

Introduced by Senator Maldonado

February 18, 2010

An act to add Section 14464.5 to the Welfare and Institutions Code, relating to Medi-Cal.

LEGISLATIVE COUNSEL'S DIGEST

SB 1184, as introduced, Maldonado. Medi-Cal managed care plans: administrative costs.

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. One of the methods by which these services are provided is pursuant to contracts with various types of managed care plans.

Existing law authorizes the department to negotiate and establish an individual administrative cost limit in its contracts with prepaid health plans or Medi-Cal managed care plans contracting to provide services to Medi-Cal beneficiary enrollees.

This bill would prohibit prepaid health plans and Medi-Cal managed care plans contracting to provide services to Medi-Cal beneficiary enrollees from including the cost of greeting cards or gifts given to providers as administrative costs.

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 14464.5 is added to the Welfare and
- 2 Institutions Code, to read:

1 14464.5. Prepaid health plans and Medi-Cal managed care
2 plans contracting under this chapter or Chapter 7 (commencing
3 with Section 14000) to provide services to Medi-Cal beneficiary
4 enrollees shall not include the cost of greeting cards or gifts given
5 to providers as administrative costs.

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