

ASSEMBLY BILL

No. 2787

Introduced by Committee on Health (Jones (Chair), Adams, Ammiano, Block, Carter, De La Torre, De Leon, Hall, Hayashi, Hernandez, Bonnie Lowenthal, Nava, V. Manuel Perez, and Salas)

March 9, 2010

An act to amend Section 14132.27 of the Welfare and Institutions Code, relating to Medi-Cal.

LEGISLATIVE COUNSEL'S DIGEST

AB 2787, as introduced, Committee on Health. Medi-Cal: Disease Management Waiver.

Existing law establishes the Medi-Cal program, administered by the State Department of Health Care Services, under which basic health care services are provided to qualified low-income persons. Existing law requires the department to apply for a waiver of federal law to test the efficacy of providing a disease management benefit, as described, to specified beneficiaries under the Medi-Cal program. Existing law requires the department to submit an evaluation of the effectiveness of the waiver to the appropriate policy and fiscal committees of the Legislature on or before January 1, 2008.

This bill would, instead, require the department to submit this evaluation on or before January 1, 2011, and would also require the department to include recommendations for modifications that should be made prior to a statewide implementation of the waiver.

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 14132.27 of the Welfare and Institutions Code is amended to read:

14132.27. (a) (1) The department shall apply for a waiver of federal law pursuant to Section 1396n of Title 42 of the United States Code to test the efficacy of providing a disease management benefit to beneficiaries under the Medi-Cal program. A disease management benefit shall include, but not be limited to, the use of evidence-based practice guidelines, supporting adherence to care plans, and providing patient education, monitoring, and healthy lifestyle changes.

(2) The waiver developed pursuant to this section shall be known as the Disease Management Waiver. The department shall submit any necessary waiver applications or modifications to the Medicaid State Plan to the federal Centers for Medicare and Medicaid Services to implement the Disease Management Waiver, and shall implement the waiver only to the extent federal financial participation is available.

(b) The Disease Management Waiver shall be designed to provide eligible individuals with a range of services that enable them to remain in the least restrictive and most homelike environment while receiving the medical care necessary to protect their health and well-being. Services provided pursuant to this waiver program shall include only those not otherwise available under the state plan, and may include, but are not limited to, medication management, coordination with a primary care provider, use of evidence-based practice guidelines, supporting adherence to a plan of care, patient education, communication and collaboration among providers, and process and outcome measures. Coverage for those services shall be limited by the terms, conditions, and duration of the federal waiver.

(c) Eligibility for the Disease Management Waiver shall be limited to those persons who are eligible for the Medi-Cal program as aged, blind, and disabled persons or those persons over 21 years of age who are not enrolled in a Medi-Cal managed care plan, or eligible for the federal Medicare program, and who are determined by the department to be at risk of, or diagnosed with, select chronic diseases, including, but not limited to, advanced atherosclerotic disease syndromes, congestive heart failure, and diabetes.

1 Eligibility shall be based on the individual's medical diagnosis
2 and prognosis, and other criteria, as specified in the waiver.

3 (d) The Disease Management Waiver shall test the effectiveness
4 of providing a Medi-Cal disease management benefit. The
5 department shall evaluate the effectiveness of the Disease
6 Management Waiver.

7 (1) The evaluation shall include, but not be limited to, participant
8 satisfaction, health and safety, the quality of life of the participant
9 receiving the disease management benefit, and demonstration of
10 the cost neutrality of the Disease Management Waiver as specified
11 in federal guidelines.

12 (2) The evaluation shall estimate the projected savings, if any,
13 in the budgets of state and local governments if the Disease
14 Management Waiver was expanded statewide.

15 (3) The evaluation shall be submitted to the appropriate policy
16 and fiscal committees of the Legislature on or before January 1,
17 *2008 2011, and shall include recommendations for modifications*
18 *that should be made prior to a statewide implementation of the*
19 *Disease Management Waiver.*

20 (e) The department shall limit the number of participants in the
21 Disease Management Waiver during the initial three years of its
22 operation to a number that will be statistically significant for
23 purposes of the waiver evaluation and that meets any requirements
24 of the federal government, including a request to waive statewide
25 implementation requirements for the waiver during the initial years
26 of evaluation.

27 (f) In undertaking this Disease Management Waiver, the director
28 may enter into contracts for the purpose of directly providing
29 Disease Management Waiver services.

30 (g) The department shall seek all federal waivers necessary to
31 allow for federal financial participation under this section.

32 (h) The Disease Management Waiver shall be developed and
33 implemented only to the extent that funds are appropriated or
34 otherwise available for that purpose.

35 (i) The department shall not implement this section if any of
36 the following apply:

37 (1) The department's application for federal funds under the
38 Disease Management Waiver is not accepted.

- 1 (2) Federal funding for the waiver ceases to be available.

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