ASSEMBLY BILL No. 1553

Introduced by Assembly Member Monning

January 26, 2012

An act to add Section 14103.9 to the Welfare and Institutions Code, relating to Medi-Cal.

LEGISLATIVE COUNSEL'S DIGEST

AB 1553, as introduced, Monning. Medi-Cal: managed care: exemption from plan enrollment.

Existing law provides for the Medi-Cal program, which is administered by the State Department of Health Care Services, under which qualified low-income individuals receive health care services. The Medi-Cal program is, in part, governed and funded by federal Medicaid Program provisions. One of the methods by which these services are provided is pursuant to contracts with various types of managed care plans.

This bill would establish a process that would permit an eligible Medi-Cal beneficiary to receive fee-for-service Medi-Cal, if available, as an alternative to plan enrollment if the beneficiary meets specified criteria.

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 14103.9 is added to the Welfare and Institutions Code, to read:

14103.9. (a) An eligible Medi-Cal beneficiary who satisfies the requirements in paragraph (1) or (2) may request fee-for-service Medi-Cal, if available, as an alternative to plan enrollment by submitting a request for exemption from plan enrollment to the Health Care Options Program as specified in subdivision (c).

(1) The eligible beneficiary is an American Indian, a member of an American Indian household, or chooses to receive health care services through an Indian Health Service facility and has written acceptance from an Indian Health Service facility for care on a fee-for-service basis.

(2) An eligible beneficiary who is receiving fee-for-service Medi-Cal treatment or services for a complex medical condition, from a physician, a certified nurse midwife, or a licensed midwife who is participating in the Medi-Cal program but is not a contracting provider of either plan in the eligible beneficiary's county of residence, may request a medical exemption to continue fee-for-service Medi-Cal for purposes of continuity of care.

(A) For purposes of this section, conditions meeting the criteria for a complex medical condition include, and are similar to, the following:

(i) An eligible beneficiary is pregnant.

(ii) An eligible beneficiary is under evaluation for the need for an organ transplant, has been approved for and is awaiting an organ transplant, or has received a transplant and is currently either immediately postoperative or exhibiting significant medical problems related to the transplant. Beneficiaries who are medically stable on posttransplant therapy are not eligible for exemption under this section.

(iii) An eligible beneficiary is receiving chronic renal dialysis treatment.

(iv) An eligible beneficiary has tested positive for human immunodeficiency virus (HIV) or has received a diagnosis of acquired immune deficiency syndrome (AIDS).

(v) An eligible beneficiary has been diagnosed with cancer and is currently receiving chemotherapy or radiation therapy or another course of accepted therapy for cancer that will continue for up to 12 months or has been approved for the therapy.

(vi) An eligible beneficiary has been approved for a major surgical procedure by the Medi-Cal fee-for-service program and is awaiting surgery or is immediately postoperative.

(vii) An eligible beneficiary has a complex neurological disorder, such as multiple sclerosis, a complex hematological disorder, such as hemophilia or a sickle cell disease, or a complex or progressive disorder not covered in clauses (i) through (vi), inclusive, such as cardiomyopathy or amyotrophic lateral sclerosis, which requires ongoing medical supervision, or has been approved for or is receiving complex medical treatment for the disorder, the administration of which cannot be interrupted.

(viii) An eligible beneficiary is enrolled in a Medi-Cal waiver program that allows the individual to receive subacute, acute, intermediate, or skilled nursing care at home rather than in a subacute care facility, an acute care hospital, an intermediate care facility, or a skilled nursing facility.

(ix) An eligible beneficiary is participating in a pilot project organized and operated pursuant to Section 14087.3, 14094.3, or 14490.

(B) A request for exemption from plan enrollment based on complex medical conditions shall not be approved for an eligible beneficiary to whom any of the following apply:

(i) He or she has been a member of any plan on a combined basis for more than 90 calendar days.

(ii) He or she has a current Medi-Cal provider who is contracting with a plan.

(iii) He or she is begun or has scheduled to begin treatment after the date of plan enrollment.

(b) Except for pregnancy, an eligible beneficiary granted a medical exemption from plan enrollment shall remain with the fee-for-service provider only until the medical condition has stabilized to a level that would enable him or her to change physicians and begin receiving care from a plan provider without deleterious medical effects, as determined by the beneficiary's treating physician in the Medi-Cal fee-for-service program. A beneficiary granted a medical exemption due to pregnancy may remain with the fee-for-service Medi-Cal provider through delivery and the end of the month in which 90 days postpartum occurs.

(c) Exemption from plan enrollment due to a complex medical condition, as specified in clauses (i) to (vii), inclusive, and clause (ix) of subparagraph (A) of paragraph (2) of subdivision (a), shall be requested on a request for medical exemption from plan enrollment form approved by the department. Exemption from

plan enrollment due to a beneficiary's enrollment in a Medi-Cal waiver program, as specified in clause (viii) of subparagraph (A) of paragraph (2) of subdivision (a), or a beneficiary's acceptance for care at an Indian Health Service facility, as specified in paragraph (1) of subdivision (a), shall be requested on a request for non-medical exemption from plan enrollment form. The completed request for exemption shall be submitted to the Health Care Options Program by the Medi-Cal fee-for-service provider or the Indian Health Service facility treating the beneficiary and shall be submitted by mail or facsimile. A request for exemption from plan enrollment shall not be submitted by the plan.

(d) The Health Care Options Program, as authorized by the department, shall approve each request for exemption from plan enrollment that meets the requirements of this section. At any time, the department may, at its discretion, verify the complexity, validity, and status of the medical condition and treatment plan and verify that the provider is not contracted or otherwise affiliated with a plan. The Health Care Options Program, as authorized by the department, or the department may deny a request for exemption from plan enrollment or revoke an approved request for exemption if a provider fails to fully cooperate with verification by the department.

(e) Approval of requests for exemption from plan enrollment shall be subject to the same processing times and effective dates for the processing of enrollment and disenrollment requests.

(f) The Health Care Options Program, as authorized by the department, or the department may revoke an approved request for exemption from plan enrollment at any time if the department determines that the approval was based on false or misleading information, the medical condition was not complex, treatment has been completed, or the requesting provider is not or has not been providing services to the beneficiary. The department shall provide written notice to the beneficiary that the approved request for exemption from plan enrollment has been revoked and shall advise the beneficiary that he or she shall enroll in a Medi-Cal plan and how that enrollment shall occur. The revocation of an approved request for exemption from plan enrollment shall not

otherwise affect an eligible beneficiary's eligibility or ability to receive covered services as a plan member.

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