

ASSEMBLY BILL

No. 1580

Introduced by Assembly Member Bonilla

February 2, 2012

An act to amend Section 15926 of the Welfare and Institutions Code, relating to public health.

LEGISLATIVE COUNSEL'S DIGEST

AB 1580, as introduced, Bonilla. Health care: eligibility: enrollment.

Existing law provides for various programs to provide health care coverage to persons with limited financial resources, including the Medi-Cal program and the Healthy Families Program. Existing law establishes the California Health Benefit Exchange (Exchange), pursuant to the federal Patient Protection and Affordable Care Act (PPACA), and specifies the duties and powers of the board governing the Exchange relative to determining eligibility for enrollment in the Exchange and arranging for coverage under qualified health plans, and facilitating the purchase of qualified health plans through the Exchange. Existing law, the Health Care Reform Eligibility, Enrollment, and Retention Planning Act, operative as provided, requires the California Health and Human Services Agency, in consultation with specified entities, to establish standardized single, accessible application forms and related renewal procedures for state health subsidy programs, as defined, in accordance with specified requirements. Existing law provides that the application or case of an individual screened as not eligible for Medi-Cal on the basis of household income but who may be eligible for Medi-Cal on another basis shall be forwarded to the Medi-Cal program for an eligibility determination.

This bill would make technical and clarifying changes to these provisions.

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 15926 of the Welfare and Institutions
2 Code is amended to read:

3 15926. (a) The following definitions apply for purposes of
4 this part:

5 (1) “Accessible” means in compliance with Section 11135 of
6 the Government Code, Section 1557 of the PPACA, and regulations
7 or guidance adopted pursuant to these statutes.

8 ~~(2) “Limited-English-proficient”~~

9 (2) “*Limited English proficient*” means not speaking English
10 as one’s primary language and having a limited ability to read,
11 speak, write, or understand English.

12 (3) “State health subsidy programs” means the programs
13 described in Section 1413(e) of the PPACA.

14 (b) An individual shall have the option to apply for state health
15 subsidy programs in person, by mail, online, by facsimile, or by
16 telephone.

17 (c) (1) A single, accessible, standardized paper, electronic, and
18 telephone application for state health subsidy programs shall be
19 developed by the department in consultation with MRMIB and
20 the board governing the Exchange as part of the stakeholder process
21 described in subdivision (b) of Section 15925. The application
22 shall be used by all entities authorized to make an eligibility
23 determination for any of the state health subsidy programs and by
24 their agents.

25 (2) The application shall be tested and operational by the date
26 as required by the federal Secretary of the Health and Human
27 Services.

28 (3) The application form shall, to the extent not inconsistent
29 with federal statutes, regulations, and guidance, satisfy all of the
30 following criteria:

31 (A) ~~Include—~~*The form shall include* simple, user-friendly
32 language and instructions.

1 (B) ~~Do~~ *The form may not ask for information related to a*
2 nonapplicant that is not necessary to determine eligibility in the
3 applicant's particular circumstances.

4 (C) ~~Require~~ *The form may require only information necessary*
5 to support the eligibility and enrollment processes for state health
6 subsidy programs.

7 (D) ~~May~~ *The form may be used for, but shall not be limited to,*
8 screening.

9 (E) ~~Ask~~ *The form may ask, or be used otherwise to identify, if*
10 the mother of an infant applicant under one year of age had
11 coverage through a state health subsidy program for the infant's
12 birth, for the purpose of automatically enrolling the infant into the
13 applicable program without the family having to complete the
14 application process for the infant.

15 (F) ~~Include~~ *The form may include questions that are voluntary*
16 for applicants to answer regarding demographic data categories,
17 including race, ethnicity, primary language, disability status, and
18 other categories recognized by the federal Secretary of Health and
19 Human Services under Section 4302 of the PPACA.

20 (d) Nothing in this section shall preclude the use of a
21 provider-based application form or enrollment procedures for state
22 health subsidy programs or other health programs that differs from
23 the application form described in subdivision (c), and related
24 enrollment procedures.

25 (e) The entity making the eligibility determination shall grant
26 eligibility immediately whenever possible and with *the* consent of
27 the applicant in accordance with the state and federal rules
28 governing state health subsidy programs.

29 (f) (1) If the eligibility, enrollment, and retention system has
30 the ability to prepopulate an application form for insurance
31 affordability programs with personal information from available
32 electronic databases, an applicant shall be given the option, with
33 his or her informed consent, to have the application form
34 prepopulated. Before a prepopulated renewal form or, if available,
35 prepopulated application is submitted to the entity authorized to
36 make eligibility determinations, the individual shall be given the
37 opportunity to provide additional eligibility information and to
38 correct any information retrieved from a database.

39 (2) All state health subsidy programs may accept self-attestation,
40 instead of requiring an individual to produce a document, with

1 respect to all information needed to determine the eligibility of an
2 applicant or recipient, to the extent permitted by state and federal
3 law.

4 (3) An applicant or recipient shall have his or her information
5 electronically verified in the manner required by *the* PPACA and
6 implementing federal regulations and guidance.

7 (4) Before an eligibility determination is made, the individual
8 shall be given the opportunity to provide additional eligibility
9 information and to correct information.

10 (5) ~~An~~ *The eligibility of an applicant shall not have his or her*
11 *eligibility be delayed or denied for any state health subsidy program*
12 ~~without being~~ *unless the applicant is given a reasonable*
13 *opportunity, of at least the kind provided for under the Medi-Cal*
14 *program pursuant to Section 14007.5 and paragraph (7) of*
15 *subdivision (d) (e) of Section 14011.2, to resolve discrepancies*
16 *concerning any information provided by a verifying entity.*

17 (6) To the extent federal financial participation is available, an
18 applicant shall be provided benefits in accordance with the rules
19 of the state health subsidy program, as implemented in federal
20 regulations and guidance, for which he or she otherwise qualifies
21 until a determination is made that he or she is not eligible and all
22 applicable notices have been provided. *Nothing in this section*
23 *shall be interpreted to grant presumptive eligibility if it is not*
24 *otherwise required by state law, and, if so required, then only to*
25 *the extent permitted by federal law.*

26 (g) The eligibility, enrollment, and retention system shall offer
27 an applicant and recipient assistance with his or her application or
28 renewal for a state health subsidy program in person, over the
29 telephone, and online, and in a manner that is accessible to
30 individuals with disabilities and those who are limited English
31 proficient.

32 (h) (1) During the processing of an application, renewal, or a
33 transition due to a change in circumstances, an entity making
34 eligibility determinations for a ~~public health coverage~~ *state health*
35 *subsidy* program shall ensure that an eligible applicant and recipient
36 of state health subsidy programs that meets all program eligibility
37 requirements and complies with all necessary requests for
38 information moves between programs without any breaks in
39 coverage and without being required to provide any forms,
40 documents, or other information or undergo verification that is

1 duplicative or otherwise unnecessary. The individual shall be
2 informed *about* how to obtain information about the status of his
3 or her application, renewal, or transfer to another program at any
4 time, and the information shall be promptly provided when
5 requested.

6 (2) ~~An~~ *The application or case of an* individual screened as not
7 eligible for Medi-Cal on the basis of Modified Adjusted Gross
8 Income (MAGI) household income but who may be ~~potentially~~
9 ~~eligible for Medi-Cal on another basis on the basis of being 65~~
10 ~~years of age or older, or on the basis of blindness or disability,~~
11 ~~shall have his or her application or case be~~ forwarded to the
12 Medi-Cal program for an eligibility determination. During the
13 period this application or case is processed for a non-MAGI
14 Medi-Cal eligibility determination, if the applicant or recipient is
15 otherwise eligible for a state health subsidy program, he or she
16 shall be determined eligible for that program.

17 (3) Renewal procedures shall include all available methods for
18 reporting renewal information, including, but not limited to,
19 face-to-face, telephone, and online renewal.

20 (4) An applicant who is not eligible for a state health subsidy
21 program for a reason other than income eligibility, or for any reason
22 in the case of applicants and recipients residing in a county that
23 offers a health coverage program for individuals with income above
24 the maximum allowed for the Exchange premium tax credits, shall
25 be referred to the county health coverage program in his or her
26 county of residence.

27 (i) Notwithstanding subdivisions (e), (f), and (j), before an online
28 applicant who appears to be eligible for the Exchange with a
29 premium tax credit or reduction in cost sharing, or both, may be
30 enrolled in the Exchange, both of the following shall occur:

31 (1) The applicant shall be informed of the overpayment penalties
32 under the federal Comprehensive 1099 Taxpayer Protection and
33 Repayment of Exchange Subsidy Overpayments Act of 2011
34 (Public Law 112-9), if the individual's annual family income
35 increases by a specified amount or more, calculated on the basis
36 of the individual's current family size and current income, and that
37 penalties are avoided by prompt reporting of income increases
38 throughout the year.

39 (2) The applicant shall be informed of the penalty for failure to
40 have minimum essential health coverage.

(j) The department shall, in coordination with MRMIB and the Exchange board, streamline and coordinate all eligibility rules and requirements among state health subsidy programs using the least restrictive rules and requirements permitted by federal and state law. This process shall include the consideration of methodologies for determining income levels, assets, rules for household size, citizenship and immigration status, and self-attestation and verification requirements.

(k) (1) Forms and notices developed pursuant to this section shall be accessible and standardized, as appropriate, and shall comply with federal and state laws, regulations, and guidance prohibiting discrimination.

(2) Forms and notices developed pursuant to this section shall be developed using plain language and shall be provided in a manner that affords meaningful access to limited-English-proficient individuals, in accordance with applicable state and federal law, and at a minimum, provided in the same threshold languages as *required for Medi-Cal managed care plans*.

(l) The department, the California Health and Human Services Agency, MRMIB, and the Exchange board shall establish a process for receiving and acting on stakeholder suggestions regarding the functionality of the eligibility systems supporting the Exchange, including the activities of all entities providing eligibility screening to ensure the correct eligibility rules and requirements are being used. This process shall include consumers and their advocates, be conducted no less than quarterly, and include the recording, review, and analysis of potential defects or enhancements of the eligibility systems. The process shall also include regular updates on the work to analyze, prioritize, and implement corrections to confirmed defects and proposed enhancements, and to monitor screening.

(m) In designing and implementing the eligibility, enrollment, and retention system, the department, MRMIB, and the Exchange board shall ensure that all privacy and confidentiality rights under the PPACA and other federal and state laws are incorporated and followed, including responses to security breaches.

(n) Except as otherwise specified, this section shall be operative on and after January 1, 2014.

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