

**ASSEMBLY BILL**

**No. 1310**

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**Introduced by Assembly Member Brown**

February 22, 2013

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An act to amend Section 14132.25 of the Welfare and Institutions Code, relating to Medi-Cal.

LEGISLATIVE COUNSEL'S DIGEST

AB 1310, as introduced, Brown. Medi-Cal: pediatric subacute care. Existing law provides for the Medi-Cal program, which is administered by the State Department of Health Care Services, under which qualified low-income individuals receive health care services. The Medi-Cal program is, in part, governed and funded by federal Medicaid Program provisions. Existing law requires the department to establish a subacute care program in health facilities in order to more effectively use limited Medi-Cal dollars while ensuring needed services for patients who meet subacute care criteria, as established by the department. For the purposes of the subacute care program, existing law defines pediatric subacute services as the health care services needed by a person under 21 years of age who uses a medical technology that compensates for the loss of a vital bodily function. Existing law also provides that, for the purposes of the subacute care program, medical necessity for pediatric subacute care services, as defined, shall be substantiated in one of 5 ways.

This bill would expand the definition of pediatric subacute services to include the health care services needed by a person between 21 and 22 years of age who uses a medical technology that compensates for the loss of a vital bodily function and to include the health care services needed by a person under 22 years of age who requires treatment for

one or more active complex medical conditions or requires the administration of one or more technically complex treatments.

This bill would also provide that one of the ways that medical necessity for pediatric subacute care services shall be substantiated is by dependence on complex wound care management or the presence of a medical condition and necessity of care such that his or her health care needs may be satisfied by placement in a facility providing pediatric subacute care services, but, in the absence of access to a pediatric subacute care service, the only alternative in patient care sufficient to meet the patient’s medical needs is an acute care hospital bed. The bill would also provide that medical necessity may be shown solely by dependence on total parenteral nutrition or other intravenous nutritional support, without a showing of dependence on additional treatments, and by dependence on tracheostomy care, as specified, in conjunction with dependence on tube feeding by means of a jejunostomy tube.

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 14132.25 of the Welfare and Institutions
- 2 Code is amended to read:
- 3 14132.25. (a) On or before July 1, 1983, the State Department
- 4 of Health Care Services shall establish a subacute care program
- 5 in health facilities in order to more effectively use the limited
- 6 Medi-Cal dollars available while at the same time ensuring needed
- 7 services for these patients. The subacute care program shall be
- 8 available to patients in health facilities who meet subacute care
- 9 criteria. Subacute care may be provided by any facility designated
- 10 by the director as meeting the subacute care criteria that has an
- 11 approved provider participation agreement with the department.
- 12 (b) The department shall develop a rate of reimbursement for
- 13 this subacute care program. Reimbursement rates shall be
- 14 determined in accordance with methodology developed by the
- 15 department, specified in regulation, and may include the following:
- 16 (1) All-inclusive per diem rates.
- 17 (2) Individual patient-specific rates according to the needs of
- 18 the individual subacute care patient.
- 19 (3) Other rates subject to negotiation with the health facility.

1 (c) Reimbursement at subacute care rates, as specified in  
2 subdivision (b), shall only be implemented if funds are available  
3 for this purpose pursuant to the annual Budget Act.

4 (d) The department may negotiate and execute an agreement  
5 with any health facility that meets the standards for providing  
6 subacute care. An agreement may be negotiated or established  
7 between the health facility and the department for subacute care  
8 based on individual patient assessment. The department shall  
9 establish level of care criteria and appropriate utilization controls  
10 for patients eligible for the subacute care program.

11 (e) For the purposes of this section, pediatric subacute services  
12 are the health care services needed by a person under ~~21~~ 22 years  
13 of age who uses a medical technology that compensates for the  
14 loss of a vital bodily ~~function~~. *function, requires treatment for one*  
15 *or more active complex medical conditions, or requires the*  
16 *administration of one or more technically complex treatments.*

17 (f) Medical necessity for pediatric subacute care services shall  
18 be substantiated in any one of the following ways:

19 (1) A tracheostomy with dependence on mechanical ventilation  
20 for a minimum of six hours each day.

21 (2) Dependence on tracheostomy care requiring suctioning at  
22 least every six hours, and room air mist or oxygen as needed, and  
23 dependence on one of the five treatment procedures listed in  
24 subparagraphs (B) to (F), inclusive:

25 (A) Dependence on intermittent suctioning at least every eight  
26 hours and room air mist and oxygen as needed.

27 (B) Dependence on continuous intravenous therapy, including  
28 administration of a therapeutic agent necessary for hydration or  
29 of intravenous pharmaceuticals, or intravenous pharmaceutical  
30 administration of ~~more than one agent~~, *one or more agents*, via a  
31 peripheral or central line, without continuous infusion.

32 (C) Dependence on peritoneal dialysis treatments requiring at  
33 least four exchanges every 24 hours.

34 (D) Dependence on tube feeding by means of a ~~nasogastric or~~  
35 ~~gastrostomy~~ *nasogastric, gastrostomy, or jejunostomy* tube.

36 (E) Dependence on other medical technologies required  
37 continuously, ~~which that~~, in the opinion of the attending physician  
38 and the Medi-Cal consultant, require the services of a ~~professional~~  
39 *licensed registered nurse*.

1 (F) Dependence on biphasic positive airway pressure at least  
2 six hours a day, including assessment or intervention every three  
3 hours and lacking either cognitive or physical ability of the patient  
4 to protect his or her airway.

5 (3) Dependence on total parenteral nutrition or other intravenous  
6 nutritional support, and dependence on one of the treatment  
7 procedures specified in subparagraphs (A) to (F), inclusive, of  
8 paragraph (2): *support.*

9 (4) Dependence on skilled nursing care in the administration of  
10 any three of the *following* six treatment procedures specified in  
11 subparagraphs (A) to (F), inclusive, of paragraph (2): *procedures:*

12 (A) *Dependence on intermittent suctioning at least every eight*  
13 *hours and room air mist and oxygen as needed.*

14 (B) *Dependence on continuous intravenous therapy, including*  
15 *administration of a therapeutic agent necessary for hydration or*  
16 *of intravenous pharmaceuticals, or intravenous pharmaceutical*  
17 *administration of one or more agents, via a peripheral or central*  
18 *line, without continuous infusion.*

19 (C) *Dependence on peritoneal dialysis treatments requiring at*  
20 *least four exchanges every 24 hours.*

21 (D) *Dependence on tube feeding by means of a nasogastric,*  
22 *gastrostomy, or jejunostomy tube.*

23 (E) *Dependence on other medical technologies required*  
24 *continuously that in the opinion of the attending physician and the*  
25 *Medi-Cal consultant, require the services of a licensed registered*  
26 *nurse.*

27 (F) *Dependence on biphasic positive airway pressure at least*  
28 *six hours a day, including assessment or intervention every three*  
29 *hours for a patient lacking either cognitive or physical ability of*  
30 *the patient to protect his or her airway.*

31 (5) Dependence on biphasic positive airway pressure or  
32 continuous positive airway pressure at least six hours a day,  
33 including assessment or intervention every three hours ~~and, for a~~  
34 ~~patient~~ lacking either cognitive or physical ability ~~of the patient~~  
35 to protect his or her airway, and dependence on one of the *following*  
36 ~~five treatment procedures specified in subparagraphs (A) to (E),~~  
37 ~~inclusive, of paragraph (2):~~ *procedures:*

38 (A) *Dependence on intermittent suctioning at least every eight*  
39 *hours and room air mist and oxygen as needed.*

- 1     (B) *Dependence on continuous intravenous therapy, including*  
2 *administration of a therapeutic agent necessary for hydration or*  
3 *of intravenous pharmaceuticals, or intravenous pharmaceutical*  
4 *administration of one or more agents, via a peripheral or central*  
5 *line, without continuous infusion.*  
6     (C) *Dependence on peritoneal dialysis treatments requiring at*  
7 *least four exchanges every 24 hours.*  
8     (D) *Dependence on tube feeding by means of a nasogastric,*  
9 *gastrostomy, or jejunostomy tube.*  
10    (E) *Dependence on other medical technologies required*  
11 *continuously that in the opinion of the attending physician and the*  
12 *Medi-Cal consultant, require the services of a licensed registered*  
13 *nurse.*  
14    (6) *Dependence on complex wound care management, including*  
15 *daily assessment or intervention by a licensed registered nurse*  
16 *and daily dressing changes, wound packing, debridement, negative*  
17 *pressure wound therapy, or a special mattress.*  
18    (7) *The patient has a medical condition and requires an intensity*  
19 *of medical or skilled nursing care such that his or her health care*  
20 *needs may be satisfied by placement in a facility providing*  
21 *pediatric subacute care services, but, in the absence of a facility*  
22 *providing pediatric subacute care services, the only other inpatient*  
23 *care appropriate to meet the patient's health care needs under the*  
24 *Medi-Cal program is in an acute care licensed hospital bed.*  
25    (g) The medical necessity determination outlined in subdivision  
26 (f) is intended solely for the evaluation of a patient who is  
27 potentially eligible and meets the criteria to be transferred from  
28 an acute care setting to a subacute level of care.