AMENDED IN ASSEMBLY MAY 17, 2019

AMENDED IN ASSEMBLY MARCH 28, 2019

CALIFORNIA LEGISLATURE—2019–20 REGULAR SESSION

ASSEMBLY BILL No. 4

Introduced by Assembly Members Arambula, Bonta, Chiu, *Gonzalez,* and Santiago
(Coauthors: Assembly Members Carrillo, Gipson, and Reyes)
(Coauthor: Senator Durazo)

December 3, 2018

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

LEGISLATIVE COUNSEL'S DIGEST

AB 4, as amended, Arambula. Medi-Cal: eligibility.

Existing law establishes the Medi-Cal program, which is administered by the State Department of Health Care Services and 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. Federal law prohibits 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 ~~that~~ 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 *any* 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.* Existing law requires the department, until the director makes the above-described determination, to provide monthly updates to specified legislative committees on the status of the implementation of these provisions.

This bill would extend eligibility for full-scope Medi-Cal benefits to individuals of all ages, if otherwise eligible for those benefits, but for their immigration status, and would delete provisions delaying eligibility and enrollment until the director makes the determination described above. The bill would require the department to provide, indefinitely, the above-described monthly updates to the legislative committees. 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, as specified.* The bill would require the department to collaborate with the counties and designated public hospitals to maximize federal financial ~~participation,~~ *participation* and to work with designated public hospitals to mitigate *any* financial losses related to the implementation of these requirements. ~~Because~~ *The bill would condition the implementation of its provisions on an appropriation by the Legislature in the annual Budget Act or other measure for that purpose.*

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 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) An individual enrolled in Medi-Cal pursuant to subdivision (d) of Section 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 completed pursuant to an eligibility and enrollment ~~plan,~~ *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 enrolling in any other children's Medi-Cal specialty program for which they would otherwise be eligible.

(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.

(h) The amendments to this section made by the act that added this subdivision during the 2019–20 Regular Session of the Legislature shall be implemented only to the extent that the Legislature makes an appropriation in the annual Budget Act or other measure for that purpose.

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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