

Senate Bill No. 145

CHAPTER 712

An act to add and repeal Section 100235 of the Health and Safety Code, relating to health care.

[Approved by Governor October 9, 2015. Filed with
Secretary of State October 9, 2015.]

LEGISLATIVE COUNSEL'S DIGEST

SB 145, Pan. Robert F. Kennedy Farm Workers Medical Plan.

Existing state law requires, for the 2015–16 fiscal year, the State Department of Health Care Services to provide a grant to a health benefit plan that is funded by contributions from agricultural employers, as specified, upon an appropriation of funds for this purpose. The Robert F. Kennedy Farm Workers Medical Plan is a nonprofit voluntary employees beneficiary association, organized under federal law, that provides payments for health care and other benefits to its members.

This bill would require, until January 1, 2021, the department to annually reimburse the Robert F. Kennedy Farm Workers Medical Plan up to \$3,000,000 per year for claim payments that exceed \$70,000 made by the plan on behalf of an eligible employee or dependent for a single episode of care on or after September 1, 2016. The bill would require the department to make the reimbursement payment within 60 days after it receives specified claims data from the plan.

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

SECTION 1. The Legislature finds and declares all of the following:

(a) The Robert F. Kennedy Farm Workers Medical Plan is a joint labor-management health plan for farmworkers organized under Section 302(c)(5) of the federal Labor Management Relations Act of 1947.

(b) This plan has been in existence for more than 45 years and has provided vital health services to farmworkers and their families, enabling them to lead healthier lives, make better use of their available income, and achieve self-sufficiency.

(c) The plan has focused on primary and preventive care and has significantly alleviated the burden on publicly funded health resources in the plan's coverage areas.

(d) The plan has saved the state significant sums of money that would have otherwise been expended to provide health care.

(e) The Legislature has determined that the plan is an efficient and cost-effective means to deliver health care services to farmworkers and their

families within the plan's coverage areas. Thus, it is in the state's interest to maintain the range of health care services provided by the plan without threatening the plan's financial viability.

SEC. 2. Section 100235 is added to the Health and Safety Code, to read:

100235. (a) The department shall annually reimburse the Robert F. Kennedy Farm Workers Medical Plan for claim payments that exceed seventy thousand dollars (\$70,000) made by the plan on behalf of an eligible employee or dependent for a single episode of care on or after September 1, 2016. This reimbursement shall not exceed three million dollars (\$3,000,000) per year.

(b) To seek reimbursement, commencing after September 1, 2017, and annually thereafter, the plan shall submit to the department completed data, verified by an independent certified public accountant, for claims paid by the plan for services during the preceding year from September 1 to August 31, inclusive.

(c) (1) If the department receives claims data from the plan pursuant to subdivision (b), the department shall analyze that data to determine the aggregate amount of claims that exceed seventy thousand dollars (\$70,000) paid by the plan on behalf of an eligible employee or dependent for any single episode of care.

(2) No later than 60 days after the department receives claims data submitted by the plan, the department shall reimburse the plan the amount determined pursuant to paragraph (1), up to the amount of three million dollars (\$3,000,000) per year.

(d) This section shall remain in effect only until January 1, 2021, and as of that date is repealed, unless a later enacted statute that is enacted before January 1, 2021, deletes or extends that date.