

AMENDED IN SENATE APRIL 5, 2001

SENATE BILL

No. 681

Introduced by Senator Figueroa

February 23, 2001

~~An act to add Section 1515.1 to the Health and Safety Code, and to add Section 10616.1 to the Welfare and Institutions Code, relating to foster care. An act to amend Section 12693 of, and to add Section 12693.756 to, the Insurance Code, relating to health insurance, and making an appropriation therefor.~~

LEGISLATIVE COUNSEL'S DIGEST

SB 681, as amended, Figueroa. ~~Foster care: increasing capacity of group homes: increasing number of foster care providers~~ *Healthy Families Program: coverage for employees of licensed child care facilities.*

Existing law creates the Healthy Families Program, administered by the Managed Risk Medical Insurance Board, to arrange for the provision of health care coverage to children meeting income and other eligibility requirements. The program is funded in part with federal funds. Existing law, as of July 1, 2001, requires the board to expand eligibility under the program to uninsured parents of children eligible for the program, providing that federal financial participation is available for that expansion. Existing law continuously appropriates funds in the Healthy Families Fund to the board for purposes of the program.

This bill would require the board to expand eligibility under the program to uninsured employees of licensed child care facilities and the minor children of those employees. To the extent that federal financial participation is not available, the bill would require the board to

establish a premium schedule for purchase of coverage by those employees. The bill would also require the board to conduct a study and report to the Legislature regarding the feasibility of establishing a nonprofit purchasing pool with premium subsidies for low-wage child care workers.

This bill would expand the purposes for which the money in the Healthy Families Fund, a continuously appropriated fund, may be used, thereby making an appropriation.

~~Existing law makes provision for placement of specified children in foster care and in group homes:~~

~~This bill would require the State Department of Social Services, no later than July 1, 2002, to formulate and implement a program to provide assistance to counties in order to expand the capacity of group homes, and a recruitment program to increase the number of foster care parents:~~

Vote: ~~majority~~ ^{2/3}. Appropriation: ~~no~~ yes. Fiscal committee: yes. State-mandated local program: no.

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

1 ~~SECTION 1.—Section 1515.1 is added to the Health and Safety~~
 2 *SECTION 1. It is the intent of the Legislature to provide*
 3 *access to affordable health care coverage for uninsured employees*
 4 *of licensed child care facilities and the minor children of those*
 5 *employees through the Healthy Families Program, and to use*
 6 *available federal funding for this coverage to the maximum extent*
 7 *possible.*

8 *SEC. 2. Section 12693 of the Insurance Code is amended to*
 9 *read:*

10 12693. The Legislature declares all of the following:

11 (a) Approximately 1.6 million California children, 17 percent
 12 of children ages 17 and under, have no health insurance. One in
 13 four California children, which is 2.3 million, rely on Medi-Cal for
 14 insurance coverage, while just over half of the state’s children, 53
 15 percent, have employment-based coverage through a parent.

16 (b) Most uninsured California children come from low-income
 17 families, with nearly 75 percent of uninsured children (1.2
 18 million) living in families with incomes below 200 percent of the
 19 federal poverty level. Children whose families earn incomes
 20 between 100 and 200 percent of the federal poverty level, an



1 estimated 580,000 children, are among the most vulnerable of
2 populations. Their families make too much money to generally
3 qualify for free Medi-Cal, are employed in working class jobs that
4 typically do not offer insurance, and cannot afford private health
5 insurance. In short, affordability remains a major barrier to
6 obtaining coverage.

7 (c) Notwithstanding the generally good health of children,
8 health insurance coverage is important to ensure that they receive
9 the health care that is essential to monitor their growth, nutrition,
10 and development and to address potential health problems early.

11 (d) Lack of insurance coverage for children results in reduced
12 access to medical services, resulting in restricted access to primary
13 and preventive care and increased reliance on emergency rooms
14 and hospitals for treatment. Timely treatment for infectious and
15 chronic diseases can prevent more serious medical conditions in
16 children of all ages.

17 (e) When a child is seriously ill or injured, the costs of needed
18 medical care can force families into financial ruin.

19 (f) That by July 1, 1998, there shall be in place a program
20 providing access to health coverage to all children residing in
21 households with family incomes below 200 percent of the federal
22 poverty level.

23 (g) It is the intent of the Legislature that the program comply
24 with the requirements of Title XXI of the Social Security Act, also
25 ~~known~~ known as the State Children's Health Insurance Program.

26 (h) *The program should be extended to provide coverage to*
27 *uninsured employees of licensed child care facilities and their*
28 *minor children, because (1) quality child care is essential to the*
29 *education of California's children, (2) the child care workforce*
30 *consists of many uninsured workers and child care teachers are*
31 *typically paid low wages, often with no family health coverage at*
32 *all or with health benefits requiring an employee to pay a high*
33 *share of the premium, (3) government funding establishes the*
34 *market rate for child care, and (4) family health benefits are*
35 *critical to increasing retention of skilled child care teachers.*

36 SEC. 3. Section 12693.756 is added to the Insurance Code, to
37 read:

38 12693.756. (a) For the purposes of this section:

39 (1) "Employee" means a person who is employed 30 or more
40 hours per week by a licensed child care facility.



1 (2) "Uninsured" means that the employee has not been covered
2 by any public or private health care coverage for a period of at
3 least six months.

4 (b) The board shall expand eligibility under this part to
5 uninsured employees of child care facilities licensed under Section
6 1596.80 of the Health and Safety Code and the minor children of
7 those employees.

8 (c) The board shall establish a premium schedule similar to that
9 established for the Access for Infants and Mothers Program
10 pursuant to Part 6.3 (commencing with Section 12695) in order to
11 extend coverage to employees and their minor children eligible
12 under this section in the event federal financial participation
13 under Title XXI of the federal Social Security Act is not available.

14 (d) The board shall offer a purchasing credit to cover an
15 uninsured employee's share of family health care coverage offered
16 by an employer to the employee.

17 (e) There shall be no premium subsidy for employees with
18 family incomes in excess of 300 percent of the federal poverty level.

19 (f) The State Department of Education and the State
20 Department of Social Services shall cooperate with the board in
21 seeking federal funding for health care coverage of child care
22 employees.

23 SEC. 4. The Managed Risk Medical Insurance Board shall
24 study and report to the Legislature on the feasibility of establishing
25 a nonprofit purchasing pool to provide health care coverage for
26 uninsured employees of child care facilities licensed under Section
27 1595.80 of the Health and Safety Code and the minor children of
28 those employees. The study shall consider appropriate premium
29 subsidies for low-wage child care workers.

30 ~~Code, to read:~~

31 ~~1515.1. The department shall, no later than July 1, 2002,~~
32 ~~formulate and implement a program to provide assistance to~~
33 ~~counties in order to expand the capacity of group homes.~~

34 ~~SEC. 2. Section 10616.1 is added to the Welfare and~~
35 ~~Institutions Code, to read:~~

36 ~~10616.1. The department shall, no later than July 1, 2002,~~
37 ~~formulate and implement a recruitment program to increase the~~
38 ~~number of foster care parents.~~

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