

AMENDED IN SENATE AUGUST 18, 2014
AMENDED IN SENATE JULY 1, 2014
AMENDED IN ASSEMBLY MAY 23, 2014
AMENDED IN ASSEMBLY APRIL 21, 2014
AMENDED IN ASSEMBLY MARCH 25, 2014
CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

ASSEMBLY BILL

No. 1759

**Introduced by Assembly Members ~~Pan and Skinner~~ *Member Rendon*
(~~Coauthor: Assembly Member Bonta~~)**

February 14, 2014

An act to ~~add Section 14105.197 to the Welfare and Institutions~~
~~amend Section 30301.2 of the Public Resources Code, relating to health~~
~~care services~~ *coastal resources.*

LEGISLATIVE COUNSEL'S DIGEST

AB 1759, as amended, ~~Pan Rendon. Medi-Cal reimbursement rates:~~
~~care: independent assessment.—California Coastal Commission:~~
~~appointments.~~

Existing law, the California Coastal Act of 1976, prescribes the membership and functions and duties of the California Coastal Commission, and prescribes procedures for the appointment of members to the commission. The act requires that the board of supervisors and the city selection committee in each county within specified regions each nominate one or more supervisors and one or more city council members for appointment, as specified.

This bill would, for purposes of the above provisions governing commission appointments, specify that a “city council member” may also include a locally elected mayor of a charter city.

~~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, in part, governed and funded by federal Medicaid provisions. Existing law requires the director of the department to prescribe policies regarding the Medi-Cal program, including policies regarding rates of payment for health care services.~~

~~This bill would require the department to contract with an independent entity for purposes of conducting an independent assessment of Medi-Cal provider reimbursement rates, access to care, and the quality of care received in the Medi-Cal program, reflecting the variety of providers and services offered in the program. The bill would exempt contracts entered into pursuant to these provisions from generally applicable provisions of law governing contracts for the acquisition of goods and services by state entities. The bill would also require the director to annually review the findings and recommendations of that assessment and suggest adjustments to the reimbursement rates as necessary to ensure that quality and access in the Medi-Cal fee-for-service program and in Medi-Cal managed care plans are adequate to meet applicable state and federal standards. The bill would require that the findings and recommendations of the independent assessment and the director’s suggested adjustments to provider reimbursement rates be submitted to the Legislature annually as part of the Governor’s Budget. The bill would also create an advisory committee composed of 16 members appointed by the Governor and the Legislature, as specified, to provide input on the selection of the independent entity and the work of the independent entity. The bill would require the advisory committee to meet periodically with the independent entity selected and provide input on the assessment conducted pursuant to the bill’s provisions. The bill would require meetings of the advisory committee to be open.~~

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

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

1 **SECTION 1.** *Section 30301.2 of the Public Resources Code is*
2 *amended to read:*

3 30301.2. (a) (1) The appointments of the Governor, the Senate
4 Committee on Rules, and the Speaker of the Assembly, pursuant
5 to subdivision (e) of Section 30301, shall be made as prescribed
6 in this section. Within 45 days from the date of receipt of a request
7 for nominations by the appointing authority, the board of
8 supervisors and city selection committee of each county within
9 the region shall nominate supervisors or city council members who
10 reside in the region from which the Governor, the Senate
11 Committee on Rules, or the Speaker of the Assembly shall appoint
12 a replacement. In regions composed of three counties, the board
13 of supervisors and the city selection committee in each county
14 within the region shall each nominate one or more supervisors and
15 one or more city council members. In regions composed of two
16 counties, the board of supervisors and the city selection committee
17 in each county within the region shall each nominate not less than
18 two supervisors and not less than two city council members. In
19 regions composed of one county, the board of supervisors and the
20 city selection committee in the county shall each nominate not less
21 than three supervisors and not less than three city council members.
22 Immediately upon selecting the nominees, the board of supervisors
23 and the city selection committee shall send the names of the
24 nominees to either the Governor, the Senate Committee on Rules,
25 or the Speaker of the Assembly, whoever will appoint the
26 replacement.

27 (2) *For purposes of this subdivision, a “city council member”*
28 *may also include a locally elected mayor of a charter city.*

29 (b) Within 30 days from the date of receipt of the names of the
30 nominees pursuant to subdivision (a), the Governor, the Speaker
31 of the Assembly, or the Senate Committee on Rules, whoever will
32 appoint the replacement, shall either appoint one of the nominees
33 or notify the boards of supervisors and city selection committees
34 within the region that none of the nominees are acceptable and
35 request the boards of supervisors and city selection committees to
36 make additional nominations. Within 45 days from the date of
37 receipt of a notice rejecting all of the nominees, the boards of
38 supervisors and city selection committees within the region shall

1 nominate and send to the appointing authority the names of
2 additional nominees in accordance with subdivision (a). Upon
3 receipt of the names of those additional nominees, the appointing
4 authority shall appoint one of the nominees.

5 SECTION 1. Section 14105.197 is added to the Welfare and
6 Institutions Code, to read:

7 14105.197. (a) ~~The department shall contract with an~~
8 ~~independent entity for purposes of conducting an annual~~
9 ~~independent assessment of Medi-Cal provider reimbursement rates,~~
10 ~~access to care, and the quality of care received in the Medi-Cal~~
11 ~~program, which shall include the different geographic areas of the~~
12 ~~state and the access to care and quality received by different~~
13 ~~populations enrolled in the Medi-Cal program. The independent~~
14 ~~entity assessment shall include, but not be limited to, the use of~~
15 ~~existing quality measures and existing requirements for access to~~
16 ~~care and timeliness of care. The assessment should reflect the~~
17 ~~variety of providers and services offered in the Medi-Cal program.~~

18 (b) ~~(1) An advisory committee is hereby created to be composed~~
19 ~~of 16 members representing health care stakeholders, including,~~
20 ~~but not limited to, patients, providers, public and private health~~
21 ~~delivery systems, payers, and state officials to provide input on~~
22 ~~the selection of the independent entity and the work of the~~
23 ~~independent entity. The Governor shall appoint eight members,~~
24 ~~the Senate Committee on Rules shall appoint four members, and~~
25 ~~the Speaker of the Assembly shall appoint four members.~~

26 ~~(2) Except for the initial appointments described in paragraph~~
27 ~~(3), members of the committee shall be appointed for a term of~~
28 ~~four years, and each member shall hold office until the appointment~~
29 ~~and qualification of his or her successor or until one year has~~
30 ~~elapsed since the expiration of the term for which he or she was~~
31 ~~appointed, whichever occurs first.~~

32 ~~(3) (A) Of the initial members appointed by the Governor, two~~
33 ~~shall serve a term of one year, two shall serve a term of two years,~~
34 ~~two shall serve a term of three years, and two shall serve a term~~
35 ~~of four years.~~

36 ~~(B) Of the initial members appointed by the Senate Committee~~
37 ~~on Rules, one shall serve a term of one year, one shall serve a term~~
38 ~~of two years, one shall serve a term of three years, and one shall~~
39 ~~serve a term of four years.~~

1 ~~(C) Of the initial members appointed by the Speaker of the~~
2 ~~Assembly, one shall serve a term of one year, one shall serve a~~
3 ~~term of two years, one shall serve a term of three years, and one~~
4 ~~shall serve a term of four years.~~

5 ~~(4) Members of the committee shall publicly report financial~~
6 ~~and other potential conflicts of interest.~~

7 ~~(5) The committee shall establish an open process for the~~
8 ~~conduct of its affairs that enables all health care stakeholders to~~
9 ~~provide feedback on those affairs.~~

10 ~~(6) The committee shall meet periodically with the independent~~
11 ~~entity selected and provide input to the independent entity on the~~
12 ~~assessment conducted pursuant to subdivision (a).~~

13 ~~(e) The director shall annually review the findings and~~
14 ~~recommendations of the assessment conducted under subdivision~~
15 ~~(a) and suggest adjustments to the reimbursement rates as necessary~~
16 ~~to ensure that quality and access in the Medi-Cal fee-for-service~~
17 ~~program and in Medi-Cal managed care plans are adequate to meet~~
18 ~~applicable state and federal standards.~~

19 ~~(d) Meetings of the advisory committee shall be open for~~
20 ~~presentation, discussion, and public comment on each agenda item,~~
21 ~~and in accordance with the Bagley-Keene Open Meeting Act~~
22 ~~(Article 9 (commencing with Section 11120) of Chapter 1 of Part~~
23 ~~1 of Division 3 of Title 2 of the Government Code).~~

24 ~~(e) In order to provide for quicker implementation of the~~
25 ~~independent assessment required by this section, contracts made~~
26 ~~under this section are exempt from Chapter 2 (commencing with~~
27 ~~Section 10290) of Part 2 of Division 2 of the Public Contract Code.~~

28 ~~(f) Notwithstanding Section 10231.5 of the Government Code,~~
29 ~~the findings and recommendations of the independent assessment~~
30 ~~conducted under subdivision (a) and the director's suggested~~
31 ~~adjustments to provider reimbursement rates provided pursuant to~~
32 ~~subdivision (e) shall be submitted to the Legislature annually as~~
33 ~~part of the Governor's Budget submitted pursuant to Section 13337~~
34 ~~of the Government Code.~~

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