An act to amend Sections 124977 and 125002 of the Health and Safety Code, relating to maternal and child health, and making an appropriation therefor.

LEGISLATIVE COUNSEL’S DIGEST

SB 164, as introduced, Migden. Prenatal screening.
Existing law imposes various responsibilities upon the State Department of Public Health and prenatal care providers with respect to prenatal care, screening, and counseling, and requires the department to administer a statewide program for prenatal testing for genetic disorders and birth defects, including, but not limited to, ultrasound, amniocentesis, chorionic villus sampling, and blood testing for genetic disorders and birth defects. Existing law establishes the Birth Defects Monitoring Program in the department’s maternal, child and adolescent health program, and requires the Deputy Director for Maternal, Child, and Adolescent Health to maintain a system for the collection of prescribed information on birth defects. Existing law also provides for an increase in prenatal screening fees to support the program activities and specifies the steps for release of pregnancy blood samples for research purposes. Existing law requires that those fees be deposited in the continuously appropriated Genetic Testing Fund.
This bill would change the name of the Birth Defects Monitoring Program to the Birth Defects Monitoring and Biomedical Resources Program. The bill would require the department to also charge investigators, who are approved by the department to use pregnancy blood for research purposes, a fee for costs related to data linkage, storage, retrieval, processing, data entry, reinventory, and shipping of
pregnancy blood or its components, and related data management, as provided. The bill would require that the moneys collected from the prenatal fee increase and the usage and retrieval charge be deposited in the Birth Defects Monitoring and Biomedical Resources Program Fund, which the bill would create, and that would be continuously appropriated to support the activities of the program.

The bill would additionally require that the program develop blood collection and processing protocols, determine conditions and recommendations for the duration of blood storage, establish exclusion criteria for blood specimens, and institute safe and secure methods for the disposal of specimens, as determined by the program. The bill would require the department to store the pregnancy blood for research purposes, as prescribed, and analyze the costs of pregnancy blood storage, and annual data linkage and management, and to adjust the fee accordingly.


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

SECTION 1. Section 124977 of the Health and Safety Code is amended to read:

124977. (a) It is the intent of the Legislature that, unless otherwise specified, the program carried out pursuant to this chapter be fully supported from fees collected for services provided by the program.

(b) (1) The department shall charge a fee to all payers for any tests or activities performed pursuant to this chapter. The amount of the fee shall be established by regulation and periodically adjusted by the director in order to meet the costs of this chapter. Notwithstanding any other provision of law, any fees charged for prenatal screening and followup services provided to persons enrolled in the Medi-Cal program, health care service plan enrollees, or persons covered by health insurance policies, shall be paid in full directly to the Genetic Disease Testing Fund, subject to all terms and conditions of each enrollee’s or insured’s health care service plan or insurance coverage, whichever is applicable, including, but not limited to, copayments and deductibles applicable to these services, and only if these copayments,
deductibles, or limitations are disclosed to the subscriber or enrollee pursuant to the disclosure provisions of Section 1363.

(2) The department shall expeditiously undertake all steps necessary to implement the fee collection process, including personnel, contracts, and data processing, so as to initiate the fee collection process at the earliest opportunity.

(3) The director shall convene, in the most cost-efficient manner and using existing resources, a working group comprised of health insurance, health care service plan, hospital, consumer, and department representatives to evaluate newborn and prenatal screening fee billing procedures, and recommend to the department ways to improve these procedures in order to improve efficiencies and enhance revenue collections for the department and hospitals. In performing its duties, the working group may consider models in other states. The working group shall make its recommendations by March 1, 2005.

(4) Effective for services provided on and after July 1, 2002, the department shall charge a fee to the hospital of birth, or, for births not occurring in a hospital, to families of the newborn, for newborn screening and followup services. The hospital of birth and families of newborns born outside the hospital shall make payment in full to the Genetic Disease Testing Fund. The department shall not charge or bill Medi-Cal beneficiaries for services provided under this chapter.

(5) (A) The department shall charge an additional fee for prenatal screening to support the pregnancy blood sample storage, testing, and research activities of the Birth Defects Monitoring Program and Biomedical Resources Program activities.

(6) (B) The initial prenatal screening fee increase for activities of the Birth Defects Monitoring and Biomedical Resources Program shall be ten dollars ($10).

(7) The only funds from the Genetic Disease Testing Fund that may be used for the purpose of supporting the pregnancy blood sample storage, testing, and research activities of the Birth Defects Monitoring Program are those prenatal screening fees assessed and collected specifically to support those Birth Defects Monitoring Program activities.

(C) The department shall also charge investigators who are approved by the department a fee for costs related to data linkage,
storage, retrieval, processing, data entry, reinventory, and shipping
of pregnancy blood or its components and related data
management. The funds from fees collected pursuant to this
subparagraph may be charged by the department or by an entity
authorized by the department to defray or reduce those costs.

(D) The funds from fees collected pursuant to this paragraph
shall be deposited into the Birth Defects Monitoring and
Biomedical Resources Program Fund, which is hereby created as
a special fund in the State Treasury, to be continuously
appropriated, to carry out the purposes of the Birth Defects
Monitoring and Biomedical Resources Program. Notwithstanding
Section 16305.7 of the Government Code, interest earned on the
moneys in the fund shall also be deposited as revenue into the fund
to support the program.

(c) (1) The Legislature finds that timely implementation of
changes in genetic screening programs and continuous maintenance
of quality statewide services requires expeditious regulatory and
administrative procedures to obtain the most cost-effective
electronic data processing, hardware, software services, testing
equipment, and testing and followup services.

(2) The expenditure of funds from the Genetic Disease Testing
Fund and the Birth Defects Monitoring and Biomedical Resources
Program Fund for these purposes related to prenatal and newborn
screening shall not be subject to Section 12102 of, and Chapter 2
(commencing with Section 10290) of Part 2 of Division 2 of, the
Public Contract Code, or to Division 25.2 (commencing with
Section 38070). The department shall provide the Department of
Finance with documentation that equipment and services have
been obtained at the lowest cost consistent with technical
requirements for a comprehensive high-quality program.

(3) The expenditure of funds from the Genetic Disease Testing
Fund for implementation of the Tandem Mass Spectrometry
screening for fatty acid oxidation, amino acid, and organic acid
disorders, and screening for congenital adrenal hyperplasia may
be implemented through the amendment of the Genetic Disease
Branch Screening Information System contracts and shall not be
subject to Chapter 3 (commencing with Section 12100) of Part 2
of Division 2 of the Public Contract Code, Article 4 (commencing
with Section 19130) of Chapter 5 of Part 2 of Division 5 of Title
2 of the Government Code, and any policies, procedures, regulations or manuals authorized by those laws.

(4) The expenditure of funds from the Genetic Disease Testing Fund for the expansion of the Genetic Disease Branch Screening Information System to include cystic fibrosis and biotinidase may be implemented through the amendment of the Genetic Disease Branch Screening Information System contracts, and shall not be subject to Chapter 2 (commencing with Section 10290) or Chapter 3 (commencing with Section 12100) of Part 2 of Division 2 of the Public Contract Code, Article 4 (commencing with Section 19130) of Chapter 5 of Part 2 of Division 5 of Title 2 of the Government Code, or Sections 4800 to 5180, inclusive, of the State Administrative Manual as they relate to approval of information technology projects or approval of increases in the duration or costs of information technology projects. This paragraph shall apply to the design, development, and implementation of the expansion, and to the maintenance and operation of the Genetic Disease Branch Screening Information System, including change requests, once the expansion is implemented.

(d) (1) The department may adopt emergency regulations to implement and make specific this chapter in accordance with Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code. For the purposes of the Administrative Procedure Act, the adoption of regulations shall be deemed an emergency and necessary for the immediate preservation of the public peace, health and safety, or general welfare. Notwithstanding Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, these emergency regulations shall not be subject to the review and approval of the Office of Administrative Law. Notwithstanding Section 11346.1 and Section 11349.6 of the Government Code, the department shall submit these regulations directly to the Secretary of State for filing. The regulations shall become effective immediately upon filing by the Secretary of State. Regulations shall be subject to public hearing within 120 days of filing with the Secretary of State and shall comply with Sections 11346.8 and 11346.9 of the Government Code or shall be repealed.

(2) The Office of Administrative Law shall provide for the printing and publication of these regulations in the California Code of Regulations. Notwithstanding Chapter 3.5 (commencing with
Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, the regulations adopted pursuant to this chapter shall not be repealed by the Office of Administrative Law and shall remain in effect until revised or repealed by the department.

(3) The Legislature finds and declares that the health and safety of California newborns is in part dependent on an effective and adequately staffed genetic disease program, the cost of which shall be supported by the fees generated by the program.

SEC. 2. Section 125002 of the Health and Safety Code is amended to read:

125002. (a) In order to align closely related programs and in order to facilitate research into the causes of, and treatment for, birth defects, the Birth Defects Monitoring and Biomedical Resources Program provided for pursuant to Chapter 1 (commencing with Section 103825) of Part 2 of Division 102 shall become part of the Maternal, Child, and Adolescent Health program provided for in Article 1 (commencing with Section 123225) of Chapter 1 of Part 2 of Division 106.

(b) The Birth Defects Monitoring and Biomedical Resources Program shall develop blood collection and processing protocols, determine conditions and duration of blood storage, establish exclusion criteria for blood specimens, and institute safe and secure methods of disposing of specimens, as determined by the program. In addition, the Birth Defects Monitoring and Biomedical Resources Program or another entity authorized by the department shall store the pregnancy blood for research purposes from all or a statistically representative sample population of pregnant women who provided a positive consent.

(c) The department shall analyze the costs of pregnancy blood storage and data linkage and management annually, and the amount of the fee shall be adjusted by the department to meet the costs of the Birth Defects Monitoring and Biomedical Resources Program activities.

(d) It is the intent of the Legislature that pregnancy blood samples, taken for prenatal screening, shall be stored and used only for the following purposes:

(1) Research to identify risk factors for children’s and women’s diseases.

(2) Research to develop and evaluate screening tests.
(3) Research to develop and evaluate prevention strategies.
(4) Research to develop and evaluate treatments.
(e) Before any pregnancy blood samples are released for research purposes, all of the following conditions must be met:
   (1) Individual consent at the time the sample is drawn to allow confidential use of the sample for research purposes by the department or the department’s approved researchers.
   (2) Protocol review for scientific merit by the department or another entity authorized by the department.
   (3) Protocol review by the State Committee for the Protection of Human Subjects.
(f) When pregnancy blood samples are stored, analyzed or otherwise shared for research purposes with nondepartment staff, no information may be released identifying the person from whom the samples were obtained.
(g) Since the pregnancy blood samples described in this section will be stored by the California Birth Defects Monitoring Birth Defects Monitoring and Biomedical Resources Program or another entity authorized by the State Department of Health Services, Section 103850, pertaining to confidentiality of information, is applicable.