

AMENDED IN ASSEMBLY APRIL 4, 2005

CALIFORNIA LEGISLATURE—2005—06 REGULAR SESSION

ASSEMBLY BILL

No. 525

Introduced by Assembly Member Chu

February 16, 2005

An act to ~~add Section 14148.033 to~~ amend Section 12698 of, and to add Section 12698.02 to, the Insurance Code, and to amend Section 14005.30 of, and to add Section 14148.033 to, the Welfare and Institutions Code, relating to ~~Medi-Cal~~ health care.

LEGISLATIVE COUNSEL'S DIGEST

AB 525, as amended, Chu. Health care.

Existing law establishes the Access for Infants and Mothers (AIM) Program, administered by the Managed Risk Medical Insurance Board, to provide health insurance coverage for certain eligible persons who pay a subscriber contribution. The AIM Program provides coverage, at a minimum, to subscribers during one pregnancy, and for 60 days thereafter, and to children less than 2 years of age who were born of a pregnancy covered under this program to a woman enrolled in the program before July 1, 2004. One of the program eligibility requirements is that a participant be a resident of the state for at least 6 continuous months prior to application.

This bill would eliminate that eligibility requirement and would prohibit the board from imposing durational residency requirements as a condition of eligibility for the AIM Program. The bill would also prohibit the board from imposing 3 other requirements as conditions of eligibility.

Existing law provides for the Medi-Cal program, which is administered by the State Department of Health Services, pursuant to

which medical benefits are provided to public assistance recipients and certain other low-income persons.

Existing law requires the department, to the extent that federal financial participation is available, to provide Medi-Cal benefits to eligible individuals who meet certain income and resource standards, including to individuals eligible through the exercise of options under federal law made available to and exercised by the state.

This bill would require the department, to the extent that federal financial participation is available, to provide for the eligibility of pregnant women beginning in the first trimester of pregnancy. The bill would require, if a federal waiver or federal approval is necessary, the department to submit a request for the waiver or approval by March 1, 2006.

Existing law requires the department, to the extent that federal financial participation is available, to exercise its option under federal law to expand eligibility for Medi-Cal by establishing the amount of countable resources individuals or families are allowed to retain at the same amount medically needy individuals and families are allowed to retain, with an exception for a family of one.

This bill would, by March 1, 2006, require the department, to the extent federal financial participation is available, to exercise an option under federal law, if one exists, to exempt pregnant women from this and any other resource standard, or to seek a federal waiver if a federal option does not exist.

Existing law requires the State Department of Health Services to implement, as a Medi-Cal program benefit, a program to provide comprehensive clinical family planning services to any person who has a family income at or below 200% of the federal poverty level, as revised annually, and who is otherwise eligible to receive these services, to be known as the Family Planning, Access, Care, and Treatment (Family PACT) Waiver Program.

This bill would provide that certain individuals who are, or who would be, but for being pregnant at the time of application, eligible for Family PACT program benefits shall ~~also be~~ *have the option of being* deemed to be eligible ~~under certain circumstances for additional pregnancy-related care, for and breast and cervical cancer screening and treatment, to the extent federal financial participation is available,~~ *and for diagnostic and other treatment for certain other cancers that threaten reproductive capability.*

This bill would also provide that any individual who has undergone screening under these provisions who would be eligible for Family PACT program benefits, but for an income in excess of 200% of the federal poverty level, and who meets certain requirements shall have the option of being deemed to be eligible for the AIM program.

This bill would require the department to develop and implement an enrollment system and card for purposes of implementing ~~this bill~~ these provisions related to Family PACT program benefits, to be known as the ~~UniHealth~~ Health Access Programs Card by July 1, 2006.

Under existing law, counties are responsible for determining eligibility for benefits under the Medi-Cal program.

By revising eligibility standards for the receipt of benefits under the Medi-Cal program, this bill would impose a state-mandated local program.

Under existing law, certain dental services are covered Medi-Cal benefits.

This bill would declare that the Legislature has appropriated money in the Budget Act of 2001 and each subsequent Budget Act, for the provision under the Medi-Cal program of nonemergency benefits for the prevention and treatment of dental and periodontal disease for all beneficiaries during pregnancy to prevent premature deliveries and low birthweights. The bill would require the department to immediately implement the provision of these services by informing Denti-Cal and other Medi-Cal providers through provider bulletins that these benefits are included for all pregnant beneficiaries. The bill would provide that the implementation of this provision shall not be delayed pending adoption of administrative regulations.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.

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

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

1 *SECTION 1. Section 12698 of the Insurance Code is*
2 *amended to read:*

3 12698. To be eligible to participate in the program, a person
4 shall meet ~~at~~ both of the following requirements:

5 ~~(a) Be a resident of the state for at least six continuous months~~
6 ~~prior to application. A person who is a member of a federally~~
7 ~~recognized California Indian tribe is a resident of the state for~~
8 ~~these purposes.~~

9 ~~(b)~~

10 (a) (1) Until the first day of the second month following the
11 effective date of the amendment made to this subdivision in
12 1994, have a household income that does not exceed 250 percent
13 of the official federal poverty level unless the board determines
14 that the program funds are adequate to serve households above
15 that level.

16 (2) Upon the first day of the second month following the
17 effective date of the amendment made to this subdivision in
18 1994, have a household income that is above 200 percent of the
19 official federal poverty level but does not exceed 250 percent of
20 the official federal poverty level unless the board determines that
21 the program funds are adequate to serve households above the
22 250 percent of the official federal poverty level.

23 ~~(c)~~

24 (b) Pay an initial subscriber contribution of not more than fifty
25 dollars (\$50), and agree to the payment of the complete
26 subscriber contribution. A federally recognized California Indian
27 tribal government may make the initial and complete subscriber
28 contributions on behalf of a member of the tribe only if a
29 contribution on behalf of members of federally recognized
30 California Indian tribes does not limit or preclude federal
31 financial participation under Title XXI of the Social Security
32 Act. If a federally recognized California Indian tribal government
33 makes a contribution on behalf of a member of the tribe, the
34 tribal government shall ensure that the subscriber is made aware
35 of all the health plan options available in the county where the
36 member resides.

37 *SEC. 2. Section 12698.02 is added to the Insurance Code, to*
38 *read:*

1 12698.02. *The board shall not impose any of the following as*
2 *a condition of eligibility for the AIM program:*

3 (a) *A durational residency requirement.*

4 (b) *A written verification of pregnancy requirement.*

5 (c) *A requirement that a pregnancy be fewer than 30 weeks.*

6 (d) *A requirement that an enrollee pay monthly premiums for*
7 *12 months or pay premiums for any month in which a woman has*
8 *ceased to be pregnant, including as a result of a miscarriage.*

9 *SEC. 3. Section 14005.30 of the Welfare and Institutions*
10 *Code is amended to read:*

11 14005.30. (a) (1) To the extent that federal financial
12 participation is available, Medi-Cal benefits under this chapter
13 shall be provided to individuals eligible for services under
14 Section 1396u-1 of Title 42 of the United States Code, including
15 any options under Section 1396u-1(b)(2)(C) made available to
16 and exercised by the state.

17 (2) The department shall exercise its option under Section
18 1396u-1(b)(2)(C) of Title 42 of the United States Code to adopt
19 less restrictive income and resource eligibility standards and
20 methodologies to the extent necessary to allow all recipients of
21 benefits under Chapter 2 (commencing with Section 11200) to be
22 eligible for Medi-Cal under paragraph (1).

23 (3) To the extent federal financial participation is available,
24 the department shall exercise its option under Section
25 1396u-1(b)(2)(C) of Title 42 of the United States Code
26 authorizing the state to disregard all changes in income or assets
27 of a beneficiary until the next annual redetermination under
28 Section 14012. The department shall implement this paragraph
29 only if, and to the extent that the State Child Health Insurance
30 Program waiver described in Section 12693.755 of the Insurance
31 Code extending Healthy Families Program eligibility to parents
32 and certain other adults is approved and implemented.

33 (b) To the extent that federal financial participation is
34 available, the department shall exercise its option under Section
35 1396u-1(b)(2)(C) of Title 42 of the United States Code as
36 necessary to expand eligibility for Medi-Cal under subdivision
37 (a) by establishing the amount of countable resources individuals
38 or families are allowed to retain at the same amount medically
39 needy individuals and families are allowed to retain, except that

1 a family of one shall be allowed to retain countable resources in
2 the amount of three thousand dollars (\$3,000).

3 (c) *To the extent that federal financial participation is*
4 *available, the department shall exercise its option, if this option*
5 *exists, under Section 1396a(a)(10)(A)(ii)(IX) and (l)(3)(A) of*
6 *Title 42 of the United States Code to exempt pregnant women*
7 *receiving benefits pursuant to this section from any resource*
8 *standard, including, but not limited to, the resource standard*
9 *established pursuant to subdivision (b). The department shall, by*
10 *March 1, 2006, seek approval for implementation of this option,*
11 *or, if this option does not exist, a waiver to implement this*
12 *subdivision.*

13 (d) *To the extent that federal financial participation is*
14 *available, pregnant women shall be eligible for Medi-Cal under*
15 *this section beginning in the first trimester of pregnancy. If a*
16 *federal waiver or other federal approval is necessary to*
17 *implement this subdivision, the department shall submit a request*
18 *for the waiver or approval by March 1, 2006.*

19 (e) To the extent federal financial participation is available, the
20 department shall, commencing March 1, 2000, adopt an income
21 disregard for applicants equal to the difference between the
22 income standard under the program adopted pursuant to Section
23 1931(b) of the federal Social Security Act (42 U.S.C. Sec.
24 1396u-1) and the amount equal to 100 percent of the federal
25 poverty level applicable to the size of the family. A recipient
26 shall be entitled to the same disregard, but only to the extent it is
27 more beneficial than, and is substituted for, the earned income
28 disregard available to recipients.

29 ~~(e)~~

30 (f) For purposes of calculating income under this section
31 during any calendar year, increases in social security benefit
32 payments under Title II of the federal Social Security Act (42
33 U.S.C. Sec. 401 and following) arising from cost-of-living
34 adjustments shall be disregarded commencing in the month that
35 these social security benefit payments are increased by the
36 cost-of-living adjustment through the month before the month in
37 which a change in the federal poverty level requires the
38 department to modify the income disregard pursuant to
39 subdivision ~~(e)~~ (e) and in which new income limits for the

1 program established by this section are adopted by the
2 department.

3 (e)

4 (g) Subdivision (b) shall be applied retroactively to January 1,
5 1998.

6 (f)

7 (h) Notwithstanding Chapter 3.5 (commencing with Section
8 11340) of Part 1 of Division 3 of Title 2 of the Government
9 Code, the department shall implement, without taking regulatory
10 action, subdivisions (a) and (b) of this section by means of an all
11 county letter or similar instruction. Thereafter, the department
12 shall adopt regulations in accordance with the requirements of
13 Chapter 3.5 (commencing with Section 11340) of Part 1 of
14 Division 3 of Title 2 of the Government Code. Beginning six
15 months after the effective date of this section, the department
16 shall provide a status report to the Legislature on a semiannual
17 basis until regulations have been adopted.

18 SECTION 1.

19 SEC. 4. Section 14148.033 is added to the Welfare and
20 Institutions Code, to read:

21 14148.033. (a) ~~Any~~ *Notwithstanding any other law and with*
22 *the exception of the program described in paragraph (3), only to*
23 *the extent that federal financial participation is available, any*
24 individual who is determined to be eligible for benefits under
25 subdivision (aa) of Section 14132 for comprehensive clinical
26 family planning shall ~~be~~ *have the option of being* deemed to have
27 applied and been determined to be eligible for the following:

28 (1) Medi-Cal benefits for pregnancy-related care under this
29 chapter if the individual becomes pregnant during the period for
30 which the individual has been certified as being eligible to
31 receive Family PACT services under subdivision (a) of Section
32 14132.

33 (2) ~~Breast~~ *Medi-Cal breast and cervical cancer screening and*
34 *treatment for uninsured- or underinsured-women individuals or*
35 *presumptive eligibility for Medi-Cal for underinsured individuals*
36 *as described in Sections 104160 and 104161 of the Health and*
37 *Safety Code and Section 14007.71, if, during the period for*
38 *which the individual's Family PACT eligibility has been*
39 *certified, both of the following apply:*

1 (A) *The Family PACT services provided under paragraph (8)*
2 *of subdivision (aa) of Section 14132 for diagnostic and treatment*
3 *services for cancers that threaten reproductive capability have*
4 *been exhausted for the individual.*

5 (B) *The provider cancer screening requirements of subdivision*
6 *(c) of Section 104162 are met.*

7 (3) ~~Prostate cancer screening and treatment upon exhaustion of~~
8 ~~eligibility for Family PACT Services under the Improving~~
9 ~~Access, Counseling, and Treatment for Californians with~~
10 ~~Prostrate Cancer (IMPACT) program administered by the~~
11 ~~department, if, during the period for which the individual's~~
12 ~~Family PACT eligibility has been certified, all of the following~~
13 ~~apply:~~

14 (A) *The individual is at least 18 years of age and under 66*
15 *years of age.*

16 (B) *The individual has been diagnosed with prostate cancer.*

17 (C) *Services for the individual*

18 *under paragraph (8) of subdivision (aa) of Section 14132 for*
19 *diagnoses and treatment services for cancers that threaten*
20 *reproductive capability have been exhausted.*

21 (b) For purposes of paragraph (2) of subdivision (a):

22 (1) "Uninsured" means not covered for breast or cervical
23 cancer treatment services by any of the following:

24 (A) No cost full scope Medi-Cal.

25 (B) Medicare.

26 (C) A health care service plan contract or policy of disability
27 insurance.

28 (D) Any other form of health care coverage.

29 (2) "Underinsured" means either of the following:

30 (A) Covered for breast or cervical cancer treatment services by
31 any health care insurance listed in subparagraph (B), (C), or (D)
32 of paragraph (1), but the sum of the individual's insurance
33 deductible, premiums, and expected copayments in the initial
34 12-month period that breast or cervical cancer treatment services
35 are needed exceeds seven hundred fifty dollars (\$750).

36 (B) Covered by share-of-cost or limited scope Medi-Cal, if
37 the individual is not otherwise eligible for treatment services
38 pursuant to Section 14007.71.

39 (c) Any individual who has undergone screening under this
40 section and would ~~be~~ *have the option of being* eligible for Family

1 ~~Part~~ PACT benefits under subdivision (aa) of Section 14132, but
2 for the fact that she is pregnant at the time of application for
3 those services, shall be deemed to have applied and been
4 determined to be eligible for those pregnancy-related and other
5 health care benefits specified in subdivision (a).

6 *(d) Any individual to whom all of the following applies shall*
7 *have the option of being deemed to have applied and been*
8 *determined to be eligible for the Access for Infants and Mothers*
9 *Program under Part 6.3 (commencing with Section 12695) of*
10 *Division 2 of the Insurance Code:*

11 *(1) The individual is pregnant.*

12 *(2) The individual has undergone screening under this section*
13 *and would be eligible for Family PACT benefits under*
14 *subdivision (aa) of Section 14132, but for the fact that her*
15 *income exceeds 200 percent of the federal poverty level.*

16 *(3) The individual's income does not exceed 300 percent of the*
17 *federal poverty level.*

18 ~~(4)~~

19 *(e) (1) By no later than July 1, 2006, the department shall*
20 *develop and implement an enrollment system and card for the*
21 *implementation of this section, to be known as the ~~UniHealth~~*
22 *~~Access Health Access Programs Card~~, that is consistent with this*
23 *section and Section 14148.03.*

24 *(2) The department shall consult with representatives of*
25 *providers, consumers, counties, and health plans in the*
26 *development and implementation of the ~~UniHealth Access~~*
27 *Health Access Programs Card.*

28 *SEC. 5. (a) The Legislature hereby finds and declares that in*
29 *the Budget Act of 2001 and each subsequent Budget Act*
30 *thereafter, the Legislature has appropriated money for the*
31 *provision under the Medi-Cal program of nonemergency benefits*
32 *for the prevention and treatment of dental and periodontal*
33 *disease for all beneficiaries during pregnancy to prevent*
34 *premature deliveries and low birthweights.*

35 *(b) These preventive and treatment dental services for*
36 *pregnant women result in net savings to the Medi-Cal program*
37 *by avoiding the far more costly medical and other interventions*
38 *needed to treat and care for premature and low birthweight*
39 *disabled newborns immediately at birth and throughout life.*

1 (c) It is the intent of the Legislature to reaffirm its commitment
2 to the provision of the benefits described in subdivision (a) for
3 which money has consistently been appropriated.

4 (d) Therefore, the State Department of Health Services shall
5 immediately implement the provision of services described in
6 subdivision (a) by clearly informing Denti-Cal and other
7 Medi-Cal providers through a provider bulletin or bulletins that
8 the benefits described in subdivision (a) are included for all
9 pregnant beneficiaries. The implementation required under this
10 subdivision shall not be delayed pending adoption of
11 administrative regulations.

12 ~~SEC. 2.~~

13 SEC. 6. If the Commission on State Mandates determines that
14 this act contains costs mandated by the state, reimbursement to
15 local agencies and school districts for those costs shall be made
16 pursuant to Part 7 (commencing with Section 17500) of Division
17 4 of Title 2 of the Government Code.