

AMENDED IN SENATE APRIL 15, 1999

SENATE BILL

No. 92

Introduced by Senator Hayden

December 7, 1998

An act to amend ~~Sections 12693.41 and~~ *Section 12693.70* of, and to add ~~Section~~ *Sections 12693.415 and 12693.705* to, the Insurance Code, relating to health insurance.

LEGISLATIVE COUNSEL'S DIGEST

SB 92, as amended, Hayden. Healthy Families Program.

(1) Existing law provides for the creation of the Healthy Families Program administered by the Managed Risk Medical Insurance Board.

Existing law provides that when a child becomes eligible for the program, the board shall arrange for payment of providers that participate in the Child Health and Disability Prevention Program for certain services provided up to 30 days prior to the effective date of coverage.

This bill would extend those provisions to provide for payment of providers providing services in an emergency room or outpatient clinic or department located in a licensed acute care hospital, a community clinic, a free clinic, a rural health clinic, and a federally qualified health center.

(2) Under existing provisions governing the Healthy Families Program, in order to be eligible, an applicant must be applying on behalf of a child who meets certain requirements, including a requirement that the child be a resident, and including the citizenship and immigration status requirements established by federal law. ~~Existing law~~

~~continuously appropriates money from the Healthy Families Fund for purposes of implementation of the Healthy Families Program.~~

This bill would modify the definition of “resident” by including an applicant who is physically present and living in California and who entered the state with a job commitment or to seek employment, whether or not currently employed. It would also provide that a child who is otherwise eligible for participation shall not be denied eligibility based on the child’s date of entry into the United States.

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(3) Existing law continuously appropriates money from the Healthy Families Fund for purposes of implementation of the Healthy Families Program.

The bill’s provisions expanding coverage and eligibility would become operative only if funding for these purposes is appropriated by the Budget Act.

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 12693.41 of the Insurance Code~~
 2 ~~is amended to read:~~

3 ~~12693.41. (a) (1) Upon the effective date of~~
 4 *SECTION 1. Section 12693.415 is added to the*
 5 *Insurance Code, to read:*

6 *12693.415. (a) (1) Upon the effective date of*
 7 *coverage of a child eligible for the program, the board*
 8 *shall arrange for payment of ~~eligible providers~~ an eligible*
 9 *provider for well-child health assessments,*
 10 *immunizations, and initial treatment provided up to 30*
 11 *days prior to the effective date of coverage.*

12 (2) As used in this section, “eligible provider” means
 13 ~~providers that participate in the Child Health and~~
 14 ~~Disability Prevention Program pursuant to Article 6~~
 15 ~~(commencing with Section 124025) of Chapter 3 of Part~~
 16 ~~2 of Division 106 of the Health and Safety Code, and any~~
 17 *any provider providing services in an emergency room or*
 18 *outpatient clinic or department located in a licensed*



1 acute care hospital, a community clinic, a free clinic, a
2 rural health clinic, any clinic owned and operated by a
3 county, including a county outpatient clinic, and any
4 federally qualified health center as defined in Section
5 14087.325 of the Welfare and Institutions Code.

6 (b) The board shall pay only for those services that are
7 eligible for federal financial participation under Section
8 2105 of Title XXI of the Social Security Act and that are
9 approved in the required state plan under that title.

10 (c) (1) ~~Eligible providers~~ *An eligible provider* shall
11 submit charges for the services under subdivision (a) on
12 the form or in the format specified by the department for
13 the Child Health and Disability Prevention Program.
14 ~~Those providers~~ *An eligible provider* shall be reimbursed
15 at the rates established for these services by the Child
16 Health and Disability Prevention Program once coverage
17 under the program is established. However, if rates have
18 not been established under that program, the rates shall
19 be those established for Medi-Cal.

20 (2) ~~Those providers~~ *An eligible provider* shall submit
21 charges for services reimbursable under Medi-Cal on the
22 form or in the format specified by the department for
23 Medi-Cal. ~~Those providers~~ *An eligible provider* shall be
24 reimbursed at the rates established for these services by
25 Medi-Cal once coverage under Medi-Cal is established.

26 (d) (1) The board may use the state fiscal
27 intermediary for medicaid to process the payments
28 authorized in subdivision (a).

29 (2) The board shall be exempt from the requirements
30 of Chapter 7 (commencing with Section 11700) of
31 Division 3 of Title 2 of the Government Code and Chapter
32 3 (commencing with Section 12100) of Part 2 of Division
33 2 of the Public Contract Code as those requirements
34 apply to the use of contractual claims processing services
35 by the state fiscal intermediary.

36 SEC. 2. Section 12693.70 of the Insurance Code is
37 amended to read:

38 12693.70. To be eligible to participate in the program,
39 an applicant shall meet all of the following requirements:



1 (a) Be an applicant applying on behalf of an eligible
 2 child, which means a child who is all of the following:
 3 (1) Greater than 12 months of age and less than 19
 4 years of age. An application may be made on behalf of a
 5 child less than 12 months of age for coverage to begin as
 6 early as the child's first birthday.
 7 (2) Not eligible for no-cost full-scope Medi-Cal or
 8 Medicare at the time of application.
 9 (3) In compliance with Sections 12693.71 and 12693.72.
 10 (4) A child who meets citizenship and immigration
 11 status requirements that are applicable to persons
 12 participating in the program established by Title XXI of
 13 the Social Security Act.
 14 (5) A resident of the State of California pursuant to
 15 Section 244 of the Government Code or because the
 16 applicant is physically present and living in California and
 17 entered the state with a job commitment or to seek
 18 employment, whether or not currently employed.
 19 (6) In a family with a gross annual household income
 20 equal to or less than 200 percent of the federal poverty
 21 level.

22 (b) If the applicant is applying for the purchasing pool,
 23 the applicant shall pay the first month's family
 24 contribution and agree to remain in the program for six
 25 months, unless other coverage is obtained and proof of
 26 the coverage is provided to the program.

27 (c) An applicant shall enroll all of the applicant's
 28 eligible children in the program.

29 SEC. 3. Section 12693.705 is added to the Insurance
 30 Code, to read:
 31 12693.705. A child who is otherwise eligible for
 32 participation shall not be denied eligibility based on his or
 33 her date of entry into the United States.
 34 This section does not constitute a change in, but is
 35 declaratory of, existing law.
 36 SEC. 4. Sections ~~2~~ 1, 2, and 3 shall become operative
 37 only if funding for the purposes of those sections is
 38 appropriated by the Budget Act.

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