

AMENDED IN SENATE MARCH 16, 2009

CALIFORNIA LEGISLATURE—2009—10 THIRD EXTRAORDINARY SESSION

SENATE BILL

No. 24

Introduced by Senator Alquist
(Principal coauthor: Assembly Member Jones)

February 10, 2009

~~An act relating to health care coverage. An act to amend Section 14005.25 of, and to repeal Section 14011.18 of, the Welfare and Institutions Code, relating to Medi-Cal, and declaring the urgency thereof, to take effect immediately.~~

LEGISLATIVE COUNSEL'S DIGEST

SB 24, as amended, Alquist. ~~Health care coverage: children. Medi-Cal: continuous eligibility: semiannual status reports.~~

Existing law establishes the Medi-Cal program, administered by the State Department of Health Care Services, under which basic health care services are provided to qualified low-income persons. The Medi-Cal program is partially governed and funded under federal Medicaid provisions.

Existing law, until January 1, 2012, requires the department, subject to the availability of federal financial participation, to exercise a federal option to expand continuous eligibility to children 19 years of age and younger for 6 months, after which date the continuous eligibility period shall be from the date of a determination of eligibility to the earlier of either the end of a 12-month period following the eligibility determination or the date the child exceeds 19 years of age.

This bill would extend the inoperative date of the above-described requirement until July 1, 2012, but would also provide that the provisions limiting continuous eligibility to 6 months shall be inoperative

from the date this bill becomes effective until the date the Director of Health Care Services executes a declaration specifying that increased federal financial participation is no longer available pursuant to the federal American Recovery and Reinvestment Act of 2009. This bill would require the department to redetermine the continuous eligibility period of any child whose continuous eligibility period was determined or redetermined pursuant to the provisions limiting continuous eligibility to 6 months during the first calendar year quarter of 2009 and would require the department to grant that child the period of continuous eligibility that existing law provides shall be available on and after January 1, 2012, retroactive to the date that the determination or redetermination under the provisions limiting continuous eligibility to 6 months was made. This bill would make other conforming changes.

The California Constitution authorizes the Governor to declare a fiscal emergency and to call the Legislature into special session for that purpose. The Governor issued a proclamation declaring a fiscal emergency, and calling a special session for this purpose, on December 19, 2008.

This bill would state that it addresses the fiscal emergency declared by the Governor by proclamation issued on December 19, 2008, pursuant to the California Constitution.

This bill would declare that it is to take effect immediately as an urgency statute.

~~Existing law creates the Healthy Families Program, administered by the Managed Risk Medical Insurance Board, to arrange for the provision of health, dental, and vision benefits to eligible children pursuant to a federal program, the State Children's Health Insurance Program.~~

~~This bill would state the intent of the Legislature to enact legislation implementing the federal Children's Health Insurance Program Reauthorization Act of 2009.~~

~~The California Constitution authorizes the Governor to declare a fiscal emergency and to call the Legislature into special session for that purpose. The Governor issued a proclamation declaring a fiscal emergency, and calling a special session for this purpose, on December 19, 2008.~~

~~This bill would state that it addresses the fiscal emergency declared by the Governor by proclamation issued on December 19, 2008, pursuant to the California Constitution.~~

Vote: ~~majority~~^{2/3}. 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 14005.25 of the Welfare and Institutions*
2 *Code, as amended by Section 27 of Chapter 758 of the Statutes of*
3 *2008, is amended to read:*

4 14005.25. (a) To the extent federal financial participation is
5 available, the department shall exercise the option under Section
6 1902(e)(12) of the federal Social Security Act (42 U.S.C. Sec.
7 1396a(e)(12)) to extend continuous eligibility to children 19 years
8 of age and younger. A child shall remain eligible pursuant to this
9 subdivision from the date of a determination of eligibility for
10 Medi-Cal benefits until the earlier of either:

11 (1) The end of a 12-month period following the eligibility
12 determination.

13 (2) The date the individual exceeds the age of 19 years.

14 (b) This section shall be implemented only if, and to the extent
15 that, federal financial participation is available.

16 (c) Notwithstanding Chapter 3.5 (commencing with Section
17 11340) of Part 1 of Division 3 of Title 2 of the Government Code,
18 the department shall, without taking regulatory action, implement
19 this section by means of all county letters or similar instructions.
20 Thereafter, the department shall adopt regulations in accordance
21 with the requirements of Chapter 3.5 (commencing with Section
22 11340) of Part 1 of Division 3 of Title 2 of the Government Code.

23 (d) In order to implement changes in the level of funding for
24 health care services, commencing on the first day of the month
25 following 90 days after the operative date of amendments to this
26 section that added this subdivision, the continuous eligibility time
27 period provided in paragraph (1) of subdivision (a) shall be reduced
28 to six months.

29 (e) (1) *Subdivision (d) shall be inoperative from the date the*
30 *act adding this subdivision becomes effective until the date the*
31 *Director of Health Care Services executes a declaration specifying*
32 *that increased federal financial participation is no longer available*
33 *pursuant to the federal American Recovery and Reinvestment Act*
34 *of 2009 (Public Law 111-5).*

35 (2) *The department shall redetermine the continuous eligibility*
36 *period of any child whose continuous eligibility period was*
37 *determined or redetermined pursuant to subdivision (d) during*
38 *the first calendar year quarter of 2009 and shall grant to that child*

1 *the period of continuous eligibility provided for in subdivision (a),*
 2 *retroactive to the date that the determination or redetermination*
 3 *under subdivision (d) was made.*

4 (e)

5 (f) This section shall ~~remain in effect only until January~~ *become*
 6 *inoperative on July 1, 2012, and as of that date January 1, 2013,*
 7 *is repealed, unless a later enacted statute, that is enacted before*
 8 *January 1, 2012 2013, deletes or extends that date.*

9 *SEC. 2. Section 14005.25 of the Welfare and Institutions Code,*
 10 *as added by Section 28 of Chapter 758 of the Statutes of 2008, is*
 11 *amended to read:*

12 14005.25. (a) To the extent federal financial participation is
 13 available, the department shall exercise the option under Section
 14 1902(e)(12) of the federal Social Security Act (42 U.S.C. Sec.
 15 1396a(e)(12)) to extend continuous eligibility to children 19 years
 16 of age and younger. A child shall remain eligible pursuant to this
 17 subdivision from the date of a determination of eligibility for
 18 Medi-Cal benefits until the earlier of either:

19 (1) The end of a 12-month period following the eligibility
 20 determination.

21 (2) The date the individual exceeds the age of 19 years.

22 (b) This section shall be implemented only if, and to the extent
 23 that, federal financial participation is available.

24 (c) Notwithstanding Chapter 3.5 (commencing with Section
 25 11340) of Part 1 of Division 3 of Title 2 of the Government Code,
 26 the department shall, without taking regulatory action, implement
 27 this section by means of all county letters or similar instructions.
 28 Thereafter, the department shall adopt regulations in accordance
 29 with the requirements of Chapter 3.5 (commencing with Section
 30 11340) of Part 1 of Division 3 of Title 2 of the Government Code.

31 (d) This section shall become operative on ~~January~~ *July 1, 2012.*

32 *SEC. 3. Section 14011.18 of the Welfare and Institutions Code*
 33 *is repealed.*

34 ~~14011.18. (a) On or before December 15, 2010, the State~~
 35 ~~Department of Health Care Services shall report to the fiscal and~~
 36 ~~health policy committees of the Legislature on the effects of~~
 37 ~~reducing the time period of continuous eligibility for children and~~
 38 ~~imposing a semiannual status reporting requirement to maintain~~
 39 ~~Medi-Cal eligibility for children. The report shall include all of~~
 40 ~~the following information:~~

1 (1) ~~The number of children enrolled in Medi-Cal by eligibility~~
2 ~~category prior to the imposition of semiannual status reporting and~~
3 ~~on a quarterly basis after the imposition of semiannual reporting.~~
4 ~~Within each eligibility category, the report also shall identify the~~
5 ~~number of enrolled children in Medi-Cal managed care and in~~
6 ~~fee-for-service Medi-Cal.~~

7 (2) ~~The annual cost per child enrollee in managed care and by~~
8 ~~cost category in fee-for-service prior to the imposition of~~
9 ~~semiannual reporting and for the 2009–10 fiscal year.~~

10 (3) ~~An analysis of enrollment interruptions and reinstatements~~
11 ~~for children prior to the imposition of semiannual reporting and~~
12 ~~for the 2009–10 fiscal year. The analysis shall include data on the~~
13 ~~number of children disenrolled as a result of the semiannual~~
14 ~~reporting requirement, the number of those children who were~~
15 ~~subsequently reenrolled in Medi-Cal by duration of their enrollment~~
16 ~~gap, and an analysis, to the extent feasible, of the extent to which~~
17 ~~enrollment gaps resulted from the failure of families to file a~~
18 ~~complete semiannual report versus a change in family~~
19 ~~circumstances that resulted in a child no longer being eligible for~~
20 ~~no-cost Medi-Cal coverage, and the number of children that~~
21 ~~transitioned to the Healthy Families Program as a result of~~
22 ~~semiannual reporting.~~

23 (4) ~~An estimate of the additional annual county eligibility~~
24 ~~administration costs or savings resulting from the processing of~~
25 ~~semiannual reports for children, disenrollment processing,~~
26 ~~reinstatement, reenrollment, and caseload reductions.~~

27 (b) ~~For purposes of preparing the report, the department shall~~
28 ~~seek funding, or participation from appropriate nonprofit~~
29 ~~organizations, including foundations and universities, or both.~~

30 ~~SECTION 1. It is the intent of the Legislature to enact~~
31 ~~legislation that would implement the federal Children’s Health~~
32 ~~Insurance Program Reauthorization Act of 2009.~~

33 ~~SEC. 2.~~

34 *SEC. 4.* This act addresses the fiscal emergency declared by
35 the Governor by proclamation on December 19, 2008, pursuant
36 to subdivision (f) of Section 10 of Article IV of the California
37 Constitution.

38 *SEC. 5.* *This act is an urgency statute necessary for the*
39 *immediate preservation of the public peace, health, or safety within*

1 *the meaning of Article IV of the Constitution and shall go into*
2 *immediate effect. The facts constituting the necessity are:*
3 *In order to ensure that the state and counties are able to receive*
4 *increased federal financial participation for Medi-Cal services, it*
5 *is necessary for this act to take effect immediately.*

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