

AMENDED IN SENATE MAY 6, 2009
AMENDED IN SENATE APRIL 23, 2009

SENATE BILL

No. 438

Introduced by Senator Yee

February 26, 2009

An act to add Section ~~12693.766 to the Insurance Code and to add Section 14011.61 to the Welfare and Institutions Code, relating to health care coverage *Med-Cal*.~~

LEGISLATIVE COUNSEL'S DIGEST

SB 438, as amended, Yee. ~~Health care coverage. *Medi-Cal*.~~

Existing law ~~provides for creation of various programs to provide health care services to persons with limited incomes and meeting various eligibility requirements. These programs include the Healthy Families Program administered by the Managed Risk Medical Insurance Board and establishes the Medi-Cal program administered by the State Department of Health Care Services and county welfare departments under which qualified low-income persons are provided with health care services.~~

~~This bill would require the board, in consultation with the department, to begin the transfer of initial eligibility determinations for the Healthy Families Program to the county welfare department, and would require the counties to assume full responsibility for eligibility determinations, annual redeterminations, and ongoing case maintenance by January 1, 2011. By imposing new duties on those county departments, the bill would impose a state-mandated local program.~~

~~Under existing law, the State Department of Health Care Services is required, to the extent federal financial participation is available and subject to federal approval of any necessary state plan amendments, to~~

exercise an option under federal law to implement a program for accelerated enrollment of children in the Medi-Cal program.

This bill would also require the department, to the extent federal financial participation is available and subject to approval of any necessary state plan amendments, to exercise an option under federal law to implement a program for accelerated enrollment of children and pregnant women in the Medi-Cal program and would make each county welfare department a qualified entity for determining eligibility for Medi-Cal benefits for those children and pregnant women. *If the county determines that the child is eligible for the Medi-Cal program with a share of cost, the county would be required to enroll the child in the Medi-Cal program and forward the application to the Managed Risk Medical Insurance Board for an evaluation of the child’s eligibility for the Healthy Families Program.* Because the bill would ~~increase~~ impose additional duties on those county departments, the bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: yes.

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

1 ~~SECTION 1. Section 12693.766 is added to the Insurance~~
2 ~~Code, to read:~~
3 ~~12693.766. (a) Notwithstanding any other provision of this~~
4 ~~part, the board, in consultation with the State Department of Health~~
5 ~~Care Services, shall begin the transfer of initial and eligibility~~
6 ~~determinations for the program to the county departments. The~~
7 ~~counties shall assume full responsibility for the eligibility~~
8 ~~determinations for the program by January 1, 2011.~~
9 ~~(b) The board and the department shall consult with~~
10 ~~stakeholders, including counties and advocates for program clients,~~
11 ~~in the development of procedures for transferring the responsibility~~

1 for determinations, annual redeterminations, and ongoing case
2 maintenance to the county level.

3 ~~(e) Upon transfer of program eligibility determinations to the~~
4 ~~county level, the collection of family contributions and~~
5 ~~participating health plan selection may continue to be contracted~~
6 ~~to a private entity. In order to maximize efficiency, it is the intent~~
7 ~~of the Legislature that plan selection and collection of contributions~~
8 ~~be incorporated, to the extent possible, into the Medi-Cal managed~~
9 ~~care enrollment broker contract administered by the State~~
10 ~~Department of Health Care Services.~~

11 ~~SEC. 2.~~

12 *SECTION 1.* Section 14011.61 is added to the Welfare and
13 Institutions Code, to read:

14 14011.61. (a) To the extent federal financial participation is
15 available, the department shall exercise the option provided in
16 Section 1920a of the federal Social Security Act (42 U.S.C. Sec.
17 1396r-1a) to implement a program for accelerated enrollment of
18 children and pregnant women.

19 (b) The department shall designate each county welfare
20 department as a qualified entity for determining eligibility under
21 this section.

22 (c) The department shall implement this section only if, and to
23 the extent that, federal financial participation is available.

24 (d) The department shall seek federal approval of any state plan
25 amendments necessary to implement this section. When federal
26 approval of the state plan amendment or amendments is received,
27 the department shall commence implementation of this section on
28 the first day of the second month following the month in which
29 federal approval of the state plan amendment or amendments is
30 received, or on July 1, 2010, whichever is later.

31 (e) Notwithstanding Chapter 3.5 (commencing with Section
32 11340) of Part 1 of Division 3 of Title 2 of the Government Code,
33 the department shall, without taking any regulatory action,
34 implement this section by means of all-county letters. Thereafter,
35 the department shall adopt regulations in accordance with the
36 requirements of Chapter 3.5 (commencing with Section 11340) of
37 Part 1 of Division 3 of Title 2 of the Government Code.

38 (f) Upon the receipt of an application for a child directly from
39 ~~the pregnant woman~~ *parent* or another source on behalf of the
40 child, ~~or an application~~ for a pregnant woman directly from the

1 ~~parent~~ *pregnant woman* or another source on behalf of the pregnant
2 woman, the county shall determine whether the child or pregnant
3 woman appears eligible for Medi-Cal benefits and, if so, grant
4 accelerated enrollment to the child or pregnant woman. Upon the
5 granting of accelerated enrollment for a child or pregnant woman,
6 the county shall determine whether the child or pregnant woman
7 is eligible for Medi-Cal benefits. If the county determines that the
8 child or pregnant woman does not meet the eligibility requirements
9 for participation in the Medi-Cal program, the county shall report
10 this finding to the Medical Eligibility Data System so that
11 accelerated enrollment coverage benefits are discontinued. *If the*
12 *county determines that the child is eligible for the Medi-Cal*
13 *program with a share of cost, the county shall enroll the child in*
14 *the Medi-Cal program and forward the application to the Managed*
15 *Risk Medical Insurance Board for an evaluation of the child's*
16 *eligibility for the Healthy Families Program.*

17 SEC. 3. If the Commission on State Mandates determines that
18 this act contains costs mandated by the state, reimbursement to
19 local agencies and school districts for those costs shall be made
20 pursuant to Part 7 (commencing with Section 17500) of Division
21 4 of Title 2 of the Government Code.