

AMENDED IN SENATE APRIL 1, 2013

SENATE BILL

No. 646

Introduced by Senator Nielsen

February 22, 2013

An act to add Section 14105.195 to the Welfare and Institutions Code, relating to Medi-Cal, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

SB 646, as amended, Nielsen. Medi-Cal: *reimbursement: distinct part nursing facilities.*

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, 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 require that this payment reduction not apply to specified skilled nursing facilities that are a distinct part of a general acute care hospital for dates of service on or after June 1, 2011.

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

~~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.~~

~~This bill would state the intent of the Legislature to enact legislation relating to Medi-Cal.~~

Vote: ~~majority~~^{2/3}. Appropriation: no. Fiscal committee: ~~no~~^{yes}. State-mandated local program: no.

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

1 SECTION 1. Section 14105.195 is added to the Welfare and
 2 Institutions Code, to read:
 3 14105.195. (a) Notwithstanding Sections 14105.191 and
 4 14105.192, reimbursement for services provided by skilled nursing
 5 facilities that are distinct parts of general acute care hospitals
 6 shall be determined, for dates of service on or after June 1, 2011,
 7 without application of the reductions set forth in Sections
 8 14105.191 and 14105.192.
 9 (b) The director shall do all of the following in the event that
 10 he or she is prevented from implementing subdivision (a) for any
 11 dates of service on or after June 1, 2011:
 12 (1) Implement subdivision (a) to the maximum extent permitted
 13 by law and for the maximum time period for which the director
 14 obtains necessary federal approval.
 15 (2) Increase payments to facilities described in subdivision (a)
 16 for services provided on or after June 1, 2011, or on or after the
 17 first date of service permitted by law and for which federal
 18 financial participation is available, until the date the total amount
 19 of Medi-Cal payments to those facilities for services provided on
 20 or after June 1, 2011, is not less than the payments the facilities
 21 would have received if the reductions in Sections 14105.191 and
 22 14105.192 had not been imposed for dates of service on or after
 23 June 1, 2011. The director shall increase payments under this
 24 paragraph for the shortest period of time possible.
 25 (c) The director shall promptly seek all necessary federal
 26 approvals to implement this section.
 27 (d) Notwithstanding Chapter 3.5 (commencing with Section
 28 11340) of Part 1 of Division 3 of Title 2 of the Government Code,

1 *the department may implement this section by means of provider*
2 *bulletins or notices, policy letters, or other similar instructions,*
3 *without taking regulatory action.*

4 *(e) This section shall only apply to a skilled nursing facility at*
5 *a rural community hospital in a health care personnel shortage*
6 *area, or in an area that serves medically underserved areas or*
7 *populations, and the facility is a sole community provider. To*
8 *qualify for this section, the skilled nursing facility shall have 10*
9 *percent or more of its patients enrolled in Medi-Cal and not have*
10 *a county or University of California hospital within a 15 mile*
11 *radius.*

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

16 *In order to ensure and maintain access to medically necessary*
17 *care for the patients and residents needing skilled nursing services*
18 *at the earliest possible time, it is necessary that this act take effect*
19 *immediately.*

20 ~~SECTION 1. It is the intent of the Legislature to enact~~
21 ~~legislation relating to Medi-Cal.~~