

AMENDED IN SENATE JUNE 26, 2007

AMENDED IN ASSEMBLY APRIL 24, 2007

AMENDED IN ASSEMBLY APRIL 11, 2007

CALIFORNIA LEGISLATURE—2007—08 REGULAR SESSION

ASSEMBLY BILL

No. 1328

Introduced by Assembly Member Hayashi

February 23, 2007

An act to ~~add Section 14011.61 to~~ amend Section 12698 of the Insurance Code, and to amend Section 14148.03 of, and to add Section 14011.14 to, the Welfare and Institutions Code, relating to ~~Medi-Cal~~ health care.

LEGISLATIVE COUNSEL'S DIGEST

AB 1328, as amended, Hayashi. ~~Medi-Cal: eligibility for benefits. Public health.~~

(1) Existing law establishes the Access for Infants and Mothers (AIM) Program, administered by the Managed Risk Medical Insurance Board. The board contracts with a variety of health plans and health care delivery systems to provide health insurance coverage to eligible persons who pay a subscriber contribution. Under existing law, one of the requirements for eligibility for the program is that a person be a resident of the state for at least 6 continuous months prior to application.

This bill would delete the requirement that the residency in the state be for at least 6 continuous months prior to application.

(2) Existing law provides for the Medi-Cal program, administered by the State Department of Health Care Services, under which medical benefits are provided to public assistance recipients and certain other low-income persons. Existing law provides that the form used to

implement a federal medicaid option to extend eligibility for Medi-Cal benefits to certain pregnant women also qualifies as a simplified application for the Medi-Cal program for those pregnant women, as specified. Existing law requires the county to determine if followup is necessary to determine the woman's final eligibility for the Medi-Cal program or to refer the woman to the AIM program. Existing law authorizes the department to contract with public or private entities to implement these eligibility determination procedures.

This bill would exempt from certain restrictions on contracts those contracts, amendments, change orders, change requests, and other related notices entered into to implement the provisions described above. The bill would also authorize the department to implement these eligibility determinations with respect to additional groups of pregnant women and children as necessary for simplicity of administration.

~~Existing law establishes the Medi-Cal program, administered by the State Department of Health Care Services, under which basic health care services are provided to qualified low-income persons:~~

~~Existing law requires the State Department of Health Care Services to exercise certain options provided under federal law to implement a program for accelerated enrollment of children in the Medi-Cal program.~~

~~This bill would also require the department to exercise the option under federal law, to the extent that federal financial participation is available, to implement a program of presumptive eligibility into Medi-Cal of children meeting specified eligibility requirements, as determined by the counties. Because counties administer the Medi-Cal eligibility determination process, the bill would impose a state-mandated local program.~~

~~The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.~~

~~This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions:~~

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

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

1 *SECTION 1. Section 12698 of the Insurance Code is amended*
2 *to read:*

3 12698. To be eligible to participate in the program, a person
4 shall meet all of the following requirements:

5 (a) Be a resident of the state ~~for at least six continuous months~~
6 ~~prior to application~~. A person who is a member of a federally
7 recognized California Indian tribe is a resident of the state for these
8 purposes.

9 (b) (1) Until the first day of the second month following the
10 effective date of the amendment made to this subdivision in 1994,
11 have a household income that does not exceed 250 percent of the
12 official federal poverty level unless the board determines that the
13 program funds are adequate to serve households above that level.

14 (2) Upon the first day of the second month following the
15 effective date of the amendment made to this subdivision in 1994,
16 have a household income that is above 200 percent of the official
17 federal poverty level but does not exceed 250 percent of the official
18 federal poverty level unless the board determines that the program
19 funds are adequate to serve households above the 250 percent of
20 the official federal poverty level.

21 (c) Pay an initial subscriber contribution of not more than fifty
22 dollars (\$50), and agree to the payment of the complete subscriber
23 contribution. A federally recognized California Indian tribal
24 government may make the initial and complete subscriber
25 contributions on behalf of a member of the tribe only if a
26 contribution on behalf of members of federally recognized
27 California Indian tribes does not limit or preclude federal financial
28 participation under Title XXI of the Social Security Act. If a
29 federally recognized California Indian tribal government makes a
30 contribution on behalf of a member of the tribe, the tribal
31 government shall ensure that the subscriber is made aware of all
32 the health plan options available in the county where the member
33 resides.

34 *SEC. 2. Section 14011.14 is added to the Welfare and*
35 *Institutions Code, to read:*

36 14011.14. *The department may implement the provisions of*
37 *Sections 14005.25, 14011.1, and 14148.7 and subdivision (b) of*

1 *Section 14011.16 with respect to additional groups of pregnant*
2 *women and children as necessary for simplicity of administration.*
3 *SEC. 3. Section 14148.03 of the Welfare and Institutions Code*
4 *is amended to read:*

5 14148.03. (a) Pursuant to options provided in federal law and
6 notwithstanding any other provision of law, the form used by a
7 provider to collect information about a pregnant woman pursuant
8 to the Medi-Cal temporary benefits program under Section 14148.7
9 as that program is implemented on January 1, 2003, shall itself
10 qualify as a simplified application for the Medi-Cal program for
11 pregnant women, or, if necessary to ensure federal financial
12 participation, the form shall be modified to add only those elements
13 required for federal financial participation and be as simple as the
14 department considers practicable.

15 (b) For purposes of this section, the department shall determine
16 whether to grant eligibility for temporary benefits under Section
17 14148.7 and the county shall make the final eligibility
18 determination for the Medi-Cal program. The department shall
19 develop and adopt a process for transferring the application to the
20 county and a followup process that is as simple as the department
21 considers practicable to be used by the county if followup is
22 necessary. Based on the department's instructions, the county shall
23 make a determination whether followup is necessary to determine
24 the woman's final eligibility for the Medi-Cal program or to refer
25 the woman to the Access for Infants and Mothers (AIM) program.

26 (c) The department shall adopt an electronic enrollment process
27 for pregnant women to use when applying for the Medi-Cal
28 program from a provider's office. The application form for this
29 electronic enrollment shall use the elements of the application form
30 described in subdivision (a) and the procedures specified in
31 subdivision (b). This electronic enrollment process shall be known
32 as the Prenatal Gateway. In developing the Prenatal Gateway
33 required by this subdivision, the department shall consult with
34 consumer, provider, county, and health plan representatives.

35 (d) The purpose of this section is to begin eligibility and benefits
36 at the time of an eligible pregnant woman's visit to a provider and
37 to continue eligibility and benefits until a final eligibility
38 determination is made without the submission of any other
39 application form to the department, the county, or a single point

1 of entry and to make the followup process as simple as the
2 department considers practicable.

3 (e) The Prenatal Gateway may not be adopted until both of the
4 following occur:

5 (1) Sufficient moneys have been deposited in the Special Funds
6 Account of the Gateway Fund to defray the costs of developing
7 the Prenatal Gateway.

8 (2) Sufficient new staff, not to exceed a total of three personnel
9 years, is available at the department for the purposes of this section
10 and Section 14148.04 and is funded through nonstate General Fund
11 sources. Notwithstanding any other provision of law, the
12 department may hire staff necessary to implement this section.

13 (f) The department shall implement the Prenatal Gateway within
14 12 months after the date upon which both of the conditions required
15 under subdivision (e) have occurred.

16 (g) To implement this section, the department may contract with
17 public or private entities, or utilize existing health care service
18 provider enrollment and payment mechanisms, including the
19 Medi-Cal program's fiscal intermediary, only if services provided
20 under the program are specifically identified and reimbursed in a
21 manner that appropriately claims federal financial reimbursement.
22 Contracts, including the Medi-Cal fiscal intermediary contract for
23 the Child Health and Disability Prevention Program, and including
24 any contract amendment, any system change pursuant to a change
25 order, and any project or systems development notice shall be
26 exempt from Part 2 (commencing with Section 10100) of Division
27 2 of the Public Contract Code, Chapter 7 (commencing with
28 Section 11700) of Part 1 of Division 3 of Title 2 of the Government
29 Code, Section 19130 of the Government Code, and any policies,
30 procedures, or regulations authorized by these laws.

31 (h) *In addition, contracts, contract amendments, change orders,*
32 *change requests, and any project or systems development notices,*
33 *entered into for purposes of this section, are specifically exempt*
34 *from the following:*

35 (1) *The project authority requirements of Chapter 4800*
36 *(commencing with Section 4800) of the State Administrative*
37 *Manual.*

38 (2) *Section ____ of Item 4260-001-0001 of Section ____ of the*
39 *Budget Act of 2007 and related budget letters.*

1 SECTION 1. ~~Section 14011.61 is added to the Welfare and~~
2 ~~Institutions Code, to read:~~
3 14011.61. ~~(a) To the extent federal financial participation is~~
4 ~~available, the department shall exercise the option provided in~~
5 ~~Section 1920a of the federal Social Security Act (42 U.S.C. Sec.~~
6 ~~1396r-1a) to implement a program for presumptive eligibility of~~
7 ~~children.~~
8 ~~(b) The department shall designate all 58 counties as qualified~~
9 ~~entities for determining eligibility under this section.~~
10 ~~(c) The county shall grant a child presumptive eligibility into~~
11 ~~the Medi-Cal program when a child meets all of the following:~~
12 ~~(1) The child, or his or her parent or guardian, submits an~~
13 ~~application for the Medi-Cal program directly to the county.~~
14 ~~(2) The child is under 19 years of age at the time of the~~
15 ~~application.~~
16 ~~(3) The child's income is within the income limits for~~
17 ~~Medi-Cal's no-share-of-cost program.~~
18 ~~(4) The child is not receiving Medi-Cal benefits at the time the~~
19 ~~application is submitted.~~
20 ~~(d) The department shall implement this section only if, and to~~
21 ~~the extent that, federal financial participation is available.~~
22 ~~(e) The department shall seek federal approval of any state plan~~
23 ~~amendments necessary to implement this section. When federal~~
24 ~~approval of the state plan amendment or amendments is received,~~
25 ~~the department shall commence implementation of this section on~~
26 ~~the first day of the second month following the month in which~~
27 ~~federal approval of the state plan amendment or amendments is~~
28 ~~received, or on July 1, 2008, whichever is later.~~
29 ~~(f) Notwithstanding Chapter 3.5 (commencing with Section~~
30 ~~11340) of Part 1 of Division 3 of Title 2 of the Government Code,~~
31 ~~the department shall, without taking any regulatory action,~~
32 ~~implement this section by means of all-county letters; the all-county~~
33 ~~letters shall be developed in consultation with consumer advocates~~
34 ~~and other stakeholders. Thereafter, the department shall adopt~~
35 ~~regulations in accordance with the requirements of Chapter 3.5~~
36 ~~(commencing with Section 11340) of Part 1 of Division 3 of Title~~
37 ~~2 of the Government Code.~~
38 SEC. 2. ~~If the Commission on State Mandates determines that~~
39 ~~this act contains costs mandated by the state, reimbursement to~~
40 ~~local agencies and school districts for those costs shall be made~~

1 pursuant to Part 7 (commencing with Section 17500) of Division
2 4 of Title 2 of the Government Code.

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