



April 17, 2026

Welcome to America's Physician Groups' *California Update*. Each week APG reports the latest on health care happenings in the Golden State.

Here's what you'll find in this week's edition:

- DHCS Advances [Real-Time Data Exchange](#) To Support Whole-Person Care
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### DHCS Advances Real-Time Data Exchange To Support Whole-Person Care

At the April 14 APG Medi-Cal Forum, Dr. Linette Scott of the California Department of Health Care Services (DHCS) [outlined](#) the state's accelerating efforts to build a fully interoperable, real-time data exchange infrastructure across Medi-Cal. The central goal is to enable seamless coordination among physical health, behavioral health, and social service providers, addressing long-standing fragmentation that has limited care integration and population health management.

A key driver of this transformation is the implementation of federal interoperability rules, which require Medi-Cal plans and partners to deploy standardized FHIR-based APIs by January 1, 2027. These tools are intended to support real-time data exchange, admission and discharge notifications, and more effective care coordination. At the same time, DHCS is advancing its "real-time data sharing" initiative through new guidance to plans and counties, reinforcing expectations for bidirectional data exchange and quality reporting.

Dr. Scott emphasized the importance of the Authorization to Share Confidential Medi-Cal Information (ASCMI) initiative, a cornerstone of the state's approach to managing sensitive data, particularly substance use disorder information governed by federal privacy rules. The ASCMI Form standardizes patient consent, while a new statewide Consent Management Platform (CMP), scheduled for rollout by July 2026, will serve as a centralized repository for consent records, accessible through APIs, web interfaces, and mobile tools. Early adopter cohorts are already testing these tools to inform broader implementation.

The presentation also highlighted the role of California’s data exchange efforts within the broader CalAIM and Behavioral Health Transformation initiatives. AB 133 provides expanded authority for Medi-Cal partners to share information for care coordination, though federal requirements such as HIPAA and 42 CFR Part 2 continue to govern sensitive data disclosures. DHCS is seeking to balance expanded data access with compliant, standardized consent processes to enable whole-person care.

Finally, Dr. Scott reviewed the state’s ongoing work with the Transformed Medicaid Statistical Information System (T-MSIS), which supports federal reporting, program oversight, and research. California continues to improve data quality and completeness in these submissions, though challenges remain in accurately capturing certain service categories using national data standards. Importantly, CMS is increasingly requiring states to report data that reflects the full flow of funds—capturing 100% of downstream payments to treating providers. For California’s delegated model, this will necessitate more complete and accurate reporting of payment data from risk-bearing organizations (RBOs) to Medi-Cal managed care plans to ensure compliance with federal transparency and program integrity expectations.

Bottom line: DHCS is moving rapidly toward a real-time, interoperable Medi-Cal data ecosystem. For APG members, these developments signal near-term operational impacts, including API implementation requirements, new consent workflows, and expanded data-sharing expectations, that will be foundational to care coordination and value-based care going forward.



### **AB 2594 To Be Heard In Assembly Health Committee On April 21**

America’s Physician Groups (APG), in partnership with California Schools VEBA (VEBA), will [jointly testify](#) on AB 2594 (Lowenthal) in the Assembly Health Committee on April 21. APG is proud to serve as a co-sponsor of the legislation, which seeks to extend and strengthen California’s innovative VEBA direct contracting pilot program.

AB 2594 builds on a successful demonstration of value-based care under the Knox-Keene framework, allowing voluntary employees’ beneficiary associations to partner with risk-bearing physician organizations in capitated arrangements. The bill would extend the pilot through 2032, expand its availability statewide, and require an interim legislative report to ensure transparency and accountability as the model evolves.

Early results from the pilot, implemented in partnership with organizations such as Sharp Community Medical Group, demonstrate meaningful gains in affordability and care delivery. Participating populations have experienced significantly lower premiums, reduced overall health care costs, and enhanced care coordination compared to traditional fee-for-service models, while maintaining high-quality outcomes.

A key rationale for the extension is to allow sufficient time for a complete and standardized evaluation of the pilot's performance. The Integrated Healthcare Association (IHA) is tasked with producing a comprehensive analysis using the Total Cost of Care framework; however, this work remains underway. Extending the pilot ensures that policymakers will have access to a full, apples-to-apples assessment of both cost and quality outcomes before making long-term policy decisions.

APG and VEBA believe that the pilot reflects the strengths of California's delegated care model, demonstrating how aligned incentives and physician-led accountability can improve outcomes while reducing costs. As California continues to pursue solutions to rising health care expenditures, AB 2594 offers a proven pathway to advance value-based care and affordability for purchasers and patients alike.

APG looks forward to working with the Legislature and stakeholders to advance this important measure.



## **2026 APG California Policy & Advocacy Meeting Dates**

*Members, please mark your calendars for APG's California Policy Forum and California Medi-Cal Forum meetings. You can download APG's 2026 events calendar [here](#).*

### **California Policy Forum**

**2:00 - 3:00 pm**

- June 3
- December 3

### **California Medi- Cal Forum**

**4:00 - 5:00 pm**

- May 12 - Register [here](#)
- June 9
- August 11

- October 13
- November 10
- December 8



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### APG California Advocacy Member Resources

- [2025 Legislative Implementation Guide](#)
- **Tracked Health Care Bills [2025-26](#)**: bills we're following in the California State Legislature
- November 2025 IHA Provider Directory webinar [recording](#)
- **Office of Health Care Affordability** [regulations](#) and [explanatory slide deck](#)
- **DMHC Quality and Equity Reporting** program [All Plan Letter](#)

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**For more news and resources, please visit APG's [website](#) or contact a member of APG's California advocacy team.**

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