

AMENDED IN ASSEMBLY APRIL 13, 2009

CALIFORNIA LEGISLATURE—2009—10 REGULAR SESSION

**ASSEMBLY BILL**

**No. 342**

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**Introduced by Assembly Member Bass Members Bass and Jones**  
(Coauthor: Senator Steinberg)

February 18, 2009

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~~An act to amend Section 14166 of the Welfare and Institutions Code, relating to Medi-Cal. An act to add Article 5.4 (commencing with Section 14180) to Chapter 7 of Part 3 of Division 9 of the Welfare and Institutions Code, relating to Medi-Cal.~~

LEGISLATIVE COUNSEL'S DIGEST

AB 342, as amended, Bass. Medi-Cal: ~~hospital~~ demonstration project waiver.

*Existing law provides for the Medi-Cal program, which is administered by the State Department of Health Care Services and under which qualified low-income persons receive health care benefits. The Medi-Cal program is, in part, governed and funded by federal Medicaid provisions.*

*This bill would require the department to submit an application to the federal Centers for Medicare and Medicaid Services for a waiver to implement a demonstration project that improves health care, as specified. The bill would require the department to submit the waiver application by a date that shall ensure that the waiver is approved by the federal Centers for Medicare and Medicaid Services by September 1, 2010. The bill would condition implementation of the waiver upon the enactment of subsequent statutory authorization.*

~~Existing law provides for the Medi-Cal program, which is administered by the State Department of Health Care Services and under~~

~~which qualified low-income persons receive health care benefits. The Medi-Cal program is, in part, governed and funded by federal Medicaid provisions.~~

~~Existing law establishes the Medi-Cal Hospital/Uninsured Care Demonstration Project Act, which revises hospital reimbursement methodologies under the Medi-Cal program in order to maximize the use of federal funds consistent with federal Medicaid law and stabilize the distribution of funding for hospitals that provide care to Medi-Cal beneficiaries and uninsured patients. Under existing law, the Legislature makes various findings and declarations with respect to the above provisions.~~

~~This bill would delete those findings and declarations.~~

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. Article 5.4 (commencing with Section 14180) is  
2 added to Chapter 7 of Part 3 of Division 9 of the Welfare and  
3 Institutions Code, to read:

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5             Article 5.4. Health Care Improvement Waiver

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7     14180. (a) The department shall submit an application to the  
8 federal Centers for Medicare and Medicaid Services for a waiver  
9 to implement a demonstration project that does all of the following:

10     (1) Strengthens California’s health care safety net, which  
11 includes disproportionate share hospitals, for low-income and  
12 vulnerable Californians.

13     (2) Maximizes opportunities to expand coverage to eligible, but  
14 uninsured populations.

15     (3) Optimizes opportunities to increase federal financial  
16 participation and maximizes financial resources to address  
17 uncompensated care.

18     (4) Promotes long-term, efficient, and effective use of state and  
19 local funds.

20     (5) Improves health care outcomes.

21     (b) In developing the waiver application, the department shall  
22 consult with interested stakeholders and the Legislature.

1     (c) *The department shall determine the form of waiver most*  
2 *appropriate to achieve the purposes listed in subdivision (a).*

3     (d) *The department shall submit the waiver application to the*  
4 *federal Centers for Medicare and Medicaid Services by a date that*  
5 *shall ensure that the waiver is approved by September 1, 2010.*

6     (e) *If the federal Centers for Medicare and Medicaid Services*  
7 *approves the waiver, the department shall only implement the*  
8 *demonstration project upon enactment of subsequent statutory*  
9 *authorization.*

10    ~~SECTION 1. Section 14166 of the Welfare and Institutions~~  
11 ~~Code is amended to read:~~

12    ~~14166. This article shall be known and may be cited as the~~  
13 ~~“Medi-Cal Hospital/Uninsured Care Demonstration Project Act.”~~