

AMENDED IN ASSEMBLY SEPTEMBER 2, 1997

AMENDED IN ASSEMBLY AUGUST 25, 1997

AMENDED IN SENATE MAY 7, 1997

SENATE BILL

No. 921

Introduced by Senator Thompson

February 27, 1997

An act to amend Sections 16809.4, 17603, and 17604 of, and to amend and repeal Sections 16809 and 16809.3 of, the Welfare and Institutions Code, relating to public social services.

LEGISLATIVE COUNSEL'S DIGEST

SB 921, as amended, M. Thompson. County health services.

Existing law provides, until January 1, 1998, that the board of supervisors of a county that contracted with the State Department of Health Services pursuant to ~~Section 16709~~ *a specified provision of law* during the 1990-91 fiscal year and any county with a population under 300,000, as determined in accordance with the 1990 decennial census, by adopting a resolution to that effect, may elect to participate in the County Medical Services Program for state administration of health care services to eligible persons in the county.

Existing law would revise the procedures for county participation in that program on January 1, 1998.

This bill would delay, until January 1, 2003, the repeal date of the existing procedures counties are required to follow to

participate in the program and the operative date of the revised participation requirements.

Existing law, until January 1, 1998, specifies the amount that each county must pay the department in order to participate in the program.

This bill would extend the duration of these provisions until January 1, 2003, but would provide that the amount that a county must pay as a condition of participation would be either the amount provided for under existing law or an amount specified by the County Medical Services Program Governing Board.

Existing law provides for the allocation of sales tax revenues deposited into the Local Revenue Fund, a continuously appropriated fund, to local agencies for various welfare programs, including deposits from the Health Subaccount of the Sales Tax Account of the Local Revenue Fund to the local health and welfare trust fund health account required to be established by each county.

Existing law requires that, in accordance with a specified schedule, the Controller allocate moneys to each county, city, or city and county, as general purpose revenues, from the Vehicle License Fee Account of the Local Revenue Fund.

This bill would change the formula for the allocation of those moneys.

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. Section 16809 of the Welfare and
2 Institutions Code, as amended by Section 1 of Chapter 547
3 of the Statutes of 1995, is amended to read:
4 16809. (a) (1) The board of supervisors of a county
5 which contracted with the department pursuant to
6 Section 16709 during the 1990–91 fiscal year and any
7 county with a population under 300,000, as determined in
8 accordance with the 1990 decennial census, by adopting
9 a resolution to that effect, may elect to participate in the
10 County Medical Services Program. The County Medical
11 Services Program shall have responsibilities for specified

1 health services to county residents certified eligible for
2 those services by the county.

3 (2) If the County Medical Services Program
4 Governing Board contracts with the department to
5 administer the County Medical Services Program, that
6 contract shall include, but need not be limited to, all of the
7 following:

8 (A) Provisions for the payment to participating
9 counties for making eligibility determinations based on
10 the formula used by the County Medical Services
11 Program for the 1993–94 fiscal year.

12 (B) Provisions for payment of expenses of the County
13 Medical Services Program Governing Board.

14 (C) Provisions relating to the flow of funds from
15 counties' vehicle license fees, sales taxes, and
16 participation fees and the procedures to be followed if a
17 county does not pay those funds to the program.

18 (D) Those provisions, as applicable, contained in the
19 1993–94 fiscal year contract with counties under the
20 County Medical Services Program.

21 (3) The contract between the department and the
22 County Medical Services Program Governing Board shall
23 require that the state maintain at least the level of
24 administrative support provided to the County Medical
25 Services Program for the 1993–94 fiscal year. The
26 department may decline to implement decisions made by
27 the governing board that would require a greater level of
28 administrative support than that for the 1993–94 fiscal
29 year. The department may implement decisions upon
30 compensation by the governing board to cover that
31 increased level of support.

32 (4) The department shall administer the County
33 Medical Services Program pursuant to the provisions of
34 the 1993–94 fiscal year contract with the counties and
35 regulations relating to the administration of the program
36 until the County Medical Services Program Governing
37 Board executes a contract for the administration of the
38 County Medical Services Program and adopts regulations
39 for that purpose.

1 (5) The department shall not be liable for any costs
2 related to decisions of the County Medical Services
3 Program Governing Board that are in excess of those set
4 forth in the contract between the department and the
5 County Medical Services Program Governing Board.

6 (b) Each county intending to participate in the
7 County Medical Services Program pursuant to this
8 section shall submit to the Governing Board of the
9 County Medical Services Program a notice of intent to
10 contract adopted by the board of supervisors no later than
11 April 1 of the fiscal year preceding the fiscal year in which
12 the county will participate in the County Medical
13 Services Program.

14 (c) A county participating in the County Medical
15 Services Program pursuant to this section shall not be
16 relieved of its indigent health care obligation under
17 Section 17000.

18 (d) (1) The County Medical Services Program
19 Account is established in the County Health Services
20 Fund. The following amounts may be deposited in the
21 account:

22 (A) Any interest earned upon money deposited in the
23 account.

24 (B) Moneys provided by participating counties or
25 appropriated by the Legislature to the account.

26 (C) Moneys loaned pursuant to subdivision (q).

27 (2) The methods and procedures used to deposit funds
28 into the account shall be consistent with the methods
29 used by the program during the 1993–94 fiscal year.

30 (e) Moneys in the program account shall be used by
31 the department, pursuant to its contract with the County
32 Medical Services Program Governing Board, to pay for
33 health care services provided to the persons meeting the
34 eligibility criteria established pursuant to subdivision (j)
35 and to pay for the expense of the governing board as set
36 forth in the contract between the board and the
37 department.

38 (f) (1) Moneys in this account shall be administered
39 on an accrual basis and notwithstanding any other
40 provision of law, except as provided in this section, shall

1 not be transferred to any other fund or account in the
2 State Treasury except for purposes of investment as
3 provided in Article 4 (commencing with Section 16470)
4 of Chapter 3 of Part 2 of Division 4 of Title 2 of the
5 Government Code.

6 (2) (A) All interest or other increment resulting from
7 the investment shall be deposited in the program
8 account, at the end of the 1982–83 fiscal year and every six
9 months thereafter, notwithstanding Section 16305.7 of
10 the Government Code.

11 (B) All interest deposited pursuant to subparagraph
12 (A) shall be available to reimburse program-covered
13 services, County Medical Services Program Governing
14 Board expenses, or for expenditures to augment the
15 program's rates, benefits, or eligibility criteria pursuant
16 to subdivision (j).

17 (g) A separate County Medical Services Program
18 Reserve Account is established in the County Health
19 Services Fund. Six months after the end of each fiscal
20 year, any projected savings in the program account shall
21 be transferred to the reserve account, with final
22 settlement occurring no more than 12 months later.
23 Moneys in this account shall be utilized when
24 expenditures for health services made pursuant to
25 subdivision (j) for a fiscal year exceed the amount of
26 funds available in the program account for that fiscal year.
27 When funds in the reserve account are estimated to
28 exceed 10 percent of the budget for health services for all
29 counties electing to participate in the County Medical
30 Services Program under this section for the fiscal year,
31 the additional funds shall be available for expenditure to
32 augment the rates, benefits, or eligibility criteria
33 pursuant to subdivision (j) or for reducing the
34 participation fees as determined by the County Medical
35 Services Program Governing Board pursuant to
36 subdivision (i). Nothing in this section shall preclude the
37 CMSP Governing Board from establishing other reserves.

38 (h) Moneys in the program account and the reserve
39 account, except for moneys provided by the state in
40 excess of the amount required to fund the state risk

1 specified in subdivision (j), and any funds loaned
2 pursuant to subdivision (p) shall not be transferred to any
3 other fund or account in the State Treasury except for
4 purposes of investment as provided in Article 4
5 (commencing with Section 16470) of Chapter 3 of Part 2
6 of Division 4 of Title 2 of the Government Code. All
7 interest or other increment resulting from investment
8 shall be deposited in the program account,
9 notwithstanding Section 16705.7 of the Government
10 Code.

11 (i) (1) Counties shall pay participation fees as
12 established by the County Medical Services Program
13 Governing Board and their jurisdictional risk amount in
14 a method that is consistent with that established in the
15 1993–94 fiscal year.

16 (2) A county may request, due to financial hardship,
17 the payments under paragraph (1) be delayed. The
18 request shall be subject to approval by the CMSP
19 Governing Board.

20 (3) Payments made pursuant to this subdivision shall
21 be deposited in the program account.

22 (4) Payments may be made as part of the deposits
23 authorized by the county pursuant to Sections 17603.05
24 and 17604.05.

25 (j) (1) (A) For the 1991–92 fiscal year and all
26 preceding fiscal years, the state shall be at risk for any
27 costs in excess of the amounts deposited in the reserve
28 fund.

29 (B) Beginning in the 1992–93 fiscal year and for each
30 fiscal year thereafter, counties and the state shall share
31 the risk for cost increases of the County Medical Services
32 Program not funded through other sources. The state
33 shall be at risk for any cost that exceeds the cumulative
34 annual growth in dedicated sales tax and vehicle license
35 fee revenue, up to the amount of twenty million two
36 hundred thirty-seven thousand four hundred sixty dollars
37 (\$20,237,460) per fiscal year. Counties shall be at risk up
38 to the cumulative annual growth in the Local Revenue
39 Fund created by Section 17600, according to the table
40 specified in paragraph (2), to the County Medical

1 Services Program, plus the additional cost increases in
 2 excess of twenty million two hundred thirty-seven
 3 thousand four hundred sixty dollars (\$20,237,460) per
 4 fiscal year. In the 1994–95 fiscal year, the amount of the
 5 state risk shall be twenty million two hundred
 6 thirty-seven thousand four hundred sixty dollars
 7 (\$20,237,460) per fiscal year, in addition to the cost of
 8 administrative support pursuant to paragraph (3) of
 9 subdivision (a).

10 (C) The CMSP Governing Board, after consultation
 11 with the department, shall establish uniform eligibility
 12 criteria and benefits for the County Medical Services
 13 Program.

14 (2) For the 1991–92 fiscal year, jurisdictional risk
 15 limitations shall be as follows:

Jurisdiction	Amount
17 Alpine	\$ 13,150
18 Amador	620,264
19 Butte	5,950,593
20 Calaveras	913,959
21 Colusa	799,988
22 Del Norte	781,358
23 El Dorado	3,535,288
24 Glenn	787,933
25 Humboldt	6,883,182
26 Imperial	6,394,422
27 Inyo	1,100,257
28 Kings	2,832,833
29 Lassen	687,113
30 Madera	2,882,147
31 Marin	7,725,909
32 Mariposa	435,062
33 Modoc	469,034
34 Mono	369,309
35 Napa	3,062,967
36 Nevada	1,860,793
37 Plumas	905,192
38 San Benito	1,086,011
39 Shasta	5,361,013
40	

1	Sierra	135,888
2	Siskiyou	1,372,034
3	Solano	6,871,127
4	Sonoma	13,183,359
5	Sutter	2,996,118
6	Tehama	1,912,299
7	Trinity	611,497
8	Tuolumne	1,455,320
9	Yuba	2,395,580

10

11 (3) Beginning in the 1991–92 fiscal year and in
 12 subsequent fiscal years, the jurisdictional risk limitation
 13 for the counties that did not contract with the
 14 department pursuant to Section 16709 during the 1990–91
 15 fiscal year shall be the amount specified in paragraph (A)
 16 plus the amount determined pursuant to paragraph (B),
 17 minus the amount specified by the County Medical
 18 Services Program Governing Board as participation fees.

19 (A)

20

21	Jurisdiction	Amount
22	Lake	
23		\$1,022,963
24	Mendocino	1,654,999
25	Merced	2,033,729
26	Placer	1,338,330
27	San Luis Obispo	2,000,491
28	Santa Cruz	3,037,783
29	Yolo	1,475,620

30

31 (B) The amount of funds necessary to fully fund the
 32 anticipated costs for the county shall be determined by
 33 the CMSP Governing Board before a county is permitted
 34 to participate in the County Medical Services Program.

35 (4) For the 1994–95 and 1995–96 fiscal years, the
 36 specific amounts and method of apportioning risk to each
 37 participating county may be adjusted by the CMSP
 38 Governing Board.

39 (k) The Legislature hereby determines that an
 40 expedited contract process for contracts under this

1 section is necessary. Contracts under this section shall be
2 exempt from Part 2 (commencing with Section 10100) of
3 Division 2 of the Public Contract Code. Contracts of the
4 department pursuant to this section shall have no force or
5 effect unless they are approved by the Department of
6 Finance.

7 (l) The state shall not incur any liability except as
8 specified in this section.

9 (m) Third-party recoveries for services provided
10 under this section pursuant to Article 3.5 (commencing
11 with Section 14124.70) of Chapter 7 of Part 3 may be
12 pursued.

13 (n) Under the program provided for in this section,
14 the department may reimburse hospitals for inpatient
15 services at the rates negotiated for the Medi-Cal program
16 by the California Medical Assistance Commission,
17 pursuant to Article 2.6 (commencing with Section 14081)
18 of Chapter 7 of Part 3, if the California Medical Assistance
19 Commission determines that reimbursement to the
20 hospital at the contracted rate will not have a detrimental
21 fiscal impact on either the Medi-Cal program or the
22 program provided for in this section. In negotiating and
23 renegotiating contracts with hospitals, the commission
24 may seek terms which allow reimbursement for patients
25 receiving services under this section at contracted
26 Medi-Cal rates.

27 (o) Any hospital which has a contract with the state for
28 inpatient services under the Medi-Cal program and
29 which has been approved by the commission to be
30 reimbursed for patients receiving services under this
31 section shall not deny services to these patients.

32 (p) Participating counties may conduct an
33 independent program review to identify ways through
34 which program savings may be generated. The counties
35 and the department may collectively pursue identified
36 options for the realization of program savings.

37 (q) The Department of Finance may authorize a loan
38 of up to thirty million dollars (\$30,000,000) for deposit into
39 the program account to ensure that there are sufficient

1 funds available to reimburse providers and counties
2 pursuant to this section.

3 (r) Regulations adopted by the department pursuant
4 to this section shall remain operative and shall be used to
5 operate the County Medical Services Program until a
6 contract with the County Medical Services Program
7 Governing Board is executed and regulations, as
8 appropriate, are adopted by the County Medical Services
9 Program Governing Board. Notwithstanding Chapter 3.5
10 (commencing with Section 11340) of Part 1 of Division 3
11 of Title 2 of the Government Code, those regulations
12 adopted under the County Medical Services Program
13 shall become inoperative until January 1, 1998, except
14 those regulations that the department, in consultation
15 with the County Medical Services Program Governing
16 Board, determines are needed to continue to administer
17 the County Medical Services Program. The department
18 shall notify the Office of Administrative Law as to those
19 regulations the department will continue to use in the
20 implementation of the County Medical Services
21 Program.

22 (s) Moneys appropriated from the General Fund to
23 meet the state risk as set forth in subparagraph (B) of
24 paragraph (1) of subdivision (j) shall not be available for
25 those counties electing to disenroll from the County
26 Medical Services Program.

27 (t) This section shall remain in effect only until
28 January 1, 2003, and as of that date is repealed, unless a
29 later enacted statute, that is enacted on or before January
30 1, 2003, deletes or extends that date.

31 SEC. 2. Section 16809 of the Welfare and Institutions
32 Code, as amended by Section 2 of Chapter 547 of the
33 Statutes of 1995, is amended to read:

34 16809. (a) The board of supervisors of a county which
35 contracted with the department pursuant to Section
36 16709 during the 1990–91 fiscal year and any county with
37 a population under 300,000, as determined in accordance
38 with the 1990 decennial census, may enter into a contract
39 with the department and the department may enter into
40 a contract with that county under which the department

1 agrees to administer the program responsibilities for
2 specified health services to county residents certified
3 eligible for those services by the county.

4 (b) Each county intending to contract with the
5 department pursuant to this section shall submit to the
6 department a notice of intent to contract adopted by the
7 board of supervisors no later than April 1 of the fiscal year
8 preceding the fiscal year for which the agreement will be
9 in effect in accordance with procedures established by
10 the department.

11 (c) A county contracting with the department
12 pursuant to this section shall not be relieved of its indigent
13 health care obligation under Section 17000.

14 (d) The department shall establish the County
15 Medical Services Program Account in the County Health
16 Services Fund. The following amounts may be deposited
17 in the account:

18 (1) Any interest earned upon money deposited in the
19 account.

20 (2) Moneys provided by participating counties or
21 appropriated by the Legislature to the account.

22 (3) Moneys loaned pursuant to subdivision (p).

23 (e) Moneys in the program account shall be used by
24 the department to pay for health care services provided
25 to the persons meeting the eligibility criteria established
26 pursuant to subdivision (j).

27 (f) (1) Moneys in this account shall be administered
28 on an accrual basis and notwithstanding any other
29 provision of law, except as provided in this section, shall
30 not be transferred to any other fund or account in the
31 State Treasury except for purposes of investment as
32 provided in Article 4 (commencing with Section 16470)
33 of Chapter 3 of Part 2 of Division 4 of Title 2 of the
34 Government Code.

35 (2) (A) All interest or other increment resulting from
36 the investment shall be deposited in the program
37 account, at the end of the 1982–83 fiscal year and every six
38 months thereafter, notwithstanding Section 16305.7 of
39 the Government Code.

1 (B) All interest deposited pursuant to subparagraph
2 (A) shall be available to reimburse program-covered
3 services, or for expenditures to augment the program's
4 rates, benefits, or eligibility criteria pursuant to
5 subdivision (j).

6 (g) The department shall establish a separate County
7 Medical Services Program Reserve Account in the
8 County Health Services Fund. Six months after the end
9 of each fiscal year, any projected savings in the program
10 account shall be transferred to the reserve account, with
11 final settlement occurring no more than 12 months later.
12 Moneys in this account shall be utilized when
13 expenditures for health services made pursuant to
14 subdivision (j) for a fiscal year exceed the amount of
15 funds available in the program account for that fiscal year.
16 When funds in the reserve account are estimated to
17 exceed 10 percent of the budget for health services for all
18 counties electing to contract with the department under
19 this section for the fiscal year, the additional funds shall
20 be available for expenditure to augment the rates,
21 benefits, or eligibility criteria pursuant to subdivision (j)
22 or for reducing the participation fees required by Section
23 16809.3.

24 (h) Moneys in the program account and the reserve
25 account, except for moneys provided by the state in
26 excess of the amount required to fund the state risk
27 specified in subdivision (j), and any funds loaned
28 pursuant to subdivision (p), shall not be transferred to
29 any other fund or account in the State Treasury except for
30 purposes of investment as provided in Article 4
31 (commencing with Section 16470) of Chapter 3 of Part 2
32 of Division 4 of Title 2 of the Government Code. All
33 interest or other increment resulting from investment
34 shall be deposited in the program account,
35 notwithstanding Section 16705.7 of the Government
36 Code.

37 (i) (1) Counties shall pay by the 15th of each month
38 the agreed upon contract amount. In the event a county
39 does not make the agreed upon monthly payment, the

1 department may terminate the county's participation in
2 the program.

3 (2) A county may request, due to financial hardship,
4 the payments under paragraph (1) be delayed. The
5 request shall be subject to approval by the Small County
6 Advisory Committee.

7 (3) Payments made pursuant to this subdivision shall
8 be deposited in the program account.

9 (4) Payments may be made as part of the deposits
10 authorized by the county pursuant to Sections 17603.05
11 and 17604.05.

12 (j) (1) (A) For the 1991-92 fiscal year and all
13 preceding fiscal years, the state shall be at risk for any
14 costs in excess of the amounts deposited in the reserve
15 fund.

16 (B) Beginning in the 1992-93 fiscal year and for each
17 fiscal year thereafter, counties and the state shall share
18 the risk for cost increases of the County Medical Services
19 Program not funded through other sources. The state
20 shall be at risk for any cost that ~~exceed~~ exceeds the
21 cumulative annual growth in dedicated sales tax and
22 vehicle license fee revenue, up to the amount of twenty
23 million two hundred thirty-seven thousand four hundred
24 sixty dollars (\$20,237,460) per fiscal year. Counties shall
25 be at risk up to the cumulative annual growth in the Local
26 Revenue Fund created by Section 17600 according to the
27 table specified in paragraph (2) to the County Medical
28 Services Program, plus additional cost increases in excess
29 of twenty million two hundred thirty-seven thousand four
30 hundred sixty dollars (\$20,237,460) per fiscal year.

31 (C) As a condition of the state assuming this risk, the
32 department may require uniform eligibility criteria and
33 benefits to be provided which shall be mutually
34 established by participating counties in conjunction with
35 the department. The County Medical Services Program
36 Governing Board may revise these eligibility criteria and
37 benefits or alter rates of payment in order to assure that
38 expenditures do not exceed the funds available in the
39 program account.

(2) For the 1991–92 fiscal year, jurisdictional risk limitations shall be as follows:

Jurisdiction	Amount
Alpine	\$ 13,150
Amador	620,264
Butte	5,950,593
Calaveras	913,959
Colusa	799,988
Del Norte	781,358
El Dorado	3,535,288
Glenn	787,933
Humboldt	6,883,182
Imperial	6,394,422
Inyo	1,100,257
Kings	2,832,833
Lassen	687,113
Madera	2,882,147
Marin	7,725,909
Mariposa	435,062
Modoc	469,034
Mono	369,309
Napa	3,062,967
Nevada	1,860,793
Plumas	905,192
San Benito	1,086,011
Shasta	5,361,013
Sierra	135,888
Siskiyou	1,372,034
Solano	6,871,127
Sonoma	13,183,359
Sutter	2,996,118
Tehama	1,912,299
Trinity	611,497
Tuolumne	1,455,320
Yuba	2,395,580

(3) Beginning in the 1991–92 fiscal year and in subsequent fiscal years, the jurisdictional risk limitation for the counties that did not contract with the

department pursuant to Section 16709 during the 1990–91 fiscal year shall be the amount specified in paragraph (A) plus the amount determined pursuant to paragraph (B), minus the amount specified in Section 16809.3.

(A)

Jurisdiction	Amount
Lake	1,022,963
Mendocino	1,654,999
Merced	2,033,729
Placer	1,338,330
San Luis Obispo	2,000,491
Santa Cruz	3,037,783
Yolo	1,475,620

(B) The amount of funds necessary to fully fund the anticipated costs for the county shall be determined by the department. This amount shall be subject to the approval of both the Department of Finance and the Small County Advisory Committee before a county is permitted to contract back with the department.

(4) For the 1992–93 fiscal year and fiscal years thereafter, the amounts of the jurisdictional risk limitations shall be adjusted according to the provisions of paragraph (2).

(k) The Legislature hereby determines that an expedited contract process for contracts under this section is necessary. Contracts under this section shall be exempt from the provisions of Chapter 2 (commencing with Section 10290) of Part 2 of Division 2 of the Public Contract Code. Contracts shall have no force and effect unless approved by the Department of Finance.

(l) The state shall not incur any liability except as specified in this section.

(m) The department may pursue third-party recoveries for services provided under this section pursuant to Article 3.5 (commencing with Section 14124.70) of Chapter 7 of Part 3.

(n) Under the program provided for in this section, the department shall reimburse hospitals for inpatient

1 services at the rates negotiated for the Medi-Cal program
2 by the California Medical Assistance Commission,
3 pursuant to Article 2.6 (commencing with Section 14081)
4 of Chapter 7 of Part 3, if the California Medical Assistance
5 Commission determines that reimbursement to the
6 hospital at the contracted rate will not have a detrimental
7 fiscal impact on either the Medi-Cal program or the
8 program provided for in this section. In negotiating and
9 renegotiating contracts with hospitals, the commission
10 may seek terms which allow reimbursement for patients
11 receiving services under this section at contracted
12 Medi-Cal rates.

13 (o) Any hospital which has a contract with the state for
14 inpatient services under the Medi-Cal program and
15 which has been approved by the commission to be
16 reimbursed for patients receiving services under this
17 section shall not deny services to these patients.

18 (p) Participating counties may conduct an
19 independent program review to identify ways through
20 which program savings may be generated. The counties
21 and the department shall collectively pursue identified
22 options for the realization of program savings.

23 (q) The Department of Finance may authorize a loan
24 of up to thirty million dollars (\$30,000,000) for deposit into
25 the program account to ensure that there are sufficient
26 funds available to reimburse providers and counties
27 pursuant to this section.

28 (r) This section shall become operative January 1,
29 ~~2001~~ 2003.

30 SEC. 3. Section 16809.3 of the Welfare and Institutions
31 Code is amended to read:

32 16809.3. (a) Beginning in the 1991–92 fiscal year, and
33 in each fiscal year thereafter, a county shall pay the
34 amount listed below or as established by the County
35 Medical Services Program Governing Board pursuant to
36 subparagraph (B) of paragraph (1) of subdivision (f) of
37 Section 16809.4, to the department as a condition of
38 participation in the County Medical Services Program
39 administered pursuant to Section 16809:

40

	Jurisdiction	Amount
1	Alpine	\$ 661
2	Amador	17,107
3	Butte	459,610
4	Calaveras	30,401
5	Colusa	28,997
6	Del Norte	39,424
7	El Dorado	233,492
8	Glenn	33,989
9	Humboldt	430,851
10	Imperial	249,786
11	Inyo	18,950
12	Kings	195,053
13	Lassen	17,206
14	Madera	151,434
15	Marin	576,233
16	Mariposa	5,649
17	Modoc	9,688
18	Mono	25,469
19	Napa	142,767
20	Nevada	42,051
21	Plumas	23,796
22	San Benito	37,018
23	Shasta	294,369
24	Sierra	6,183
25	Siskiyou	48,956
26	Solano	809,548
27	Sonoma	718,947
28	Sutter	188,781
29	Tehama	79,950
30	Trinity	8,319
31	Tuolumne	34,947
32	Yuba	101,907

34
35 (b) Beginning in the 1991–92 fiscal year and in each
36 fiscal year thereafter, counties which did not contract
37 with the department pursuant to Section 16709 during
38 the 1990–91 fiscal year shall pay the following amount
39 listed below or as established by the County Medical
40 Services Program Governing Board pursuant to

1 subparagraph (B) of paragraph (1) of subdivision (f) of
2 Section 16809.4, to the department as a condition of
3 participation in the County Medical Services Program,
4 administered pursuant to Section 16809:

5		
6	Jurisdiction	Amount
7	Lake	\$150,278
8	Mendocino	247,578
9	Merced	488,954
10	Placer	247,193
11	San Luis Obispo	358,571
12	Santa Cruz	678,868
13	Yolo	532,510
14		

15 (c) (1) County amounts specified in subdivisions (a)
16 and (b) shall be paid to the department in 12 equal
17 monthly payments according to the procedures specified
18 by the department. Subject to paragraphs (2) and (3), a
19 county that does not pay the amounts specified in
20 subdivision (a) or (b) may be terminated from
21 participation in the program.

22 (2) A county may request, due to financial hardship,
23 that payments specified under subdivisions (a) and (b)
24 be delayed. The request shall be subject to the approval
25 of the Small County Advisory Committee.

26 (3) For the 1991–92 fiscal year and subsequent fiscal
27 years, counties that enter the County Medical Services
28 Program shall pay the amount specified in subdivision (a)
29 or (b), as applicable, on a prorated basis, for the number
30 of contracted months of participation in the County
31 Medical Services Program.

32 (d) The payments required by subdivision (c) shall
33 not be paid for with funds from the health account of the
34 local health and welfare trust fund established pursuant
35 to Section 17600.10.

36 (e) The department shall reduce the amounts
37 specified in subdivision (b) if the revenue authority
38 provided for in either Section 29550 of the Government
39 Code, or Section 97 of the Revenue and Taxation Code,
40 or both, which is effective on or after September 1, 1991,

1 is reduced by enactment of legislation or by judicial order,
2 unless those county general purpose revenues are
3 replaced in the 1991–92 fiscal year and subsequent fiscal
4 years by county general purpose revenue authority
5 which, when added to the remaining revenue authority,
6 will be equal to the revenue authority made available to
7 the counties during the 1991–92 fiscal year.

8 (f) This section shall become inoperative January 1,
9 1995, and shall become operative January 1, 2003.

10 SEC. 4. Section 16809.4 of the Welfare and Institutions
11 Code is amended to read:

12 16809.4. (a) Counties voluntarily participating in the
13 County Medical Services Program pursuant to Section
14 16809 may establish the County Medical Services
15 Program Governing Board pursuant to procedures
16 contained in this section. The board shall govern the
17 CMSP program.

18 (b) The membership of the board shall be comprised
19 of all of the following:

20 (1) Three members who shall each be a member of a
21 county board of supervisors.

22 (2) Three members who shall be county
23 administrative officers.

24 (3) Two members who shall be county welfare
25 directors.

26 (4) Two members who shall be county health officials.

27 (5) One member who shall be the Secretary of the
28 Health and Welfare Agency, or his or her designee, and
29 who shall serve as an ex officio, nonvoting member.

30 (c) The board may establish its own bylaws and
31 operating procedures.

32 (d) The voting membership of the board shall meet all
33 of the following requirements:

34 (1) All of the members shall hold office or employment
35 in counties that participate in the CMSP program.

36 (2) The initial CMSP Governing Board shall be
37 composed of the incumbent members of the Small
38 County Advisory Committee holding office on the
39 effective date of this section. Those members shall choose
40 one additional county supervisor and one additional

1 county administrative officer. The initial CMSP
2 Governing Board shall hold office until April 1, 1995.

3 (3) The initial CMSP Governing Board shall be
4 succeeded on April 1, 1995, by a board chosen in the
5 following order so as to ensure that no two
6 representatives shall be from the same county.

7 Following the effective date of this section:

8 (A) The three county supervisor members shall be
9 elected by the CMSP counties acting prior to February 1,
10 1995, with each county having one vote and convened at
11 the call of the Chair of the CMSP Governing Board.

12 (B) The three county administrative officers shall be
13 elected by the administrative officers of the CMSP
14 counties convened at the call of the Chair of the CMSP
15 Governing Board prior to February 15, 1995.

16 (C) The two county health officials shall be selected by
17 the health officials of the CMSP counties convened at the
18 call of the Chair of the CMSP Governing Board prior to
19 March 1, 1995.

20 (D) The two county welfare directors shall be elected
21 by the welfare directors of the CMSP counties convened
22 at the call of the Chair of the CMSP Governing Board
23 prior to March 15, 1995.

24 (4) Board members shall serve three-year terms.

25 (5) No two persons from the same county may serve
26 as members of the board at the same time.

27 (e) (1) The board shall convene its first meeting at
28 the call of the Chair of the Small County Advisory
29 Committee, who shall serve as interim chairperson of the
30 board.

31 (2) The board may elect a permanent chair.

32 (f) (1) The CMSP Governing Board is hereby
33 established with the following powers:

34 (A) Determine program eligibility and benefit levels.

35 (B) Establish reserves and participation fees.

36 (C) Establish procedures for the entry into, and
37 disenrollment of counties from the County Medical
38 Services Program. Disenrollment procedures shall be fair
39 and equitable.

1 (D) Establish cost containment and case management
2 procedures.

3 (E) Sue and be sued in the name of the CMSP
4 Governing Board.

5 (F) Apportion jurisdictional risk to each county.

6 (G) Utilize procurement policies and procedures of
7 any of the participating counties as selected by the
8 governing board.

9 (H) Make rules and regulations.

10 (I) Make and enter into contracts or stipulations of any
11 nature with a public agency or person for the purposes of
12 governing the CMSP.

13 (J) Purchase supplies, equipment, materials, property,
14 or services.

15 (K) Appoint and employ staff to assist the CMSP
16 Governing Board.

17 (L) Establish rules for its proceedings.

18 (M) Accept gifts, contributions, grants, or loans from
19 any public agency or person for the purposes of this
20 program.

21 (N) Negotiate and set rates, charges, or fees with
22 service providers.

23 (O) Establish methods of payment that are consistent
24 with the administrative requirements of the
25 department's fiscal intermediary.

26 (P) Use generally accepted accounting procedures.

27 (2) The Legislature finds and declares that the
28 amendment of subparagraph (N) of paragraph (1) in
29 1995 is declaratory of existing law.

30 (g) (1) The CMSP Governing Board shall be
31 considered a "public entity" for purposes of Division 3.6
32 (commencing with Section 810) of Title 1 of the
33 Government Code, and a "local public entity" for
34 purposes of Part 3 (commencing with Section 900) of
35 Division 3.6 of Title 1 of the Government Code, but shall
36 not be considered a "state agency" for purposes of
37 Chapter 3.5 (commencing with Section 11340) of Part 1
38 of Division 3 of Title 2 of the Government Code and shall
39 be exempt from that chapter. No participating county
40 shall have any liability for civil judgments awarded

1 against the County Medical Services Program or the
2 board. Nothing in this paragraph shall be construed to
3 expand the liability of the state with respect to the County
4 Medical Services Program beyond that set forth in
5 Section 16809. Nothing in this paragraph shall be
6 construed to relieve any county of the obligation to
7 provide health care to indigent persons pursuant to
8 Section 17000.

9 (2) Before initiating any proceeding to challenge rates
10 of payment, charges, or fees set by the board, to seek
11 reimbursement or release of any funds from the County
12 Medical Services Program, or to challenge any other
13 action by the board, any prospective claimant shall first
14 notify the board, in writing, of the nature and basis of the
15 challenge and the amount claimed. The board shall
16 consider the matter within 60 days after receiving the
17 notice and shall promptly thereafter provide written
18 notice of the board's decision. This paragraph shall have
19 no application to provider audit appeals conducted
20 pursuant to Article 1.5 (commencing with Section 51016)
21 of Chapter 3 of Division 3 of Title 22 of the California
22 Code of Regulations and shall apply to all claims not
23 reviewed pursuant to Sections 51003 or 51015 of Title 22
24 of the California Code of Regulations.

25 (3) All regulations adopted by the CMSP Governing
26 Board shall clearly specify by reference the statute, court
27 decision, or other provision of law that the governing
28 board is seeking to implement, interpret, or make specific
29 by adopting, amending, or repealing the regulation.

30 (4) No regulation adopted by the governing board is
31 valid and effective unless the regulation meets the
32 standards of necessity, authority, clarity, consistency, and
33 nonduplication, as defined in paragraph (4).

34 (5) The following definitions govern the
35 interpretation of this subdivision:

36 (A) "Necessity" means the record of the regulatory
37 proceeding that demonstrates by substantial evidence
38 the need for the regulation. For purposes of this standard,
39 evidence includes, but is not limited to, facts, studies, and
40 expert opinion.



1 (B) “Authority” means the provision of law that
2 permits or obligates the CMSP Governing Board to adopt,
3 amend, or repeal a regulation.

4 (C) “Clarity” means that the regulation is written or
5 displayed so that the meaning of the regulation can be
6 easily understood by those persons directly affected by it.

7 (D) “Consistency” means being in harmony with, and
8 not in conflict with, or contradictory to, existing statutes,
9 court decisions, or other provisions of law.

10 (E) “Nonduplication” means that a regulation does
11 not serve the same purpose as a state or federal statute or
12 another regulation. This standard requires that the
13 governing board identify any state or federal statute or
14 regulation that is overlapped or duplicated by the
15 proposed regulation and justify any overlap or
16 duplication. This standard is not intended to prohibit the
17 governing board from printing relevant portions of
18 enabling legislation in regulations when the duplication
19 is necessary to satisfy the clarity standard in subparagraph
20 (C). This standard is intended to prevent the
21 indiscriminate incorporation of statutory language in a
22 regulation.

23 (h) The requirements of the Ralph M. Brown Act
24 (Chapter 9 (commencing with Section 54950) of Part 1 of
25 Division 2 of Title 5 of the Government Code) shall apply
26 to the meetings of the CMSP Governing Board, except as
27 otherwise provided in this subdivision. The board may
28 meet in closed session to consider and take action on
29 matters pertaining to contracts and contract negotiations
30 with providers of health care services. The governing
31 board shall comply with the following procedures for
32 public meetings held to eliminate or reduce the level of
33 services, restrict eligibility for services, or adopt
34 regulations:

35 (1) Provide prior public notice of those meetings.

36 (2) Provide that notice not less than 30 days prior to
37 those meetings.

38 (3) Publish that notice in a newspaper of general
39 circulation in each participating CMSP county.

1 (4) Include in the notice, at a minimum, the amount
2 and type of each proposed change, the expected savings,
3 and the number of persons affected.

4 (5) Hold those meetings in the county seats of at least
5 four regionally distributed CMSP participating counties.

6 (6) Locate those meetings so as to provide that each
7 hearing will be within a four-hour one-way drive of one
8 quarter of the target population so that the four meetings
9 shall be held at locations in the state that will ensure that
10 each member of the target population may reach at least
11 one of the meetings by a one-way drive that does not
12 exceed four hours.

13 (i) Records of the County Medical Services Program
14 and of the CMSP Governing Board that relate to rates of
15 payment or to the board's negotiations with providers of
16 health care services or to the board's deliberative
17 processes regarding either shall not be subject to
18 disclosure pursuant to the Public Records Act (Chapter
19 5 (commencing with Section 6250) of Division 7 of Title
20 1 of the Government Code).

21 (j) The following definitions shall govern the
22 construction of this part, unless the context requires
23 otherwise:

24 (1) "CMSP Governing Board" means the County
25 Medical Services Program Governing Board established
26 pursuant to this section.

27 (2) "Board" means the County Medical Services
28 Program Governing Board established pursuant to this
29 section.

30 (3) "CMSP" means the program by which health care
31 services are provided to eligible persons in those counties
32 electing to participate in the CMSP pursuant to Section
33 16809.

34 (4) "CMSP county" means a county that has elected to
35 participate pursuant to Section 16809 in the CMSP.

36 (k) Any references to the "County Medical Services
37 Program" or "CMSP county" in this code shall be defined
38 as set forth in this section.

39 (l) This section shall remain in effect only until
40 January 1, 2003, and as of that date is repealed, unless a

1 later enacted statute, that is enacted on or before January
2 1, 2003, deletes or extends that date.

3 SEC. 5. Section 17603 of the Welfare and Institutions
4 Code is amended to read:

5 17603. On or before the 27th day of each month, the
6 Controller shall allocate to the local health and welfare
7 trust fund health accounts the amounts deposited and
8 remaining unexpended and unreserved on the 15th day
9 of the month in the Health Subaccount of the Sales Tax
10 Account of the Local Revenue Fund, in accordance with
11 subdivisions (a) and (b):

12 (a) For the 1991–92 fiscal year, allocations shall be
13 made in accordance with the following schedule:

	Allocation
Jurisdiction	Percentage
16 Alameda	4.5046
18 Alpine	
19	0.0137
20 Amador	
21	0.1512
22 Butte	0.8131
23 Calaveras	
24	0.1367
25 Colusa	0.1195
26 Contra Costa	2.2386
27 Del Norte	
28	0.1340
29 El Dorado	0.5228
30 Fresno	2.3531
31 Glenn	
32	0.1391
33 Humboldt	0.8929
34 Imperial	0.8237
35 Inyo	0.1869
36 Kern	1.6362
37 Kings	0.4084
38 Lake	0.1752
39 Lassen	
40	0.1525

1	Los Angeles	37.2606
2	Madera	0.3656
3	Marin	1.0785
4	Mariposa	
5		0.0815
6	Mendocino	0.2586
7	Merced	0.4094
8	Modoc	
9		0.0923
10	Mono	
11		0.1342
12	Monterey	0.8975
13	Napa	0.4466
14	Nevada	0.2734
15	Orange	5.4304
16	Placer	0.2806
17	Plumas	0.1145
18	Riverside	2.7867
19	Sacramento	2.7497
20	San Benito	
21		0.1701
22	San Bernardino	2.4709
23	San Diego	4.7771
24	San Francisco	7.1450
25	San Joaquin	1.0810
26	San Luis Obispo	0.4811
27	San Mateo	1.5937
28	Santa Barbara	0.9418
29	Santa Clara	3.6238
30	Santa Cruz	0.6714
31	Shasta	0.6732
32	Sierra	
33		0.0340
34	Siskiyou	0.2246
35	Solano	0.9377
36	Sonoma	1.6687
37	Stanislaus	1.0509
38	Sutter	0.4460
39	Tehama	0.2986



1	Trinity	
2		0.1388
3	Tulare	0.7485
4	Tuolumne	0.2357
5	Ventura	1.3658
6	Yolo	0.3522
7	Yuba	0.3076
8	Berkeley	0.0692
9	Long Beach	0.2918
10	Pasadena	0.1385

11
12 (b) For the 1992–93 fiscal year and fiscal years
13 thereafter, the allocations to each county and city and
14 county shall equal the amounts received in the prior fiscal
15 year by each county, city, and city and county from the
16 Sales Tax Account and the Sales Tax Growth Account of
17 the Local Revenue Fund into the health and welfare trust
18 fund.

19 SEC. 6. Section 17604 of the Welfare and Institutions
20 Code is amended to read:

21 17604. (a) All motor vehicle license fee revenues
22 collected in the 1991–92 fiscal year that are deposited to
23 the credit of the Local Revenue Fund shall be credited to
24 the Vehicle License Fee Account of that fund.

25 (b) (1) For the 1992–93 fiscal year and fiscal years
26 thereafter, from vehicle license fee proceeds from
27 revenues deposited to the credit of the Local Revenue
28 Fund, the Controller shall make monthly deposits to the
29 Vehicle License Fee Account of the Local Revenue Fund
30 until the deposits equal the amounts that were allocated
31 to counties, cities, and cities and counties as general
32 purpose revenues in the prior fiscal year pursuant to this
33 chapter from the Vehicle License Fee Account in the
34 Local Revenue Fund and the Vehicle License Fee
35 Account and the Vehicle License Fee Growth Account in
36 the Local Revenue Fund.

37 (2) Any excess vehicle fee revenues deposited into the
38 Local Revenue Fund pursuant to Section 11001.5 of the
39 Revenue and Taxation Code shall be deposited in the



1 Vehicle License Fee Growth Account of the Local
2 Revenue Fund.

3 (c) (1) On or before the 27th day of each month, the
4 Controller shall allocate to each county, city, or city and
5 county, as general purpose revenues the amounts
6 deposited and remaining unexpended and unreserved on
7 the 15th day of the month in the Vehicle License Fee
8 Account of the Local Revenue Fund, in accordance with
9 paragraphs (2) and (3).

10 (2) For the 1991–92 fiscal year, allocations shall be
11 made in accordance with the following schedule:

12		
13		Allocation
14	Jurisdiction	Percentage
15	Alameda	4.5046
16	Alpine	
17		0.0137
18	Amador	
19		0.1512
20	Butte	0.8131
21	Calaveras	
22		0.1367
23	Colusa	0.1195
24	Contra Costa	2.2386
25	Del Norte	
26		0.1340
27	El Dorado	0.5228
28	Fresno	2.3531
29	Glenn	
30		0.1391
31	Humboldt	0.8929
32	Imperial	0.8237
33	Inyo	0.1869
34	Kern	1.6362
35	Kings	0.4084
36	Lake	0.1752
37	Lassen	
38		0.1525
39	Los Angeles	37.2606
40	Madera	0.3656

1	Marin	1.0785
2	Mariposa	
3		0.0815
4	Mendocino	0.2586
5	Merced	0.4094
6	Modoc	
7		0.0923
8	Mono	
9		0.1342
10	Monterey	0.8975
11	Napa	0.4466
12	Nevada	0.2734
13	Orange	5.4304
14	Placer	0.2806
15	Plumas	0.1145
16	Riverside	2.7867
17	Sacramento	2.7497
18	San Benito	
19		0.1701
20	San Bernardino	2.4709
21	San Diego	4.7771
22	San Francisco	7.1450
23	San Joaquin	1.0810
24	San Luis Obispo	0.4811
25	San Mateo	1.5937
26	Santa Barbara	0.9418
27	Santa Clara	3.6238
28	Santa Cruz	0.6714
29	Shasta	0.6732
30	Sierra	
31		0.0340
32	Siskiyou	0.2246
33	Solano	0.9377
34	Sonoma	1.6687
35	Stanislaus	1.0509
36	Sutter	0.4460
37	Tehama	0.2986
38	Trinity	
39		0.1388



1	Tulare	0.7485
2	Tuolumne	0.2357
3	Ventura	1.3658
4	Yolo	0.3522
5	Yuba	0.3076
6	Berkeley	0.0692
7	Long Beach	0.2918
8	Pasadena	0.1385

9

10 (3) For the 1992–93, 1993–94, and 1994–95 fiscal year
 11 and fiscal years thereafter, allocations shall be made in the
 12 same amounts as were distributed from the Vehicle
 13 License Fee Account and the Vehicle License Fee
 14 Growth Account in the prior fiscal year.

15 (4) For the 1995–96 fiscal year, allocations shall be
 16 made in the same amounts as distributed in the 1994–95
 17 fiscal year from the Vehicle License Fee Account and the
 18 Vehicle License Fee Growth Account after adjusting the
 19 allocation amounts by the amounts specified for the
 20 following counties:

21

22	Alpine	\$(11,296)
23	Amador	25,417
24	Calaveras	49,892
25	Del Norte	39,537
26	Glenn	(12,238)
27	Lassen	17,886
28	Mariposa	(6,950)
29	Modoc	(29,182)
30	Mono	(6,950)
31	San Benito	20,710
32	Sierra	(39,537)
33	Trinity	(48,009)

34

35 (5) For the 1996–97 fiscal year and fiscal years
 36 thereafter, allocations shall be made in the same amounts
 37 as were distributed from the Vehicle License Fee
 38 Account and the Vehicle License Fee Growth Account in
 39 the prior fiscal year.



1 (d) The Controller shall make monthly allocations
2 from the amount deposited in the Vehicle License
3 Collection Account of the Local Revenue Fund to each
4 county in accordance with a schedule to be developed by
5 the State Department of Mental Health in consultation
6 with the California Mental Health Directors Association,
7 which is compatible with the intent of the Legislature
8 expressed in the act adding this subdivision.

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