

Senate Bill No. 2139

CHAPTER 717

An act to amend Section 14089.05 of the Welfare and Institutions Code, relating to Medi-Cal.

[Approved by Governor September 21, 1996. Filed with Secretary of State September 23, 1996.]

LEGISLATIVE COUNSEL'S DIGEST

SB 2139, Haynes. Medi-Cal: San Diego County project.

Existing law provides for the Medi-Cal program, administered by the State Department of Health Services, under which qualified low-income persons are provided with health care services.

Existing law requires the department, upon approval by the Board of Supervisors of the County of San Diego, to establish a multiplan managed care pilot project for the provision of Medi-Cal services.

This bill would, instead, permit the department to implement this program upon approval of the county. It would also make various revisions in the provisions relating to geographic managed care programs, including the specification of various criteria for the contract between the state and the plans.

This bill would also express the intent of the Legislature that, in the event the department contracts with one or more plans for the provision of dental services to Medi-Cal beneficiaries in San Diego County, the provisions relating to this project shall apply to these contracts in the same manner as required for contracts issued for other Medi-Cal services.

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

SECTION 1. Section 14089.05 of the Welfare and Institutions Code is amended to read:

14089.05. (a) (1) Pursuant to subdivision (g) of Section 14089, the department and the California Medical Assistance Commission may implement a multiplan project in the County of San Diego, upon approval of the Board of Supervisors of the County of San Diego, for the provision of benefits under this chapter to eligible Medi-Cal recipients. The multiplan project implemented in San Diego County pursuant to this section shall provide diagnostic, therapeutic, and preventive services provided under the Medi-Cal program, and additional benefits including, but not limited to, medical-related transportation, comprehensive patient management, and referral to other support services.



(2) The County of San Diego shall be eligible to receive funds transferred pursuant to paragraph (1) of subdivision (p) of Section 14163 for the development and implementation of this section. These funds in the amount allocated by the department for the County of San Diego shall be paid by the department upon the enactment of this section to the County of San Diego to reimburse a portion of the costs of the development of the project. To the full extent permitted by state and federal law, these funds shall be distributed by the department for expenditure by the County of San Diego in a manner that qualifies for federal financial participation under the medicaid program and the department shall expedite the payment of the federal funds to the County of San Diego. The department shall seek additional state, federal, and other funds to pay for costs that are incurred by the County of San Diego to develop the multiplan project in excess of the payment required by this section, and the department shall assist the county in obtaining the additional funds.

(b) (1) The County of San Diego may establish two advisory boards, one of which shall be composed of consumer representatives and the other of which shall be composed of health care professional's representatives. Each board shall advise the Department of Health Services of the County of San Diego and review and comment on all aspects of the implementation of the multiplan project. At least one of the members of each advisory board shall be appointed by the board of supervisors. The board of supervisors shall establish a number of members to serve on each advisory board, with each supervisor to appoint an equal number of members from his or her district. Each advisory board shall vote on all pilot project policies and issues that are submitted to the board of supervisors.

(2) Notwithstanding any other provision of law, a member of an advisory board established pursuant to this section shall not be deemed to be interested in a contract entered into by the department within the meaning of Article 4 (commencing with Section 1090) of Chapter 1 of Division 4 of Title 1 of the Government Code if the member is a Medi-Cal recipient or if all of the following apply:

(A) The member was appointed to represent the interests of physicians, health care practitioners, hospitals, pharmacies, or other health care organizations.

(B) The contract authorizes the member or the organization the member represents to provide Medi-Cal services under the multiplan project.

(C) The contract contains substantially the same terms and conditions as contracts entered into with other individuals or organizations the member was appointed to represent.

(D) The member does not influence or attempt to influence the joint advisory board or another member of the joint advisory board



to recommend that the department enter into the contract in which the member is interested.

(E) The member discloses the interest to the joint advisory board and abstains from voting on any recommendation on the contract.

(F) The advisory board notes the member's disclosure and abstention in its official records.

(3) Members of the advisory boards shall not be paid compensation for activities relating to their duties as members, but members who are Medi-Cal recipients shall be reimbursed an appropriate amount by the County of San Diego for travel and child care expenses incurred in performing their duties under this section.

(c) At the discretion of the department, the County of San Diego, the department, or other appropriate entities may perform any of the following in a manner that accomplishes the integration of the intake of eligible beneficiaries to the project, the assessment of beneficiary individual and family needs and circumstances, and the timely referral of beneficiaries to health care and other services to respond to their individual and family needs:

(1) Determine the eligibility of Medi-Cal applicants and recipients in a manner and environment that is accessible to the recipients and applicants.

(2) Perform enrollment activities in a manner that ensures that recipients be given the opportunity to select the provider of their choice in a manner and environment that is accessible to the recipients.

(3) The department may negotiate and amend its contract with the county to provide for specified quality improvement activities, and may require each of the health plans to participate in those activities. The department shall also participate in the county's quality improvement activities.

(d) Notwithstanding Section 14089 or any other provision of law, the County of San Diego, when contracting with the department pursuant to this section or subdivision (d), (i), or (j) of Section 14089, shall not be liable for damages for injury to persons or property arising out of the actions or inactions of the department, the department's other contractors, or providers of health care or other services, or Medi-Cal recipients. This section shall not relieve the County of San Diego from liability arising out of its actions or inactions.

(e) The County of San Diego, when contracting with the department pursuant to Section 14089 or this section, shall have no legal duty to provide health care or other services to Medi-Cal recipients, and shall have no financial responsibility for the department's other contractors or providers of health care or other services, except to the extent specifically set forth in contracts between the department and the county.



(f) Notwithstanding Section 14089.6, the department may terminate any existing managed care contract with either a prepaid health plan or a primary care case management plan for services in the County of San Diego in accordance with the terms and conditions set forth in the existing contract, at any time that the department determines that termination is in the best interest of the state. The department shall notify an existing prepaid health plan at least 90 days prior to termination. The department shall notify a primary care case management plan at least 30 days prior to termination.

(g) All contracts entered into by the department and the County of San Diego pursuant to Section 14089 or this section shall not be for the benefit of any third party, and no third-party beneficiary relationship shall be established between the county and any other party, except as may be specifically set forth in contracts between the department and the County of San Diego.

(h) The department shall report to the appropriate committees of the Legislature on the project implemented pursuant to this section.

(i) (1) For purposes of this section, “multiplan project” means a program authorized by this section in which a number of Knox-Keene licensed health plans designated by the county and approved by the department to negotiate with the California Medical Assistance Commission shall be the only Medi-Cal managed care health plans authorized to operate within San Diego County, with the exception of special projects approved by the department.

(2) Designated health plans shall include, but not be limited to, health plans sponsored by traditional Medi-Cal physicians, neighborhood health centers, community clinics, health systems, including hospitals and other providers, or a combination thereof.

(3) Participating health plans shall first be designated by the county for approval by the department. Health plans approved by the department shall be eligible to negotiate contract rates, terms, and conditions with the California Medical Assistance Commission. Designation by the county and approval by the department provides the health plan only with the opportunity to compete for a contract through negotiations with the California Medical Assistance Commission and does not guarantee a contract with the state.

(4) Designation requirements imposed by the county shall not conflict with the requirements imposed by the department, the federal medicaid program, and the Medi-Cal program, and may not impose stricter requirements, without the department’s approval, than those imposed by the department, the federal medicaid program, and the Medi-Cal program.

(5) Designation of health plans by the county will continue for the term of the Medi-Cal contract.

(j) Nothing in this section relieves the county of duties or liabilities imposed by Part 5 (commencing with Section 17000) or which it has assumed through contract with entities other than the department.



(k) Indian health facilities in San Diego County may contract directly with the department as Medi-Cal fee-for-service case management providers apart from the geographic managed care program or may participate in the network of one or more of the geographic managed care plans. Indian health service facilities that contract with the department as fee-for-service case management providers may enroll Medi-Cal recipients, including, but not limited to, recipients who are in any of the geographic managed care mandatory enrollment aid codes.

SEC. 2. It is the intent of the Legislature that, in the event the department contracts with one or more plans for the provision of dental services to Medi-Cal beneficiaries in San Diego County, Section 14089.05 of the Welfare and Institutions Code shall apply to these contracts in the same manner as required for contracts issued for other Medi-Cal services.

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