



OFFICE OF THE GOVERNOR

SEP 14 2024

To the Members of the California State Assembly:

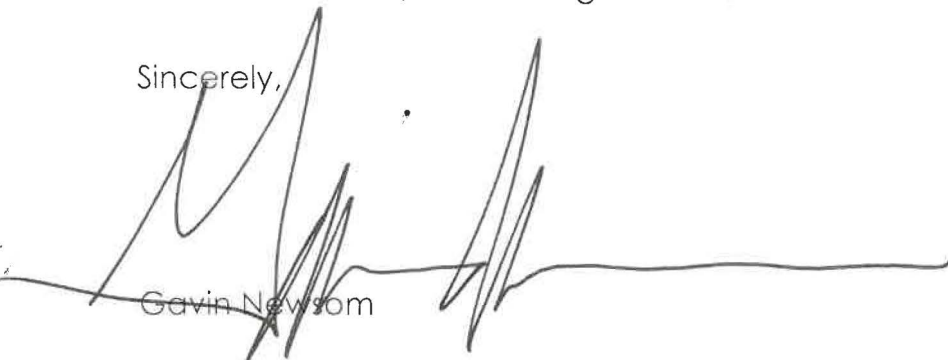
I am returning Assembly Bill 2428 without my signature.

This bill would require Medi-Cal managed care plans to reimburse Community-Based Adult Service (CBAS) providers at a rate that is equal to or greater than the amount paid in the Medi-Cal fee-for-service (FFS) delivery system.

I support the intent of this bill to ensure that CBAS providers of adult day health care services to older and disabled adults receive the FFS rate. However, codifying this requirement is unnecessary to achieve this goal. This year's Budget Act included \$16 million in annual payment increases for CBAS providers, effective January 1, 2025. These payment increases are intended to accomplish the same goal, without creating a precedent in the law for one provider type. I have directed the Department of Health Care Services to work with managed care plans to modify their contracts to ensure that CBAS providers caring for older and disabled Californians are receiving these rate increases.

For these reasons, I cannot sign this bill.

Sincerely,


Gavin Newsom

