

AMENDED IN ASSEMBLY JUNE 1, 2015

AMENDED IN ASSEMBLY MARCH 26, 2015

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

## **ASSEMBLY BILL**

**No. 1117**

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**Introduced by Assembly Member Cristina Garcia**

February 27, 2015

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An act to add Article 6.3 (commencing with Section 14197) to Chapter 7 of Part 3 of Division 9 of the Welfare and Institutions Code, relating to vaccinations.

### LEGISLATIVE COUNSEL'S DIGEST

AB 1117, as amended, Cristina Garcia. Medi-Cal: vaccination rates.

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 each county to establish a community child health and disability prevention program to include, among other things, health screening and evaluation services for all children that include immunizations and an assessment of immunization status.

This bill would require the State Department of Health Care Services to establish and administer the California Childhood Immunization Quality Improvement Fund (CCIQIF) program to improve childhood immunization rates, and would require the department to submit an application to the federal Centers for Medicare and Medicaid Services for a waiver to implement a 5-year demonstration project to implement the program. The bill would require the department to develop a plan

for the collection and expenditure of CCIQIF moneys according to specified guidelines, including voluntary contributions from Medi-Cal managed care plans to be used for provider support payments and reward payments to Medi-Cal managed care plans, as specified. The bill would require the department to contract with specified researchers to develop and submit to the Legislature an evaluation of the effectiveness of the demonstration project. This bill would make these provisions inoperative on a specified date.

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. Article 6.3 (commencing with Section 14197) is  
2 added to Chapter 7 of Part 3 of Division 9 of the Welfare and  
3 Institutions Code, to read:

4  
5 Article 6.3. California Childhood Immunization Quality  
6 Improvement Fund (CCIQIF) Program  
7

8 14197. (a) The Legislature finds and declares all of the  
9 following:

10 (1) ~~The 2014–15~~ 2014–15 outbreaks of vaccine-preventable  
11 diseases threaten the health and safety of the California public.

12 (2) Only 71 percent of young children in California between  
13 the ages of 19 to 35 months are immunized, which is below the  
14 national average of 75 percent, according to 2010 data reported  
15 by the Kaiser Family Foundation.

16 (3) In 2013, 39,000 ~~two-year-olds~~ two-year-olds lacked one or  
17 more recommended immunizations, according to the State  
18 Department of Health Care Services.

19 (4) The social and direct economic costs of ensuring each child  
20 receives the Centers for Disease Control and Prevention Advisory  
21 Committee for Immunization Practices recommended schedule  
22 for vaccines far ~~outweighs~~ outweigh the costs of not providing  
23 routine immunizations. It is estimated that for every ~~\$1~~ one dollar  
24 (\$1) spent on vaccinations, as many as ~~\$29~~ twenty-nine dollars  
25 (\$29) can be saved in direct and indirect costs.

26 (5) California children are required to be fully vaccinated before  
27 they enter kindergarten, with some exceptions. However, there are

1 ~~no~~ *fewer* official requirements for younger children who are often  
2 more susceptible to dire consequences from vaccine-preventable  
3 diseases.

4 (b) It is the intent of the Legislature, by enacting this chapter,  
5 to ensure that all possible steps are taken to ensure that ~~two-year~~  
6 ~~old~~ *two-year-old* children who are enrolled in Medi-Cal managed  
7 care receive all recommended immunizations.

8 14197.1. For purposes of this article, “Medi-Cal managed care  
9 plan” means any prepaid health plan or Medi-Cal managed care  
10 plan contracting with the department to provide services to enrolled  
11 Medi-Cal beneficiaries under this chapter or Chapter 8  
12 (commencing with Section 14200).

13 14197.2. (a) The department shall establish and administer  
14 the California Childhood Immunization Quality Improvement  
15 Fund (CCIQIF) program to improve childhood immunization rates.

16 (b) (1) The department shall submit an application to the federal  
17 Centers for Medicare and Medicaid Services for a waiver or  
18 demonstration project to implement the CCIQIF program no later  
19 than ~~120~~ 270 days after the operative date of this article. The  
20 department shall determine the form of waiver most appropriate  
21 to achieve the purposes of this article.

22 (2) The demonstration project shall operate for a period of five  
23 years.

24 (c) In developing the waiver or demonstration project  
25 application, the department shall consult with interested  
26 stakeholders, including the Medi-Cal Children’s Health Advisory  
27 Panel and the Managed Care Advisory Workgroup. The department  
28 shall work with stakeholders to incorporate public comment into  
29 the waiver or demonstration project application.

30 14197.3. The department shall develop a plan for the collection  
31 and expenditure of CCIQIF moneys according to all of the  
32 following guidelines:

33 (a) The CCIQIF program may be financed through voluntary  
34 contributions from Medi-Cal managed care plans that shall be used  
35 to draw down federal financial participation consistent with federal  
36 law.

37 (b) The department shall allocate 33.3 percent of CCIQIF  
38 expenditures ~~for provider support payments for use by the~~  
39 *department for administrative staff, training, and other resources*  
40 to support providers in employing strategies to improve

1 immunization rates in their practices, which may include patient  
2 reminders, promotion of colocation vaccination delivery with other  
3 services, and other strategies as specified by the department after  
4 consideration of public comment. *The funds shall also be used to*  
5 *pay for the department's staffing and administrative costs directly*  
6 *attributable to implementing this article, including costs related*  
7 *to developing and seeking federal approval for the CCIQIF and*  
8 *administering the fund.*

9 (c) (1) The department shall allocate 66.7 percent of CCIQIF  
10 expenditures for reward payments to Medi-Cal managed care plans.  
11 The rate of the reward shall be ~~\$125~~ *one hundred twenty-five*  
12 *dollars (\$125)* for each enrollee who receives all recommended  
13 vaccinations by the time he or she reaches two years of age, as  
14 determined by the Childhood Immunization Status measure of the  
15 Healthcare Effectiveness Data and Information Set (HEDIS).

16 (2) Any unearned reward payment expenditures shall roll over  
17 to the subsequent demonstration project year. If all reward payment  
18 expenditures are earned within a demonstration project year, no  
19 additional reward payments shall be distributed until the next  
20 demonstration project year begins.

21 (d) At least 20 percent of the CCIQIF expenditures used for  
22 reward payments pursuant to subdivision (c) shall be passed  
23 through to contracted providers based on the number of Medi-Cal  
24 enrollees who are under two years of age in each provider's  
25 respective panel.

26 14197.4. (a) The department shall contract with the University  
27 of California or any other researchers to develop and submit, in  
28 compliance with Section 9795 of the Government Code, to the  
29 Legislature an evaluation of the effectiveness of the demonstration  
30 project using data collected from the first three years of the waiver  
31 period or demonstration project. That evaluation shall be submitted  
32 within the fourth year of the waiver period or demonstration  
33 project.

34 (b) The evaluation shall, at a minimum, include an assessment  
35 of the most effective administrative support strategies.

36 (c) The evaluation shall be financed with no more than five  
37 percent of the total annual CCIQIF program expenditure dollars.  
38 During the waiver or demonstration project year that the evaluation  
39 is commissioned, CCIQIF provider support expenditures shall be

1 reduced, commensurate with available funds, to offset the cost of  
2 the evaluation contract.

3 14197.5. This ~~chapter~~ *article* shall be implemented only if and  
4 to the extent that federal financial participation is available and  
5 any necessary federal approvals have been obtained.

6 14197.6. (a) This ~~chapter~~ *article* shall become inoperative on  
7 the date that the Director of Health Care Services executes a  
8 declaration, which shall be retained by the director, stating that  
9 the demonstration project has concluded, and shall, six months  
10 after the date the declaration is executed, be repealed.

11 (b) In addition to the requirements specified in subdivision (a),  
12 the director shall post the declaration on the department's Internet  
13 Web site and the director shall send the declaration to the  
14 appropriate policy committees of the Legislature and to the  
15 Legislative Counsel.