



# News Release

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## **STATE ANNOUNCES FINAL APPROVAL OF ADHC LAWSUIT SETTLEMENT AGREEMENT**

SACRAMENTO – The U.S. District Court, California Northern District, today approved the California Department of Health Care Services' (DHCS) settlement agreement regarding the Adult Day Health Care (ADHC) lawsuit, *Darling, et al v. Douglas*. Under the settlement approved today, the ADHC program will be phased out and replaced on March 1, 2012, with the Community-Based Adult Services (CBAS) program, which will provide necessary medical and social services to individuals with intensive health care needs.

“We are pleased the court approved our settlement agreement that allows the state to provide key health services to the most vulnerable poor and disabled Californians in an efficient and fiscally responsible manner,” said DHCS Director Toby Douglas. “The court's ruling supports the state's strong commitment to provide essential care and services to those most in need and helps keep them independent and in the community.”

As a result of this fiscally responsible settlement, the state will achieve General Fund savings of \$25 million in 2011-12 and \$92 million in 2012-13.

Eligibility to participate in CBAS will be determined by state medical professionals on the basis of medical need, and the benefits provided will be coordinated with managed care plans. Those former ADHC participants who do not qualify for CBAS will be eligible to receive enhanced case management and other services through DHCS and managed care plans.

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