

AMENDED IN ASSEMBLY MARCH 29, 2007

CALIFORNIA LEGISLATURE—2007—08 REGULAR SESSION

ASSEMBLY BILL

No. 1701

Introduced by Assembly Member Dymally

February 23, 2007

An act to amend Section 1324.23 of the Health and Safety Code, and to amend Section 14126.027 of the Welfare and Institutions Code, relating to Medi-Cal.

LEGISLATIVE COUNSEL'S DIGEST

AB 1701, as amended, Dymally. Medi-Cal: skilled nursing facilities.

Existing law requires the State Department of ~~Public Health~~ *Care Services* to impose a uniform quality assurance fee on each skilled nursing facility, with certain exceptions, in accordance with a prescribed formula. The formula is based on the determination of the projected net revenues of skilled nursing facilities. The fee will cease to be assessed and collected on and after July 31, 2008.

Existing law, the Medi-Cal Long-Term Care Reimbursement Act, requires the State Department of Health Care Services to implement a facility specific ratesetting system for facilities providing long-term care services. ~~The director may~~

Existing law permits the Director of Health Care Services to implement the ~~act~~ above-described provisions by provider bulletins until July 31, 2007, by which time the director shall have adopted regulations.

This bill would ~~state the intent of the Legislature to enact legislation to extend the expiration dates of those requirements, instead, permit the director to implement the above-described provisions by provider bulletins until July 31, 2008.~~

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

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

1 *SECTION 1. Section 1324.23 of the Health and Safety Code*
2 *is amended to read:*
3 1324.23. (a) The Director of Health Services, or his or her
4 designee, shall administer this article.
5 (b) The director may adopt regulations as are necessary to
6 implement this article. These regulations may be adopted as
7 emergency regulations in accordance with the rulemaking
8 provisions of the Administrative Procedure Act (Chapter 3.5
9 (commencing with Section 11340) of Part 1 of Division 3 of Title
10 2 of the Government Code). For purposes of this article, the
11 adoption of regulations shall be deemed an emergency and
12 necessary for the immediate preservation of the public peace, health
13 and safety, or general welfare. The regulations shall include, but
14 need not be limited to, any regulations necessary for any of the
15 following purposes:
16 (1) The administration of this article, including the proper
17 imposition and collection of the quality assurance fee not to exceed
18 amounts reasonably necessary for purposes of this article.
19 (2) The development of any forms necessary to obtain required
20 information from facilities subject to the quality assurance fee.
21 (3) To provide details, definitions, formulas, and other
22 requirements.
23 (c) As an alternative to subdivision (b), and notwithstanding
24 the rulemaking provisions of Chapter 3.5 (commencing with
25 Section 11340) of Part 1 of Division 3 of Title 2 of the Government
26 Code, the director may implement this article, in whole or in part,
27 by means of a provider bulletin, or other similar instructions,
28 without taking regulatory action, provided that no such bulletin or
29 other similar instructions shall remain in effect after July 31, ~~2007~~
30 2008. It is the intent of the Legislature that the regulations adopted
31 pursuant to subdivision (b) shall be adopted on or before July 31,
32 ~~2007~~ 2008.
33 *SEC. 2. Section 14126.027 of the Welfare and Institutions Code*
34 *is amended to read:*

1 14126.027. (a) (1) The Director of Health Services, or his or
2 her designee, shall administer this article.

3 (2) The regulations and other similar instructions adopted
4 pursuant to this article shall be developed in consultation with
5 representatives of the long-term care industry, organized labor,
6 seniors, and consumers.

7 (b) (1) The director may adopt regulations as are necessary to
8 implement this article. The adoption, amendment, repeal, or
9 readoption of a regulation authorized by this section is deemed to
10 be necessary for the immediate preservation of the public peace,
11 health and safety, or general welfare, for purposes of Sections
12 11346.1 and 11349.6 of the Government Code, and the department
13 is hereby exempted from the requirement that it describe specific
14 facts showing the need for immediate action.

15 (2) The regulations adopted pursuant to this section may include,
16 but need not be limited to, any regulations necessary for any of
17 the following purposes:

18 (A) The administration of this article, including the specific
19 analytical process for the proper determination of long-term care
20 rates.

21 (B) The development of any forms necessary to obtain required
22 cost data and other information from facilities subject to the
23 ratesetting methodology.

24 (C) To provide details, definitions, formulas, and other
25 requirements.

26 (c) As an alternative to the adoption of regulations pursuant to
27 subdivision (b), and notwithstanding Chapter 3.5 (commencing
28 with Section 11340) of Part 1 of Division 3 of Title 2 of the
29 Government Code, the director may implement this article, in
30 whole or in part, by means of a provider bulletin or other similar
31 instructions, without taking regulatory action, provided that no
32 such bulletin or other similar instructions shall remain in effect
33 after July 31, ~~2007~~ 2008. It is the intent that regulations adopted
34 pursuant to subdivision (b) shall be in place on or before July 31,
35 ~~2007~~ 2008.

36 ~~SECTION 1. It is the intent of the Legislature to enact~~
37 ~~legislation that would extend the term of the provisions of the~~
38 ~~Medi-Cal Long-Term Care Reimbursement Act (Article 3.8~~
39 ~~(commencing with Section 14126) of Chapter 7 of Part 3 of~~
40 ~~Division 9 of the Welfare and Institutions Code) and the Skilled~~

- 1 Nursing Facility Quality Assurance Fee (Article 7.5 (commencing
- 2 with Section 1324) of Chapter 2 of Division 2 of the Health and
- 3 Safety Code).

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