

AMENDED IN ASSEMBLY JULY 5, 2007
AMENDED IN ASSEMBLY JUNE 20, 2007
AMENDED IN SENATE APRIL 18, 2007

SENATE BILL

No. 400

Introduced by Senator Corbett

February 21, 2007

An act to add Section 1204.2 to the Health and Safety Code, and to add Section 14132.103 to the Welfare and Institutions Code, relating to Medi-Cal.

LEGISLATIVE COUNSEL'S DIGEST

SB 400, as amended, Corbett. Medi-Cal: federally qualified health centers.

Existing law provides for the Medi-Cal program, which is administered by the State Department of Health Care Services and under which health care services are provided to qualified low-income persons. Federally qualified health center (FQHC) services described under federal law are covered Medi-Cal benefits. Existing law includes within the definition of an FQHC certain entities known as FQHC look-alikes, which have been determined to meet specified funding requirements, but have not received that funding.

Existing law requires that FQHCs be reimbursed on a per-visit basis, and allows an FQHC to apply for an adjustment to its per-visit rate based on a change in the scope of services it provides.

This bill would, subject to the availability of federal financial participation, allow an FQHC to bill the Medi-Cal program for FQHC services, as defined, delivered in locations other than the FQHC's site or sites by a provider who is an employee or a contracted member of

the staff of the FQHC if specified requirements are met, and would make other conforming changes. The bill would also authorize the department, until January 1, 2010, to adopt emergency regulations to implement these provisions, as provided.

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 1204.2 is added to the Health and Safety
2 Code, to read:

3 1204.2. (a) (1) Notwithstanding Section 1200, and subject to
4 subdivision (c), a federally qualified health center (FQHC), as
5 defined in paragraph (1) of subdivision (a) of Section 14132.103
6 of the Welfare and Institutions Code, that is licensed as a
7 community clinic under this chapter may provide FQHC services,
8 as defined in subparagraph (C) of paragraph (2) of subdivision (a)
9 of Section 1396d of Title 42 of the United States Code, to patients
10 of the FQHC at any location where the FQHC patient is present,
11 including, but not limited to, the FQHC site or sites, the patient’s
12 home, and in any health facility licensed pursuant to Section 1250.

13 (2) For purposes of this section, a patient’s home may include
14 any place where the patient resides, including, but not limited to,
15 a board and care home, a homeless shelter, or a street location.

16 (b) All FQHC services provided to FQHC patients, in any
17 location or facility where the care is provided by FQHC staff, shall
18 be provided under the respective responsibilities of the governing
19 body, the administrators, and the medical director of the FQHC.

20 (c) This section shall not be construed to mandate a licensed
21 health facility to permit the staff of the FQHC to provide FQHC
22 services in that facility if the FQHC service provider is not also a
23 member of the organized medical staff of the health facility, to the
24 extent required by Section 1275.

25 SEC. 2. Section 14132.103 is added to the Welfare and
26 Institutions Code, to read:

27 14132.103. (a) For purposes of this section, the following
28 definitions shall apply:

29 (1) “Federally qualified health center (FQHC)” means an entity
30 described in subparagraph (B) of paragraph (2) of subdivision (I)
31 of Section 1396d of Title 42 of the United States Code.

1 (2) “FQHC services” means services defined in subparagraph
2 (C) of paragraph (2) of subdivision (a) of Section 1396d of Title
3 42 of the United States Code. For purposes of this section, FQHC
4 services delivered at an offsite location, as defined in paragraph
5 (3), do not include FQHC services delivered at the location or
6 locations of a business that is owned or operated by a provider
7 who is an employee or a contracted member of the staff of the
8 FQHC.

9 (3) (A) “Offsite location” means *a location other than the*
10 *FQHC’s site or sites, including, but not limited to, a patient’s*
11 *home, and any health facility licensed pursuant to Section 1250*
12 *of the Health and Safety Code.*

13 (B) For purposes of this paragraph, a patient’s home is any place
14 where the patient resides, including, but not limited to, a board
15 and care home, a homeless shelter, or a street location.

16 (b) (1) If the requirements of this subdivision are met, an FQHC
17 may bill the Medi-Cal program for FQHC services delivered in
18 offsite locations by a provider who is an employee or a contracted
19 member of the staff of the FQHC, and who treats patients at the
20 FQHC site or sites.

21 (2) The requirements of Sections 14132.100 to 14132.102,
22 inclusive, and of the California Medicaid State Plan shall apply to
23 the same extent as if the services were provided at the FQHC’s
24 site or sites.

25 (3) Employees or contracted members of the staff of the FQHC
26 who deliver FQHC services at offsite locations on behalf of the
27 FQHC shall be licensed, certified, or registered, as applicable,
28 under state law, and maintain written contracts with, or other
29 written authorization from, the FQHC to provide services to FQHC
30 patients at the offsite locations.

31 (4) The FQHC services shall be provided in the offsite location,
32 rather than at the FQHC’s site or sites, consistent with the entity’s
33 responsibilities as an FQHC, for health or medical reasons.

34 (5) To qualify for payment pursuant to this subdivision, all
35 inpatient services delivered at offsite locations shall be limited,
36 with respect to any particular patient, to initial and subsequent
37 followup hospital visits, patient discharges, and obstetrical
38 deliveries. Payments made to an FQHC shall not duplicate
39 payments made to the inpatient hospital for the same service. This

1 paragraph shall not apply to outpatient services delivered at offsite
2 locations.

3 (c) The department shall promptly seek all necessary federal
4 approvals in order to implement this section, including any
5 amendments to the California Medicaid State Plan. To the extent
6 that any element or requirement of this section is not approved,
7 the department shall submit a request to the federal Centers for
8 Medicare and Medicaid Services for any waivers or state plan
9 amendments that may make it possible to implement this section.

10 (d) The department shall implement this section only to the
11 extent that federal financial participation is obtained.

12 (e) (1) The department may, until January 1, 2010, adopt
13 emergency regulations to implement this section in accordance
14 with the Administrative Procedure Act (Chapter 3.5 (commencing
15 with Section 11340) of Part 1 of Division 3 of Title 2 of the
16 Government Code).

17 (2) The adoption of emergency regulations described in
18 paragraph (1) shall be deemed to be an emergency and necessary
19 for the immediate preservation of the public peace, health and
20 safety, or general welfare. The emergency regulations authorized
21 by this subdivision shall be submitted to the Office of
22 Administrative Law for filing with the Secretary of State and
23 publication in the California Code of Regulations.

24 (3) Notwithstanding paragraphs (1) and (2), the director may,
25 until January 1, 2010, issue any instructions and forms that are
26 consistent with and necessary to implement and administer this
27 section and any related provisions of the California Medicaid State
28 Plan. The adoption of these instructions and forms shall not be
29 subject to the Administrative Procedure Act (Chapter 3.5
30 (commencing with Section 11340) of Part 1 of Division 3 of Title
31 2 of the Government Code).

32 (4) The emergency regulations, and any instructions and forms,
33 adopted pursuant to this section shall be developed in consultation
34 with ~~representatives of the primary care industry~~ *FQHCs and their*
35 *representatives*, and other interested stakeholders.