Introduced by Senator Liu

January 15, 2015

An act to add and repeal Section 33134 of the Education Code, relating to the Superintendent of Public Instruction.

LEGISLATIVE COUNSEL'S DIGEST

SB 123, as introduced, Liu. Superintendent of Public Instruction: report: School-Based Medi-Cal Administrative Activities program.

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 by, and funded pursuant to, federal Medicaid Program provisions. Existing law establishes an administrative claiming process under which local governmental agencies and local educational consortia contract with the department for the purpose of obtaining federal matching funds to assist with the performance of administrative activities relating to the Medi-Cal program. Existing law defines a local educational agency for these purposes as a local educational agency that participates under the process as a subcontractor to the local educational consortium in its service region.

This bill would require the Superintendent of Public Instruction to review and prepare specific recommendations relative to the administration and oversight of the School-Based Medi-Cal Administrative Activities program. The bill would require the Superintendent to submit a report containing the specific recommendations to the Legislature and the Governor by July 1, 2016, and would require the report to include, but not necessarily be limited

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to, an evaluation of specified entities, administrative structures, and information.

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

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

SECTION 1. Section 33134 is added to the Education Code, to read:

33134. (a) The Superintendent shall review and prepare specific recommendations relative to the administration and oversight of the School-Based Medi-Cal Administrative Activities program. A report containing the specific recommendations shall be submitted to the Legislature and the Governor by July 1, 2016. The Superintendent's report shall consider the report on the School-Based Medi-Cal Administrative Activities program issued by the California State Auditor in 2015, and shall include, but not necessarily be limited to, an evaluation of all of the following:

- (1) The appropriate state agency or agencies to administer the program.
- (2) Oversight of the administration of the program, including oversight of the state agency, local governmental agencies, and local educational consortia.
- (3) The structure of the program and role of each entity, including the local governmental agencies and local educational consortia, how the structures and roles vary across the state, and the efficiency of those structures and roles in providing funds to local educational agencies.
- (4) The relationships, interactions, and communications state agencies have with the federal Centers for Medicare and Medicaid Services, and the process used to disseminate information from the federal Centers for Medicare and Medicaid Services to local educational agencies.
- (5) The process for reimbursing claims submitted by local educational agencies, including the amount reimbursed compared to the amount claimed, the time between submission of a claim and the reimbursement of that claim, and how the claim and reimbursement process varies across the state.
- (6) The purposes for which local educational agencies use program funds.

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(7) The relationship between local governmental agencies or local educational consortia and the private or public entities that have been subcontracted to assist with the performance of administrative activities.

- (8) The rates charged by the local governmental agency and local educational consortia, how those rates vary across the state, and how rates are determined.
- (9) The ability of a local educational agency to contract with a local governmental agency or a local educational consortium of its choosing.
- (10) The feasibility of convening a local educational agency advisory body for the purposes of providing technical assistance to local educational agencies and communicating with the administering state agency.
- (11) The extent to which the state is maximizing federal funds available for the program.
- (12) How capacity to operate the program can be built within local educational agencies.
- (b) For purposes of this section, "local governmental agency" shall have the same meaning as specified in subdivision (n) of Section 14132.47 of the Welfare and Institutions Code, "local educational agency" shall have the same meaning as specified in subdivision (o) of Section 14132.47 of the Welfare and Institutions Code, and "local educational consortium" shall have the same meaning as specified in subdivision (p) of Section 14132.47 of the Welfare and Institutions Code.
- (c) (1) A report to be submitted to the Legislature pursuant to subdivision (a) shall be submitted in compliance with Section 9795 of the Government Code.
- (2) Pursuant to Section 10231.5 of the Government Code, this section is repealed on January 1, 2021.