AMENDED IN SENATE MAY 21, 2019

AMENDED IN SENATE MARCH 11, 2019

SENATE BILL No. 29

Introduced by Senator Durazo
~~(Coauthor: Assembly Member Arambula)~~
(Coauthors: Senators Leyva and Roth)
(Coauthors: Assembly Members Arambula, Reyes, and Santiago)

December 3, 2018

An act to amend Section 14007.8 of the Welfare and Institutions Code, relating to Medi-Cal.

LEGISLATIVE COUNSEL'S DIGEST

SB 29, as amended, Durazo. Medi-Cal: eligibility.

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. The federal Medicaid program provisions prohibit payment to a state for medical assistance furnished to an alien who is not lawfully admitted for permanent residence or otherwise permanently residing in the United States under color of law.

Existing law requires individuals under 19 years of age enrolled in restricted-scope Medi-Cal at the time the Director of Health Care Services makes a determination that systems have been programmed for implementation of these provisions to be enrolled in the full scope of Medi-Cal benefits, if otherwise eligible, pursuant to an eligibility and enrollment plan, which includes outreach strategies. Existing law makes the effective date of enrollment for those individuals the same day that systems are operational to begin processing new applications

pursuant to the director's determination, and requires the department to seek necessary federal approvals to obtain federal financial participation for purposes of implementing the requirements. *Existing law requires that benefits for services under these provisions be provided with state-only funds only if federal financial participation is not available for those services.*

This bill ~~would~~ *would, subject to an appropriation by the Legislature,* extend eligibility for full-scope Medi-Cal benefits to individuals ~~of all ages~~ *who are 19 to 25 years of age, inclusive, or who are 65 years of age or older, and* who are otherwise eligible for those benefits but for their immigration status, and would *extend eligibility for full-scope Medi-Cal benefits to individuals beyond 26 years of age in subsequent calendar years, as specified. The bill would* delete provisions delaying implementation until the director makes the determination described above. The bill would expand the requirements of the eligibility and enrollment plan, such as ensuring that an individual maintains their primary care provider without ~~disruption to their continuity of care~~, *disruption,* would require the department to collaborate with the counties and designated public hospitals to maximize federal financial participation, and would require the department to work with designated public hospitals to mitigate *any* financial losses related to the implementation of these requirements. Because counties are required to make Medi-Cal eligibility determinations and this bill would expand Medi-Cal eligibility, the bill would impose a state-mandated local program.

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 the statutory provisions noted above.

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

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

SECTION 1. Section 14007.8 of the Welfare and Institutions Code is amended to read:

14007.8. (a) (1) An individual *who is under 19 years of age and* who does not have satisfactory immigration status or is unable to establish satisfactory immigration status as required by Section 14011.2 shall be eligible for the full scope of Medi-Cal benefits, if they are otherwise eligible for benefits under this chapter.

(2) (A) Effective January 1, 2020, an individual who is 19 to 25 years of age, inclusive, or 65 years of age or older, and who does not have satisfactory immigrant status or is unable to establish satisfactory immigration status as required by Section 14011.2, shall be eligible for the full scope of Medi-Cal benefits, if they are otherwise eligible for benefits under this chapter. Until the time described in subparagraph (B), an individual who is 26 to 64 years of age, inclusive, shall remain ineligible for the described benefits.

(B) Effective January 1, 2021, an individual who is 26 years of age, and who is otherwise eligible pursuant to subparagraph (A), shall be eligible for the full scope of Medi-Cal benefits. For each subsequent calendar year, the maximum age in this subparagraph shall increase by one year until 65 years of age.

(C) Implementation of this paragraph shall be subject to an appropriation in the annual Budget Act or any other act approved by the Legislature.

~~(2)~~

(3) (A) An individual enrolled in Medi-Cal pursuant to *paragraphs (1) and (2), and* subdivision (d) of Section ~~14007.5~~ *14007.5,* shall be enrolled in the full scope of Medi-Cal benefits, if otherwise eligible, and they shall not be required to file a new application for Medi-Cal.

(B) (i) The enrollment specified in subparagraph (A) shall be complete pursuant to an eligibility and enrollment plan, and shall include outreach strategies developed by the department in consultation with interested stakeholders, including, but not limited to, counties, health care service plans, health care providers, consumer advocates, and the Legislature.

(ii) The eligibility and enrollment plan shall ensure, to the maximum extent possible, and for purposes of the Medi-Cal managed care delivery system, that an individual may maintain their primary care provider as their assigned primary care provider in the Medi-Cal managed care health plan's provider network without ~~disruption to their continuity of care.~~ *disruption, if the provider is a contracted in-network provider within that Medi-Cal*

managed care health plan. For county health care access programs that assign individuals to a medical home or a primary care provider, the department shall work with counties, Medi-Cal managed care health plans, health care providers, consumer advocates, and other interested stakeholders, to ensure that an individual may maintain their primary care provider as their assigned primary care provider upon their enrollment into the Medi-Cal ~~program for purposes of safeguarding their continuity of care.~~ *program, if the provider is a contracted in-network provider within the applicable Medi-Cal managed care health plan.*

(iii) This paragraph does not limit the ability of an individual enrolled in Medi-Cal pursuant to this section to select either a different health care provider or, if there is more than one Medi-Cal managed care health plan available in the county where they reside, a different Medi-Cal managed care health ~~plan.~~ *plan, consistent with subdivision (g) of Section 14087.305 and paragraph (7) of subdivision (d) of Section 14089.*

(C) The department shall provide monthly updates to the appropriate policy and fiscal committees of the Legislature on the status of the implementation of this section.

(b) To the extent permitted by state and federal law, an individual eligible under this section shall be required to enroll in a Medi-Cal managed care health plan. Enrollment in a Medi-Cal managed care health plan shall not preclude a beneficiary from being enrolled in any other children's Medi-Cal specialty program that they would otherwise be eligible for.

(c) The department shall seek any necessary federal approvals to obtain federal financial participation in implementing this section. Benefits for services under this section shall be provided with state-only funds only if federal financial participation is not available for those services.

(d) The department, in collaboration with counties and designated public hospitals identified in subdivision (f) of Section 14184.10, shall maximize federal financial participation in implementing this section to the extent allowable. If federal financial participation is significantly or adversely impacted, including an adverse impact on the Global Payment Program, as described in Section 14184.40, the department shall work with the designated public hospitals to mitigate any financial losses for

purposes of maintaining the anticipated levels of federal funding that were likely to exist but for the implementation of this section.

(e) This section shall be implemented only to the extent it is in compliance with Section 1621(d) of Title 8 of the United States Code.

(f) (1) Notwithstanding Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, the department, without taking any further regulatory action, shall implement, interpret, or make specific this section by means of all-county letters, plan letters, plan or provider bulletins, or similar instructions until the time any necessary regulations are adopted. Thereafter, the department shall adopt regulations in accordance with the requirements of Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code.

(2) Notwithstanding Section 10231.5 of the Government Code, the department shall provide a status report to the Legislature on a semiannual basis, in compliance with Section 9795 of the Government Code, until regulations have been adopted.

(g) In implementing this section, the department may contract, as necessary, on a bid or nonbid basis. This subdivision establishes an accelerated process for issuing contracts pursuant to this section. Those contracts, and any other contracts entered into pursuant to this subdivision, may be on a noncompetitive bid basis and shall be exempt from the following:

(1) Part 2 (commencing with Section 10100) of Division 2 of the Public Contract Code and any policies, procedures, or regulations authorized by that part.

(2) Article 4 (commencing with Section 19130) of Chapter 5 of Part 2 of Division 5 of Title 2 of the Government Code.

(3) Review or approval of contracts by the Department of General Services.

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

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