite 502
Sacramento, CA 95814

Assemblymember Dawn Addis
Chair, Assembly Budget Subcommittee 1
1021 O Street, Suite 4120
Sacramento, CA 95814

Assemblymember Jesse Gabriel
Chair, Assembly Budget Committee
1021 O Street, Suite 8320
Sacramento, CA 95814

Senator Akilah Weber-Pierson
Chair, Senate Committee on Health
1021 O Street, Suite 3310
Sacramento, CA 95814

Senator Caroline Menjivar
Chair, Senate Budget Subcommittee 3
1020 N Street, Room 502
Sacramento, CA 95814

Assemblymember Mia Bonta
Chair, Assembly Committee on Health
1020 N Street, Room 390
Sacramento, CA 95814

May 22, 2026

Re: Request to REJECT May Revision Proposal on Medi-Cal Community Supports

Dear Pro Tem Limon, Speaker Rivas, Senators Laird, Menjivar, and Weber-Pierson, and Assemblymembers Gabriel, Addis, and Bonta:

On behalf of the undersigned organizations, we urge you to **reject the Department of Health Care Services' (DHCS) CalAIM Community Supports May Revise proposals**, particularly the provision regarding the Asthma Remediation option under Community Supports. At minimum, we urge the Legislature to delay these changes to require DHCS to provide a cost estimate for each Community Support to provide a more complete understanding of the impacts of these proposed changes, as well as to adopt trailer bill language that directs DHCS to work with stakeholders on any proposed utilization management changes.

DHCS's Community Supports proposal
Community Supports is a cornerstone to CalAIM, the state's flagship Medi-Cal reform effort to create a more coordinated, person-centered, and equitable health system that works for all Californians. In the May Revise proposal, DHCS offered a General Fund reduction of Community Supports by $26.9 million in 2026-27, $58.8 million in 2027-28, and $51 million ongoing to refine referral pathways, eligibility criteria, service definitions, and utilization management criteria for select Medi-Cal community supports services, effective January 1, 2027. Specifically for Asthma Remediation, those refinements include "Constrain[ing] referral sources to come from the members' health care team (e.g., primary care provider, specialist) given that this service is intended to be for individuals with asthma and for which this intervention would medically appropriate and cost effective."[1]

[1] https://www.dhcs.ca.gov/Budget/Documents/Refinements-and-Efficiencies-for-Community-Supports-and-ECM-Fact-Sheet.pdf. Accessed May 21, 2026

Now is Not the Time to Constrain Referral Sources for Asthma Remediation
Asthma Remediation improves asthma outcomes and reduces costly healthcare utilization including emergency department visits and hospitalizations. Yet, Asthma Remediation utilization is extremely low, not because the services aren't needed and wanted but because of the challenging landscape related to generating referrals. This proposed limit will only make the situation worse, leading to fewer members receiving these important services. More specific concerns follow:

- For a variety of reasons, there are many Medi-Cal members who do not receive regular care through a primary care provider, let alone a specialist. By constraining referral sources from a member's health care team, members may not be able to access these services, even if they otherwise qualify for them.

- By focusing exclusively on the Medi-Cal member's health care team, DHCS risks eliminating the important role that managed care plans can play in using member healthcare utilization data to identify and refer their members to these services.

  DHCS didn't define "health care team;" a very narrow definition may again result in greatly restricting the already difficult process of enrolling members in Asthma Remediation services. For example, if DHCS limits the health care team to primary care providers and specialists, an emergency room doctor attending to someone with a life-threatening asthma exacerbation may not be able to provide a referral for Asthma Remediation services.

- It is unclear how the proposed constraint will mesh with Asthma Preventive Services, a Medi-Cal benefit that serves as a "gateway" to Asthma Remediation. Specifically, in order to qualify for Asthma Remediation, a Medi-Cal member must have first received an asthma home trigger assessment under the Asthma Preventive Services benefit. To receive that benefit, the service must be recommended for a member by a physician or other licensed practitioner of the healing arts within their scope of practice under state law. If a medical provider provides that recommendation for the Asthma Preventive Services benefit, but the medical provider is not the patient's primary care provider or specialist, the DHCS policy suggests that patient would then not be authorized to receive Asthma Remediation without yet another referral. This is an incredibly inefficient and ineffective way to deliver an evidence-based intervention. If changes are to be made, there must be sufficient time for DHCS to work with plans and provider on implementation so as to avoid unintended consequences like this.

Severe Consequences for Californians with Poorly Controlled Asthma with Minimal Budget Savings
As mentioned above, Asthma Remediation utilization is already very low relative to both other Community Supports options and to the number of people who qualify for these services. For the year beginning in Q2 of 2024 through Q1 of 2025, for example, only 2,724 people received Asthma Remediation. Some of the plans who were providing Asthma Remediation at the time had zero utilization. Meanwhile, based on the latest Emergency Department data, we know that just over 45,000 people covered by the managed care plans that were providing Asthma Remediation in the same timeframe had an emergency department visit and thus would've been eligible for Asthma Remediation. By constraining the referral process even further, we will continue to see a tremendous unmet need. Doing so would also undermine California's efforts to promote health equity: Low-income Californians such as those in the Medi-Cal program experience more asthma symptoms, use the emergency room more for asthma care, miss more school due to asthma, and are more likely to encounter asthma risk

factors. We need to ensure that those eligible for these services can receive them without barriers to access.

It's critical to remember that Asthma Remediation was implemented by DHCS in part because of the very strong evidence base that Asthma Remediation will save the state money by reducing much more costly Emergency Department visits and hospitalizations.

Lastly, many Asthma Remediation providers have expended significant resources, hired staff, and entered into contracts with managed care plans, relying on the Department's encouragement and PATH CITED funding to create a provider network sufficient to serve the number of people who receive these Community Supports today. Rash changes could have severe consequences to providers and staff, all for a very minimal cost benefit, thereby seriously undermining the substantial health care infrastructure investments the state has already made.

Adopt Guardrails to Ensure Transparency and Accountability
For these reasons, we urge you reject these changes or, at minimum, delay these changes, require DHCS to provide a cost estimate of each Community Support to evaluate and understand the impact of these proposed changes, and adopt trailer bill language that directs DHCS to work with stakeholders on any proposed utilization management changes.

We appreciate your leadership on this important issue as the 2026-27 state budget is finalized. Thank you for your partnership.

All the best,
Regional Asthma Management & Prevention
California Pan Ethnic Health Network
American Lung Association
Watts Healthcare
Breathe Southern California
Home Health Care Management, Inc.
SD Healthcare
Mutual Assistance Network
Alameda County Public Health Department - Asthma Programs
Visión y Compromiso
Esperanza Community Housing
Central California Asthma Collaborative
Reinvestment Partners - Breathe Easy
Comite Civico Del Valle Inc.
St. John's Community Health
The JUDAHH Project
Soteria Home Health Agency, Inc.
Latino Health Access
The Children's Clinic Serving Children and Their Families dba TCC Family Health
Promotores Collaborative of San Luis Obispo County administered by Center for Family Strengthening
Little Manila Rising
Safer Together
El Centro Regional Medical Center
Asthma and Allergy Foundation of America
Oxnard Family Circle ADHC
Children Now
Breathe California of the Bay Area, Golden Gate and Central Coast
La Maestra Community Health Centers
SBX Youth and Family Services
See Three Industries
Vivant Health