

AMENDED IN ASSEMBLY MAY 2, 2001

CALIFORNIA LEGISLATURE—2001–02 REGULAR SESSION

ASSEMBLY BILL

No. 963

Introduced by Assembly Member Cardoza

February 23, 2001

An act to amend Section 14087 of, and to add Section 14490.5 to, the Welfare and Institutions Code, relating to Medi-Cal reimbursement.

LEGISLATIVE COUNSEL'S DIGEST

AB 963, as amended, Cardoza. Medi-Cal reimbursement.

Existing law provides for the Medi-Cal program, which is administered by the State Department of Health Services, pursuant to which medical benefits are provided to public assistance recipients and certain other low-income persons.

Existing law authorizes the department to contract with various types of health care providers and entities in order to obtain Medi-Cal services through managed care arrangements as well as other health care providers under specified circumstances.

This bill would require *that a county operated hospital with an outpatient department would be eligible for reimbursement to counties*, when the examination and treatment rooms of a county-operated community clinic are used. The reimbursement for the cost associated with the use is limited.

Existing law provides that the director shall aggressively seek the development of alternative forms of financing and delivering health care services, including establishing pilot programs to demonstrate the value or the lack thereof, of such a program.

This bill would authorize Stanislaus County to establish a program to assist with the rate payment process for Medi-Cal outpatient services rendered by the county and authorize the department to contract with the county to implement the program as established by this bill.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 14087 of the Welfare and Institutions
 2 Code is amended to read:
 3 14087. The provisions of this article shall not, however, be
 4 construed to preclude an otherwise qualified hospital from
 5 obtaining reimbursement as determined by the department based
 6 on the state plan adopted by the department under Section 14105.1,
 7 for any of the following:
 8 (a) Providing stabilizing services as required to program
 9 beneficiaries located in a closed health facility planning area who
 10 are in a life threatening or emergency situation before the
 11 beneficiary may be transported to a contracting hospital.
 12 (b) If a beneficiary is located in a closed health facility planning
 13 area and experiencing a life threatening or emergency situation but
 14 cannot be stabilized sufficiently to facilitate a transfer to a
 15 contracting facility, those health services medically necessary for
 16 alleviation of severe pain or immediate diagnosis and treatment of
 17 unforeseen medical conditions which, if not immediately
 18 diagnosed and treated, could lead to significant disability or death.
 19 (c) Providing services to beneficiaries who are also eligible for
 20 benefits under the federal program of hospital insurance for the
 21 aged and disabled.
 22 (d) Providing services to beneficiaries who live or reside
 23 farther than the community travel time standard from a contract
 24 hospital, as defined by the department, if the hospital providing
 25 services is closer than a contract hospital.
 26 (e) Managed care plans making payments to a contract hospital
 27 shall not release any information regarding the reimbursement
 28 paid to the hospital when the rate is a Medi-Cal contract rate
 29 negotiated pursuant to article 2.6 (commencing with Section
 30 14081), except to the department.



1 (f) Nothing in this section shall be construed as limiting
2 reimbursement for medically necessary care following
3 stabilization, in the event that a contract hospital does not accept
4 transfer of the patient or pending the transfer to a contract hospital.

5 (g) Notwithstanding any other provision of law, a
6 county-operated community clinic, exempt from licensure under
7 Section 1206 of the Health and Safety Code, which was prior to
8 November 30, 1997, a county-operated hospital with an outpatient
9 department, shall *be eligible to* receive Medi-Cal payments for the
10 use of its examining and treatment rooms.

11 (h) The Medi-Cal payments shall not exceed that allowed for
12 other outpatient clinics with surgical facilities.

13 SEC. 2. Section 14490.5 is added to the Welfare and
14 Institutions Code, to read:

15 14490.5. Notwithstanding any other provision of law, the
16 County of Stanislaus may establish a program for an all-inclusive
17 rate payment process for Medi-Cal outpatient services rendered by
18 the county.

19 If the County of Stanislaus elects to establish the program, the
20 department shall enter into appropriate contracts to implement the
21 program as established by Sections 14490 and this section.

