

AMENDED IN ASSEMBLY MARCH 7, 2011

CALIFORNIA LEGISLATURE—2011–12 REGULAR SESSION

ASSEMBLY BILL

No. 272

Introduced by Assembly Member Monning

February 7, 2011

An act to amend Section 12923.5 of, and to repeal Sections 12693.925 and 12693.95 of, the Insurance Code, ~~and to amend Section 14148.8 of the Welfare and Institutions Code,~~ relating to health care coverage.

LEGISLATIVE COUNSEL'S DIGEST

AB 272, as amended, Monning. Health care coverage: ~~agency:~~ *agencies:* reports.

Existing law requires the Managed Risk Medical Insurance Board to, by January 20, 2004, report to the Legislature specified information with regard to the State Children's Health Insurance Program. Existing law requires the board to provide, by April 15, 1998, a proposal relating to drug and alcohol treatment programs for children.

This bill would delete those obsolete provisions.

Existing law requires the Department of Managed Health Care and the Department of Insurance to maintain a joint senior level working group to ensure clarity for health care consumers about who enforces their patient rights and consistency in the regulations of these departments. Existing law requires the working group to report its findings for review by the Insurance Commissioner and the Director of the Department of Managed Health Care for review and approval and submission every 5 years to the Legislature.

This bill would delete those reporting requirements.

Existing law requires the State Department of Health Care Services to provide the Legislature an annual report summarizing data reported by alternative birth centers, as specified.

This bill would delete that reporting requirement.

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 12693.925 of the Insurance Code is
2 repealed.

3 SEC. 2. Section 12693.95 of the Insurance Code is repealed.

4 SEC. 3. Section 12923.5 of the Insurance Code is amended to
5 read:

6 12923.5. (a) The Department of Managed Health Care and the
7 Department of Insurance shall maintain a joint senior level working
8 group to ensure clarity for health care consumers about who
9 enforces their patient rights and consistency in the regulations of
10 these departments.

11 (b) The joint working group shall undertake a review and
12 examination of the Health and Safety Code, the Insurance Code,
13 and the Welfare and Institutions Code as they apply to the
14 Department of Managed Health Care and the Department of
15 Insurance to ensure consistency in consumer protection.

16 (c) The joint working group shall review and examine all of the
17 following processes in each department:

18 (1) Grievance and consumer complaint processes, including,
19 but not limited to, outreach, standard complaints, including
20 coverage and medical necessity complaints, independent medical
21 review, and information developed for consumer use.

22 (2) The processes used to ensure enforcement of the law,
23 including, but not limited to, the medical survey and audit process
24 in the Health and Safety Code and market conduct exams in the
25 Insurance Code.

26 (3) The processes for regulating the timely payment of claims.

27 ~~SEC. 4. Section 14148.8 of the Welfare and Institutions Code~~
28 ~~is amended to read:~~

29 ~~14148.8. (a) The State Department of Health Care Services~~
30 ~~shall provide Medi-Cal reimbursements to alternative birth centers~~
31 ~~for facility-related delivery costs at a statewide all-inclusive rate~~

1 ~~per delivery that shall not exceed 80 percent of the average~~
2 ~~Medi-Cal reimbursement received by general acute care hospitals~~
3 ~~with Medi-Cal contracts and shall be based on an average hospital~~
4 ~~length of stay of 1.7 days. The reimbursement rate shall be updated~~
5 ~~annually and shall be based on the California Medical Assistance~~
6 ~~Commission's annually published legislative report of average~~
7 ~~contract rates for general acute care hospitals with Medi-Cal~~
8 ~~contracts. However, the reimbursement shall not exceed the~~
9 ~~alternative birth center's charges to any non-Medi-Cal patient for~~
10 ~~similar services.~~

11 ~~(b) In order to be eligible for reimbursement pursuant to this~~
12 ~~section, an alternative birth center shall satisfy the following criteria~~
13 ~~as determined by the state department:~~

14 ~~(1) At least 150 patients or 50 percent of the patient caseload~~
15 ~~served at the center each year, whichever is less, shall be Medi-Cal~~
16 ~~patients and low-income patients.~~

17 ~~(2) The facility shall be currently certified as a comprehensive~~
18 ~~perinatal services provider. If not currently certified, the facility~~
19 ~~shall be certified with the first year of operation.~~

20 ~~(3) The facilities may utilize certified nurse midwives, certified~~
21 ~~nurse practitioners, and clinical nurse specialists where appropriate.~~

22 ~~(4) The facility shall meet the standards for certification~~
23 ~~established by the National Association of Childbearing Centers,~~
24 ~~including those relating to the proximity and involvement of~~
25 ~~hospitals, obstetricians, and pediatricians.~~

26 ~~(5) The facility shall establish and maintain a quality assurance~~
27 ~~program.~~

28 ~~(6) The facility shall maintain newborn followup care for at~~
29 ~~least one year.~~

30 ~~(7) The gathering of data and preparing reports as required in~~
31 ~~subdivision (e).~~

32 ~~(e) (1) Each alternative birth center awarded reimbursement~~
33 ~~pursuant to this section shall gather data and annually report~~
34 ~~outcome measures relating to the safety, cost-effectiveness, and~~
35 ~~patient acceptance of the center to the department to be made~~
36 ~~available upon request.~~

37 ~~(2) The report shall include data on the incidence of maternal~~
38 ~~and infant death, preterm newborns, low birth weight newborns,~~
39 ~~maternal complications, newborn complications, cesarean sections,~~
40 ~~foreep-assisted deliveries, deliveries involving use of anesthesia,~~

1 months of prenatal care, family involvement in childbirth,
2 breast-feeding, infant immunizations, well baby care, adjusted cost
3 per case for deliveries performed at the center, and cost per case
4 for women transferred to hospitals for delivery.

5 (3) The department shall, to the extent information and resources
6 are available, as determined by the department, compare the data
7 provided by the centers with information furnished by other
8 providers of prenatal and delivery services. The department shall
9 use the comparative data to determine for the Medi-Cal program
10 whether alternative birth centers are cost-effective, improve access
11 to prenatal care, reduce the anticipated incidence of maternal and
12 newborn complications, and have a high degree of patient
13 acceptance.

14 (d) The director shall administer this section and establish
15 standards, procedures, and reimbursement rates, as the director
16 deems necessary in carrying out this section. The establishment
17 of the reimbursement rates is not required to be adopted as
18 regulations pursuant to the Administrative Procedure Act (Chapter
19 3.5 (commencing with Section 11340) of Part 1 of Division 3 of
20 Title 2 of the Government Code).

21 (e) Nothing in this act shall alter the scope of practice for any
22 health care professional or authorize the delivery of health care
23 services in a setting or in a manner not authorized by the Health
24 and Safety Code or the Business and Professions Code.