

AMENDED IN ASSEMBLY APRIL 2, 2009

CALIFORNIA LEGISLATURE—2009—10 REGULAR SESSION

ASSEMBLY BILL

No. 366

Introduced by Assembly Member Ruskin
(Coauthors: Assembly Members Adams and Portantino)

February 23, 2009

An act to ~~amend Section 14083 of~~ *add Section 14083.7 to* the Welfare and Institutions Code, relating to Medi-Cal.

LEGISLATIVE COUNSEL'S DIGEST

AB 366, as amended, Ruskin. Medi-Cal: inpatient hospital services contracts.

Existing law provides for the Medi-Cal program, administered by the State Department of Health Care Services, under which qualified low-income persons are provided with health care services.

Under existing law, the California Medical Assistance Commission is authorized to negotiate inpatient hospital services contracts *that are binding upon the State Department of Health Care Services department*. Existing law requires the commission to consider certain factors in negotiating inpatient hospital services contracts.

~~This bill would make technical, nonsubstantive changes to these provisions:~~

This bill would additionally require the California Medical Assistance Commission, in negotiating contracts or in drawing specifications for competitive bidding, to provide for separate reimbursement for hospitals for the full cost of orthopedic implants for cancers of the bone.

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 14083.7 is added to the Welfare and
2 Institutions Code, to read:

3 14083.7. In addition to considering the factors specified in
4 Sections 14083 and 14083.5, the California Medical Assistance
5 Commission, in negotiating contracts under this article, or in
6 drawing specifications for competitive bidding, shall provide for
7 separate reimbursement for hospitals for the full cost of orthopedic
8 implants for cancers of the bone.

9 ~~SECTION 1. Section 14083 of the Welfare and Institutions~~
10 ~~Code is amended to read:~~

11 ~~14083. The factors to be considered by the negotiator in~~
12 ~~negotiating contracts under this article, or in drawing specifications~~
13 ~~for competitive bidding, include, but are not limited to, all of the~~
14 ~~following:~~

15 ~~(a) Beneficiary access.~~

16 ~~(b) Utilization controls.~~

17 ~~(c) Ability to render quality services efficiently and~~
18 ~~economically.~~

19 ~~(d) Demonstrated ability to provide or arrange needed~~
20 ~~specialized services.~~

21 ~~(e) Protection against fraud and abuse.~~

22 ~~(f) Any other factor that would reduce costs, promote access,~~
23 ~~or enhance the quality of care.~~

24 ~~(g) The capacity to provide a given tertiary service, such as~~
25 ~~specialized children's services, on a regional basis.~~

26 ~~(h) Recognition of the variations in severity of illness and~~
27 ~~complexity of care.~~

28 ~~(i) Existing labor-management collective bargaining agreements.~~

29 ~~(j) The situation of county hospitals and university medical~~
30 ~~centers contracting with counties for provision of health care to~~
31 ~~indigent persons entitled to care under Section 17000, which are~~
32 ~~burdened to a greater extent than private hospitals with bad debts,~~
33 ~~indirect costs, medical education programs, and capital needs.~~

34 ~~(k) The special circumstances of hospitals serving a~~
35 ~~disproportionate number of Medi-Cal beneficiaries and patients~~
36 ~~who are not covered by other third-party payers, including the~~
37 ~~costs associated with assuring an adequate supply of registered~~
38 ~~nurses.~~

- 1 ~~(l) The costs of providing complex emergency services,~~
2 ~~including the costs of meeting and maintaining state and local~~
3 ~~requirements for trauma center designation.~~
4 ~~(m) The hospital does any of the following:~~
5 ~~(1) Provides additional obstetrical beds.~~
6 ~~(2) Contracts with one or more comprehensive perinatal~~
7 ~~providers.~~
8 ~~(3) Permits certified nurse midwives, subject to hospital rules,~~
9 ~~and consistent with existing laws and regulations, to admit patients~~
10 ~~to the health facility.~~
11 ~~(4) Expands overall obstetrical services in the hospital.~~
12 ~~(n) The special circumstances of hospitals whose Medi-Cal~~
13 ~~inpatient utilization rate exceeds the mean Medicaid inpatient~~
14 ~~utilization rate by at least one-half of one standard deviation.~~
15 ~~(o) The ability and capacity of the contracting hospital in a~~
16 ~~closed health facility planning area to provide health care services~~
17 ~~to beneficiaries who are in life-threatening or emergency situations,~~
18 ~~but have been sufficiently stabilized at another noncontracting~~
19 ~~facility in order to facilitate transportation to the contracting~~
20 ~~hospital.~~
21 ~~(p) The ability of the contracting hospital to provide a secure~~
22 ~~environment for the provision of health care services. In this regard,~~
23 ~~the negotiator shall consider additional security measures that the~~
24 ~~contracting hospital may have taken to provide a secure~~
25 ~~environment, including, but not limited to, the use of detection~~
26 ~~equipment or procedures to detect lethal weapons, the appropriate~~
27 ~~use of surveillance cameras, limiting access of unauthorized~~
28 ~~personnel to the emergency department, installation of bullet proof~~
29 ~~glass as appropriate in designated areas, the use of emergency~~
30 ~~“panic” buttons to alert local law enforcement agencies, and~~
31 ~~assigning full-time security personnel to the emergency department.~~

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