

Assembly Bill No. 1054

CHAPTER 303

An act to amend Section 5912 of the Welfare and Institutions Code, relating to mental health.

[Approved by Governor September 9, 2013. Filed with Secretary of State September 9, 2013.]

LEGISLATIVE COUNSEL'S DIGEST

AB 1054, Chesbro. Mental health: skilled nursing facility: reimbursement rate.

Existing law provides for the licensure and regulation of health facilities, including skilled nursing facilities, by the State Department of Public Health. Existing law requires the State Department of Health Care Services to contract with skilled nursing facilities that have been designated by the State Department of State Hospitals as institutions for mental disease to provide services to the residents. Under existing law, as long as contracts require institutions for mental disease to continue to be licensed as skilled nursing facilities, they are reimbursed at a specified rate. Existing law requires that rate to increase by 4.7% annually.

This bill would, effective July 1, 2014, require the reimbursement rate for services in those institutions for mental disease to increase by 3.5% annually.

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

SECTION 1. Section 5912 of the Welfare and Institutions Code is amended to read:

5912. (a) As long as contracts require institutions for mental disease to continue to be licensed and certified as skilled nursing facilities by the State Department of Public Health, they shall be reimbursed for basic services at the rate established by the State Department of Health Care Services. Effective July 1, 2014, the reimbursement rate for institutions for mental disease shall increase by 3.5 percent annually.

(b) It is the intent of the Legislature that the annual rate increases provided in subdivision (a) be utilized by the institutions for mental disease to meet direct service costs and, to the extent possible, improve the quality of care rendered to residents in the facilities.

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