

AMENDED IN ASSEMBLY SEPTEMBER 3, 2013

AMENDED IN ASSEMBLY AUGUST 19, 2013

AMENDED IN ASSEMBLY AUGUST 6, 2013

AMENDED IN SENATE MAY 28, 2013

AMENDED IN SENATE APRIL 24, 2013

SENATE BILL

No. 800

Introduced by Senator Lara

February 22, 2013

An act to amend Section 12739.61 of, and to add Part 6.8 (commencing with Section 12739.77) to Division 2 of, the Insurance Code, and to add Section 14005.277 to the Welfare and Institutions Code, relating to health, and declaring the urgency thereof, to take effect immediately. *health.*

LEGISLATIVE COUNSEL'S DIGEST

SB 800, as amended, Lara. Health care coverage programs: transition.

Existing law creates various programs to provide health care services to persons who meet various eligibility requirements. These programs include the Healthy Families Program, the Access for Infants and Mothers Program, the County Health Initiative Matching Fund, the Major Risk Medical Insurance Program, and the Federal Temporary High Risk Pool, all administered by the Managed Risk Medical Insurance Board, and the Medi-Cal program administered by the State Department of Health Care Services. Existing law provides for the transition of specified enrollees of the Healthy Families Program to the Medi-Cal program, to the extent that those individuals are otherwise eligible. Existing law also provides that employees of the board whose

functions are transferred to the Medi-Cal program pursuant to *as a part of that transition* retain their positions, status, and rights. Existing law requires the board, beginning July 1, 2013, to cease the provision of health coverage through the Federal Temporary High Risk Pool, except as specified.

Existing law establishes the California Health Benefit Exchange (Exchange), and requires the Exchange to facilitate the purchase of qualified health plans through the Exchange by qualified individuals and small employers by January 1, 2014. Existing law also requires the Exchange to undertake activities necessary to market and publicize the availability of health care coverage and federal subsidies through the Exchange and to undertake outreach and enrollment activities.

This bill would require the State Department of Health Care Services to provide the Exchange with specified contact information ~~of for~~ individuals who are not enrolled in Medi-Cal but who are the parents or caretakers of children enrolled in the Healthy Families Program or the Medi-Cal program ~~due to a transition from the Healthy Families Program, program, as specified, for purposes of assisting in order to assist the Exchange to conduct in conducting~~ outreach to individuals potentially eligible for an insurance affordability program, as defined.

This bill would transfer to the Exchange ~~any civil service employee employees~~ of the board ~~who were assigned to the Federal Temporary High Risk Pool and would provide require~~ that each transferred employee ~~shall~~ retain his or her status, position, and rights.

The bill would also ~~provide require~~ that, if the board is dissolved or terminated, all employees assigned to the other programs administered by the board ~~shall~~ be transferred to the State Department of Health Care Services and *that* each transferred employee ~~shall~~ retain his or her status, position, and rights. The bill would provide that any employee's reinstatement rights that would have applied to the board shall instead apply to the department. *The bill would require the department, if employees of the board are transferred to the department, to prepare a report, as specified, and to submit that report to the fiscal and relevant policy committees of the Legislature by February 1 of the year following the year in which the employees are transferred, and to update that report, as specified.*

~~This bill would declare that it is to take effect immediately as an urgency statute.~~

Vote: $\frac{2}{3}$ -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 12739.61 of the Insurance Code is
2 amended to read:

3 12739.61. (a) The board shall cease to provide coverage
4 through the program on July 1, 2013, except as required by the
5 contract between the board and the United States Department of
6 Health and Human Services, and at that time shall cease to operate
7 the program except as required to complete payments to, or
8 payment reconciliations with, participating health plans or other
9 contractors, process appeals, or conduct other necessary termination
10 activities.

11 (b) Any permanent or probationary civil service employee who
12 is employed by the board and assigned to the program and whose
13 function ceases due to this section shall immediately be transferred
14 to the California Health Benefit Exchange and shall retain his or
15 her status, position, and rights pursuant to Section 19050.9 of the
16 Government Code and the State Civil Service Act (Part 2
17 commencing with Section 18500) and Part 2.6 (commencing with
18 Section 19815) of Division 5 of Title 2 of the Government Code).

19 SEC. 2. Part 6.8 (commencing with Section 12739.77) is added
20 to Division 2 of the Insurance Code, to read:

21
22 PART 6.8. PROGRAM TRANSFERS
23

24 12739.77. For the purposes of this part, the following terms
25 have the following meanings:

26 (a) "Board" means the Managed Risk Medical Insurance Board.

27 (b) "Employee" means permanent or probationary civil service
28 employee.

29 12739.78. (a) (1) If any statute dissolves or terminates the
30 board, any employee of the board who, immediately prior to the
31 effective date of the dissolution or termination of the board, was
32 assigned to the Healthy Families Program (Part 6.2 (commencing
33 with Section 12693)), the Access for Infants and Mothers Program
34 (Part 6.3 (commencing with Section 12695)), the County Health
35 Initiative Matching Fund (Part 6.4 (commencing with Section
36 12699.50)), or the Major Risk Medical Insurance Program (Part
37 6.5 (commencing with Section 12700)) shall be transferred to the
38 State Department of Health Care Services and shall retain his or

1 her status, position, and rights pursuant to Section 19050.9 of the
2 Government Code and the State Civil Service Act (Part 2
3 (commencing with Section 18500) and Part 2.6 (commencing with
4 Section 19815) of Division 5 of Title 2 of the Government Code).

5 *(2) If employees are transferred to the State Department of*
6 *Health Care Services pursuant to this subdivision, the department*
7 *shall prepare a report on the transfer of employees, and, if*
8 *applicable, any functions transferred to the department upon*
9 *dissolution or termination of the board. The report shall, at a*
10 *minimum, describe any assignment of new activities to transferred*
11 *employees and provide workload justification for the position*
12 *authority transferred pursuant to this subdivision. The department*
13 *shall submit the report to the fiscal and relevant policy committees*
14 *of the Legislature by February 1 of the year following the year in*
15 *which employees are transferred, and shall update the report, if*
16 *necessary, by February 1 of each of the two years following*
17 *submission of the report. The report may be included with any*
18 *budget information submitted by the department to those*
19 *committees.*

20 (b) (1) If any statute dissolves or terminates the board, any
21 employee of the board who, immediately prior to the effective date
22 of the dissolution or termination of the board, was assigned to the
23 Federal Temporary High Risk Pool (Part 6.6 (commencing with
24 Section 12739.5) and Part 6.7 (commencing with Section
25 12739.70)) shall be transferred to the California Health Benefit
26 Exchange and shall retain his or her status, position, and rights
27 pursuant to Section 19050.9 of the Government Code and the State
28 Civil Service Act (Part 2 (commencing with Section 18500) and
29 Part 2.6 (commencing with Section 19815) of Division 5 of Title
30 2 of the Government Code).

31 (2) This subdivision shall not apply to any employee who has
32 transferred to the California Health Benefit Exchange pursuant to
33 subdivision (b) of Section 12739.61.

34 (c) If any statute dissolves or terminates the board, an
35 employee's applicable reinstatement rights that would have applied
36 to the board shall instead apply to the State Department of Health
37 Care Services.

38 SEC. 3. Section 14005.277 is added to the Welfare and
39 Institutions Code, to read:

1 14005.277. In order to assist the California Health Benefit
2 Exchange, established pursuant to Title 22 (commencing with
3 Section 100500) of the Government Code, to conduct outreach to
4 individuals potentially eligible for an insurance affordability
5 program, as defined in Section 15926, the department shall provide
6 the California Health Benefit Exchange, or its designee, with the
7 names, addresses, email addresses, telephone numbers, or other
8 contact information, and written and spoken languages of
9 individuals who are not enrolled in Medi-Cal but are the parents
10 or caretakers of children enrolled in the Healthy Families Program
11 or the Medi-Cal program pursuant to Section 14005.27.

12 ~~SEC. 4. This act is an urgency statute necessary for the~~
13 ~~immediate preservation of the public peace, health, or safety within~~
14 ~~the meaning of Article IV of the Constitution and shall go into~~
15 ~~immediate effect. The facts constituting the necessity are:~~

16 ~~To ensure the smooth and timely transition of public employees~~
17 ~~and individuals who are eligible for insurance affordability~~
18 ~~programs before the California Health Benefit Exchange will begin~~
19 ~~making health care coverage available in January 2014, it is~~
20 ~~necessary that this act take effect immediately.~~