

AMENDED IN ASSEMBLY APRIL 7, 2014

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

ASSEMBLY BILL

No. 1805

Introduced by Assembly Members Skinner and Pan

(Principal coauthor: Assembly Member Alejo)

(Principal coauthor: Senator Lara)

(Coauthors: Assembly Members Allen, Ammiano, Bonta, Buchanan, Ian Calderon, Chesbro, Dababneh, Dahle, Eggman, Gonzalez, Gorell, Gray, Levine, Logue, Lowenthal, Maienschein, Melendez, Nazarian, Nestande, V. Manuel Pérez, Quirk, Ting, Waldron, Weber, Wilk, and Williams)

(Coauthors: Senators Block, Hill, Lieu, Morrell, Pavley, and Wyland)

February 18, 2014

An act to add Section 14105.194 to the Welfare and Institutions Code, relating to Medi-Cal, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

AB 1805, as amended, Skinner. Medi-Cal: reimbursement: provider payments.

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 Program provisions. Existing law requires, except as otherwise provided, Medi-Cal provider payments to be reduced by 1% or 5%, and provider payments for specified non-Medi-Cal programs to be reduced by 1%, for dates of service on and after March 1, 2009, and until June 1, 2011. Existing law requires, except as otherwise provided, Medi-Cal provider

payments and payments for specified non-Medi-Cal programs to be reduced by 10% for dates of service on and after June 1, 2011.

This bill would, instead, prohibit the application of those reductions for payments to providers for dates of service on or after June 1, 2011. *The bill would also require payments for managed care health plans for dates of service following the effective date of the bill to be determined without application of some of those reductions.* The bill would require the Director of Health Care Services to implement this provision to the maximum extent permitted by federal law and for the maximum time period for which the director obtains federal approval for federal financial participation for those payments.

This bill would declare that it is to take effect immediately as an urgency statute.

Vote: $\frac{2}{3}$. 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 14105.194 is added to the Welfare and
 2 Institutions Code, to read:

3 14105.194. (a) Notwithstanding Sections 14105.07, 14105.191,
 4 14105.192, and 14105.193, payments to providers for dates of
 5 service on or after June 1, 2011, shall be determined without
 6 application of the reductions in Sections 14105.07, 14105.191,
 7 14105.192, and 14105.193, except as otherwise provided in this
 8 section.

9 *(b) Notwithstanding Sections 14105.07 and 14105.192, and*
 10 *except as otherwise provided in this section, for managed care*
 11 *health plans that contract with the department pursuant to this*
 12 *chapter or Chapter 8 (commencing with Section 14200), payments*
 13 *for dates of service following the effective date of the act adding*
 14 *this section shall be determined without application of the*
 15 *reductions, limitations, and adjustments in Sections 14105.07 and*
 16 *14105.192.*

17 ~~(b)~~
 18 *(c) The director shall implement ~~subdivision (a)~~ this section to*
 19 *the maximum extent permitted by federal law and for the maximum*
 20 *time period for which the director obtains federal approval for*
 21 *federal financial participation for the payments provided for in*
 22 *this section.*

1 (e)

2 (d) The director shall promptly seek all necessary federal
3 approvals to implement this section.

4 SEC. 2. This act is an urgency statute necessary for the
5 immediate preservation of the public peace, health, or safety within
6 the meaning of Article IV of the Constitution and shall go into
7 immediate effect. The facts constituting the necessity are:

8 In order to ensure access to medically necessary care for
9 Medi-Cal beneficiaries, it is necessary that this act take effect
10 immediately.

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