

ASSEMBLY BILL

No. 2916

Introduced by Assembly Member Friedman

February 22, 1996

An act to amend Section 14490 of the Welfare and Institutions Code, relating to Medi-Cal, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

AB 2916, as introduced, Friedman. Medi-Cal: pilot projects.

Existing law provides for the Medi-Cal program, administered by the State Department of Health Services, under which qualified low-income persons are provided with health care services.

Existing law requires the Director of Health Services, as one of the methods of procuring services under the Medi-Cal program, to contract with various types of entities to establish pilot programs that demonstrate the value, or lack thereof, of alternative forms of financing and delivering health care services, with each program to be for a duration of not to exceed 4 years, and to be evaluated annually.

Existing law also permits the director to renew these projects for 3 years, and thereafter to implement them permanently, or in the alternative to grant one-year extensions until an evaluation can be completed or the permanent establishment of the program can be completed.

This bill would permit the maximum number of years for the original pilot program contract to increase from 4 to 5

years. It would also delete the requirement for an evaluation during the original contract period.

The bill would also increase from 3 to up to 5, the number of years for program contract renewals.

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

Vote: 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 14490 of the Welfare and
2 Institutions Code is amended to read:

3 14490. In providing benefits under this chapter and
4 Chapter 7 (commencing with Section 14000), the
5 director shall aggressively seek the development of
6 alternative forms of financing and delivering health care
7 services. In carrying out the intent of this article, the
8 director shall contract with institutional providers,
9 counties, or other organizations to establish pilot
10 programs—~~which~~ *that* demonstrate the value, or lack
11 thereof, of such a program in delivering or financing
12 health care services in such a manner. Each pilot program
13 shall be for a specified duration not to exceed—~~four~~ *five*
14 years—~~and each pilot program shall be evaluated annually~~
15 ~~for its efficiency, effectiveness, and quality.~~

16 Upon a finding by the director that a pilot program
17 contributes substantially to the availability of high quality
18 health services and that —~~such~~ *those* services are cost
19 effective, the director shall enter into a—~~three-year~~
20 contract to ~~renew such program~~ *for a period of up to five*
21 *years.*

22 Where the director recommends implementation of a
23 pilot program on a permanent basis but finds that he or
24 she is not able to implement on a permanent basis—~~such~~
25 *that* program immediately upon conclusion of the
26 program’s term, he or she may extend the duration of the
27 pilot program until—~~such~~ *the* evaluation or permanent
28 implementation can be accomplished. —~~Any such~~ *The*
29 extension shall be for a term not in excess of one year, but



1 may be renewed for additional one-year terms, provided
2 that the director has completed an evaluation to include
3 findings that would qualify an extension.

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

9 In order to permit the continuation of specified pilot
10 programs under the Medi-Cal program during the entire
11 1996–97 fiscal year, it is necessary that this act go into
12 immediate effect.

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