NOTE: DHCS proposed new sections are written as follows:

SEC. XX. Section 123456 of the Applicable Code is added/amended to read:

NOTE: For sections repealed and re-enacted, amendments to re-enacted statute shown as amendments to existing law and not SB 28 (see yellow highlighted sections)

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

Section XXXXXX is added to the Welfare and Institutions Code to read:

XXXXXX. (a) The Legislature declares that the Patient Protection and Affordable Care Act (Public Law 111-148), as amended by the federal Health Care and Education Reconciliation Act of 2010 (Public Law 111-152), requires an expansion of California’s Medi-Cal program to currently eligible populations through eligibility and enrollment simplifications and allows for an expansion of coverage to medically indigent adults, many of whom receive services through county indigent health care programs. The Legislature also declares that implementation of federal health care reform will have a significant impact on state and county finances and the future of the state and county relationship in the delivery of health care services.

(b) It is the intent of the Legislature to assess the savings to counties resulting from increased coverage of medically indigent adults under federal health care reform and to make changes, as appropriate, to fund the increased cost of health care coverage. It is also the intent of the Legislature to assess the impacts of federal health care reform on county administrative workload and to adjust funding as appropriate.

SEC. 2. Section 12608.30 of the Insurance Code is amended to read:

12608.30. (a) At (1) Subject to paragraph (2), at a minimum, coverage shall be provided to subscribers during one pregnancy, and for 60 days thereafter, and to children less than two years of age who were born of a pregnancy covered under this program to a woman enrolled in the program before July 1, 2004.

(2) Commencing January 1, 2014, at a minimum, coverage shall be provided to subscribers during one pregnancy, and until the end of the month in which the 60th day thereafter occurs, and to children less than two years of age who were born of a pregnancy covered under this program to a woman enrolled in the program before July 1, 2004.

(b) Coverage provided pursuant to this part shall include, at a minimum, those services required to be provided by health care service plans approved by the United States Secretary of Health and Human Services as a federally qualified health care service plan pursuant to Section 417.101 of Title 42 of the Code of Federal Regulations.

(c) Coverage shall include health education services related to tobacco use.

(d) Medically necessary prescription drugs shall be a required benefit in the coverage provided under this part.
SEC. XX. Section 11026 of the Welfare and Institutions Code is amended to read:

11026. (a) Notwithstanding any other provision of law, the State Department of Social Services and the State Department of Health Care Services shall annually inform the Franchise Tax Board of the names and social security numbers of all applicants or recipients of public social services or public assistance programs. The Franchise Tax Board, upon receipt of that information, shall furnish to the departments the following information required by Section 19286.7 of the Revenue and Taxation Code:

(1) The name of any applicant or recipient that received unearned income within the most recent available tax year, as reflected in information supplied to the Franchise Tax Board by payers, and the payee's name, social security number and address.
(2) The payer's name, address, and federal employer identification number, including branch code numbers, if applicable.
(3) The dollar amount and type of unearned income, and any identifying account numbers.
(b) The Franchise Tax Board shall return all information received from the departments after completing the exchange of information.
(b)(c) This section shall be implemented only to the extent it is funded in the annual Budget Act.

SEC. XX. Section 14000.7 is added to the Welfare and Institutions Code to read:

14000.7 (a) The department shall provide assistance to any applicant or beneficiary that requests help with the application or redetermination process to the extent required by federal law.
(b) The assistance provided under subdivision (a) shall be available to the individual in person, over the telephone and online, and in a manner that is accessible to individuals with disabilities and those who have limited English proficiency.
(c) 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 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. Beginning six months after the effective date of this section, the department shall provide a status report to the Legislature on a semiannual basis until regulations have been adopted.
(d) This section shall be implemented only if and to the extent that federal financial participation is available and any necessary federal approvals have been obtained.
(e) This section shall become operative on January 1, 2014.

SEC. 3. Section 14005.18 of the Welfare and Institutions Code is amended to read:
SB 28 (as introduced) - Administration's Proposed Amendments
Version: 1-31-13

14005.18. (a) A woman is eligible, to the extent required by federal law, as though she were pregnant, for all pregnancy-related and postpartum services for a 60-day period beginning on the last day of pregnancy.

For purposes of this section, "postpartum services" means those services provided after childbirth, child delivery, or miscarriage.

(b) This section shall remain in effect only until January 1, 2014, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2014, deletes or extends that date.

SEC. 4. Section 14005.18 is added to the Welfare and Institutions Code, to read:

14005.18. (a) To help prevent premature delivery and low birthweights, the leading causes of infant and maternal morbidity and mortality, and to promote women’s overall health, well-being, and financial security and that of their families, it is imperative that pregnant women enrolled in Medi-Cal be provided with all medically necessary services. Therefore, a woman is eligible, to the extent required by federal law, as though she were pregnant, for all pregnancy-related and postpartum services for a 60-day period beginning on the last day of pregnancy and continuing until the end of the month in which the 60th day of postpartum occurs.

(b) For purposes of this section, the following definitions shall apply:

(1) "Pregnancy-related services" means, at a minimum, all services required under the state plan unless federal approval is granted after January 1, 2014, pursuant to the procedure under the Preamble to the Final Rule at page 17149 of volume 77 of the Federal Register (March 23, 2012) to provide fewer benefits during pregnancy.

(2) "Postpartum services" means those services provided after childbirth, childbirth, or miscarriage.

(c) This section shall become operative January 1, 2014.

SEC. 5. Section 14005.28 of the Welfare and Institutions Code is amended to read:

14005.28. (a) To the extent federal financial participation is available pursuant to an approved state plan amendment, the department shall exercise its option under Section 1902(a)(10)(A)(XV) 1902(a)(10)(A)(ii)(XVII) of the federal Social Security Act (42 U.S.C. Sec. 1396a(a)(10)(A)(XV) 1396a(a)(10)(A)(ii)(XVII)) to extend Medi-Cal benefits to independent foster care adolescents, as defined in Section 1905(w)(1) 1905(w)(1) of the federal Social Security Act (42 U.S.C. Sec. 1396d(v)(1) 1396d(v)(1)).

(b) Notwithstanding Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, and if the state plan amendment described in subdivision (a) is approved by the federal Health Care Financing Administration, the department may implement subdivision (a) without taking any regulatory action and by means of all-county letters or similar instructions. 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.

(c) The department shall implement subdivision (a) on October 1, 2000, but only if, and to the extent that, the department has obtained all necessary federal approvals.

(d) This section shall remain in effect only until January 1, 2014, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2014, deletes or extends that date.

SEC. 6. Section 14005.28 is added to the Welfare and Institutions Code, to read: (Added Section. Amendments shown to existing 14005.28 and not SB 28)

14005.28. (a) To the extent federal financial participation is available pursuant to an approved state plan amendment, the department shall exercise its option under provide Medi-Cal benefits to eligible individuals pursuant to Section 1902(a)(10)(A)(XV) 1902(a)(10)(A)(i)(IX) of the federal Social Security Act (42 U.S.C. Sec. 1396a(a)(10)(A)(XV) 1396a(a)(10)(A)(i)(IX)) to extend Medi-Cal benefits to needy individuals that were in independent foster care adolescents, as defined in Section 1905(v)(1) of the federal Social Security Act (42 U.S.C. Sec. 1396d(v)(1), on their 18th birthday, until his or her 26th birthday to the extent required by federal law.

1. A foster care adolescent who is newly eligible for benefits under this section shall be enrolled to receive these benefits without any interruption in coverage and without requiring a new application.

2. The department shall develop and implement a simplified redetermination form for this program. The department shall terminate eligibility if it determines that the recipient is no longer eligible and all due process requirements are met in accordance with state and federal law.

(b) Notwithstanding Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, and if the state plan amendment described in subdivision (a) is approved by the federal Health Care Financing Administration, the department, without taking any further regulatory action, may implement, interpret, or make specific subdivision (a) this section without taking any regulatory action and by means of all-county letters, plan letters, plan or provider bulletins, or similar instructions until the time 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. Beginning six months after the effective date of this section, the department shall provide a status report to the Legislature on a semiannual basis until regulations have been adopted.

(c) The department shall implement subdivision (a) on October 1, 2000, but only if, and to the extent that, the department has obtained all necessary federal approvals.

(d) This section shall be implemented only if and to the extent that federal financial participation is available and any necessary federal approvals have been obtained.

(d) This section shall become operative January 1, 2014.
SEC. 7. Section 14005.30 of the Welfare and Institutions Code is amended to read:

14005.30. (a) (1) To the extent that federal financial participation is available, Medi-Cal benefits under this chapter shall be provided to individuals eligible for services under Section 1396u-1 of Title 42 of the United States Code, including any options under Section 1396u-1(b)(2)(C) made available to and exercised by the state.

(2) The department shall exercise its option under Section 1396u-1(b)(2)(C) of Title 42 of the United States Code to adopt less restrictive income and resource eligibility standards and methodologies to the extent necessary to allow all recipients of benefits under Chapter 2 (commencing with Section 11200) to be eligible for Medi-Cal under paragraph (1).

(3) To the extent federal financial participation is available, the department shall exercise its option under Section 1396u-1(b)(2)(C) of Title 42 of the United States Code authorizing the state to disregard all changes in income or assets of a beneficiary until the next annual redetermination under Section 14012. The department shall implement this paragraph only if, and to the extent that that, the State Child Health Insurance Program waiver described in Section 12693.755 of the Insurance Code extending Healthy Families Program eligibility to parents and certain other adults is approved and implemented.

(b) To the extent that federal financial participation is available, the department shall exercise its option under Section 1396u-1(b)(2)(C) of Title 42 of the United States Code as necessary to expand eligibility for Medi-Cal under subdivision (a) by establishing the amount of countable resources individuals or families are allowed to retain at the same amount medically needy individuals and families are allowed to retain, except that a family of one shall be allowed to retain countable resources in the amount of three thousand dollars ($3,000).

(c) To the extent federal financial participation is available, the department shall, commencing March 1, 2000, adopt an income disregard for applicants equal to the difference between the income standard under the program adopted pursuant to Section 1931(b) of the federal Social Security Act (42 U.S.C. Sec. 1396u-1) and the amount equal to 100 percent of the federal poverty level applicable to the size of the family. A recipient shall be entitled to the same disregard, but only to the extent it is more beneficial than, and is substituted for, the earned income disregard available to recipients.

(d) For purposes of calculating income under this section during any calendar year, increases in social security benefit payments under Title II of the federal Social Security Act (42 U.S.C. Sec. 401 and following) arising from cost-of-living adjustments shall be disregarded commencing in the month that these social security benefit payments are increased by the cost-of-living adjustment through the month before the month in which a change in the federal poverty level requires the department to modify the income disregard pursuant to subdivision (c) and in which new income limits for the program established by this section are adopted by the department.

(e) Subdivision (b) shall be applied retroactively to January 1, 1996.
(f) Notwithstanding Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, the department shall implement, without taking regulatory action, subdivisions (a) and (b) of this section by means of an all county letter or similar instruction. 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.

(g) This section shall remain in effect only until January 1, 2014, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2014, deletes or extends that date.

SEC. 8. Section 14005.30 is added to the Welfare and Institutions Code, to read:

(Added Section — amendments shown to existing 14005.30 and not SB 28)

14005.30. (a) (1) To the extent that federal financial participation is available, Medi-Cal benefits under this chapter shall be provided to individuals eligible for services under Section 1396u-1 of Title 42 of the United States Code, including any options under Section 1396u-1(b)(2)(C) made available to and exercised by the state.

(2) The department shall exercise its option under Section 1396u-1(b)(2)(C) of Title 42 of the United States Code to adopt less restrictive income and resource eligibility standards and methodologies to the extent necessary to allow all recipients of benefits under Chapter 2 (commencing with Section 14120) to be eligible for Medi-Cal under paragraph (1).

(3) To the extent federal financial participation is available, the department shall exercise its option under Section 1396u-1(b)(2)(C) of Title 42 of the United States Code authorizing the state to disregard all changes in income or assets of a beneficiary until the next annual redetermination under Section 14012. The department shall implement this paragraph only if, and to the extent that, the State Child Health Insurance Program waiver described in Section 12693.755 of the Insurance Code extending Healthy Families Program eligibility to parents and certain other adults is approved and implemented.

(b) To the extent that federal financial participation is available, the department shall exercise its option under Section 1396u-1(b)(2)(C) of Title 42 of the United States Code as necessary to expand eligibility for Medi-Cal under subdivision (a) by establishing the amount of countable resources individuals or families are allowed to retain at the same amount medically needy individuals and families are allowed to retain, except that a family of one shall be allowed to retain countable resources in the amount of three thousand dollars ($3,000).

(c) To the extent federal financial participation is available, the department shall, commencing March 1, 2000, adopt an income disregard for applicants equal to the difference between the income standard under the program adopted pursuant to Section 1931(b) of the federal Social Security Act (42 U.S.C. Sec. 1396u-1) and the amount equal to 100 percent of the federal poverty level applicable to the size of the family. A recipient shall be entitled to the same disregard, but only to the extent it is more beneficial than, and is substituted for, the earned income disregard available to recipients.
(2) When determining eligibility under this section an applicant's or beneficiary's income and resources shall be determined, counted and valued in accordance with the requirements of Section 1396a(e)(14) of Title 42 of the United States Code as added by the federal Patient Protection and Affordable Care Act (Public Law 111-148) and as amended by the federal Health Care and Education Reconciliation Act of 2010 (Public Law 111-152) and any subsequent amendments.

(3) Except as provided in paragraph (4), the MAGI based income eligibility standard applied under this section shall conform with the maintenance of effort requirements of Section 1396a(gg) of Title 42 of the United States Code as added by the federal Patient Protection and Affordable Care Act (Public Law 111-148) and as amended by the federal Health Care and Education Reconciliation Act of 2010 (Public Law 111-152) and any subsequent amendments after the State's Exchange becomes fully operational.

(4) Subject to paragraph (5), when the maintenance of effort requirements of Section 1396a(gg) of Title 42 of the United States Code as added by the federal Patient Protection and Affordable Care Act (Public Law 111-148) and as amended by the federal Health Care and Education Reconciliation Act of 2010 (Public Law 111-152) and any subsequent amendments no longer limit the State's ability to reduce the income standard applied to adults under this section, the MAGI based income standard applied under this section to adults shall be reduced to a level that is specified by the director, after consultation with the Department of Finance pursuant to subparagraph (5)(D), that is allowed under Section 1396u-1 of Title 42 of the United States Code.

(5) The reduction in paragraph (4) shall be implemented only if all of the following conditions are met:

(A) Medi-Cal benefits are being provided to individuals eligible under Section 1396a(10)(A)(i)(VIII) of Title 42 of the United States Code.

(B) The increased federal medical assistance percentage payable to the State pursuant to Section 1905(y) of the federal Social Security Act [42 U.S.C. Sec. 1396d(y)] as originally enacted by the federal Patient Protection and Affordable Care Act (Public Law 111-148) and amended by the federal Health Care and Education Reconciliation Act of 2010 (Public Law 111-152) is not reduced or eliminated.

(C) The State receives federal approval to include those individuals that are made ineligible for Medi-Cal benefits under paragraph (4) in the population that the State assesses to determine who is newly eligible under section 1905(y) of the federal Social Security Act [42 U.S.C. Sec. 1396d(y)] as originally enacted by the federal Patient Protection and Affordable Care Act (Public Law 111-148) and amended by the federal Health Care and Education Reconciliation Act of 2010 (Public Law 111-152) and that all of the population has the capability to be found newly eligible.

(D)(i) If the director, after consultation with the Department of Finance, determines that the implementation of the MAGI based income standard reduction would be financially advantageous to the state, the director shall give
notice of the determination to the fiscal and policy committees of the Legislature and to the Department of Finance. After giving notice, the reduction shall be implemented on the date that the director executes a declaration stating that the department has determined, in consultation with the Department of Finance, that if the reduction is implemented it would be financially advantageous to the state.

(ii) The director shall retain the declaration described in subparagraph (i), shall provide a copy of the declaration to the Secretary of the State, the Secretary of the Senate, the Chief Clerk of the Assembly, and the Legislative Counsel, and shall post the declaration on the department’s Internet Web site.

(6) As used in this section, “MAGI based income” means income calculated using the financial methodologies described in Section 1396a(e)(14) of Title 42 of the United States Code as added by the federal Patient Protection and Affordable Care Act (Public Law 111-148) and as amended by the federal Health Care and Education Reconciliation Act of 2010 (Public Law 111-152) and any subsequent amendments.

(7) As used in this section, “Exchange” means the California Health Benefit Exchange established pursuant to Section 100500 of the Government Code.

(d) For purposes of calculating income under this section during any calendar year, increases in social security benefit payments under Title II of the federal Social Security Act (42 U.S.C. Sec. 401 and following) arising from cost-of-living adjustments shall be disregarded commencing in the month that these social security benefit payments are increased by the cost-of-living adjustment through the month before the month in which a change in the federal poverty level requires the department to modify the income disregard pursuant to subdivision (e) and in which new income limits for the program established by this section are adopted by the department.

(e) Subdivision (b) shall be applied retroactively to January 1, 1996.

(f)(b) Notwithstanding Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, the department shall implement, without taking any further regulatory action, subdivision (a) and (b) of shall implement, interpret, or make specific this section by means of an all-county letters, plan letters, plan or provider bulletins, or similar instructions until the time 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. Beginning six months after the effective date of this section, the department shall provide a status report to the Legislature on a semiannual basis until regulations have been adopted.

(c) This section shall be implemented only if and to the extent that federal financial participation is available and any necessary federal approvals have been obtained.

(d) This section shall become operative January 1, 2014.

SEC. 9. Section 14005.31 of the Welfare and Institutions Code is amended to read:
14005.31. (a) (1) Subject to paragraph (2), for any person whose eligibility for benefits under Section 14005.30 has been determined with a concurrent determination of eligibility for cash aid under Chapter 2 (commencing with Section 11200), loss of eligibility or termination of cash aid under Chapter 2 (commencing with Section 11200) shall not result in a loss of eligibility or termination of benefits under Section 14005.30 absent the existence of a factor that would result in loss of eligibility for benefits under Section 14005.30 for a person whose eligibility under Section 14005.30 was determined without a concurrent determination of eligibility for benefits under Chapter 2 (commencing with Section 11200).

(2) Notwithstanding paragraph (1), a person whose eligibility would otherwise be terminated pursuant to that paragraph shall not have his or her eligibility terminated until the transfer procedures set forth in Section 14005.32 or the redetermination procedures set forth in Section 14005.37 and all due process requirements have been met.

(b) The department, in consultation with the counties and representatives of consumers, managed care plans, and Medi-Cal providers, shall prepare a simple, clear, consumer-friendly notice to be used by the counties, to inform Medi-Cal beneficiaries whose eligibility for cash aid under Chapter 2 (commencing with Section 11200) has ended, but whose eligibility for benefits under Section 14005.30 continues pursuant to subdivision (a), that their benefits will continue. To the extent feasible, the notice shall be sent out at the same time as the notice of discontinuation of cash aid, and shall include all of the following:

(1) A statement that Medi-Cal benefits will continue even though cash aid under the CalWORKs program has been terminated.

(2) A statement that continued receipt of Medi-Cal benefits will not be counted against any time limits in existence for receipt of cash aid under the CalWORKs program.

(3) (A) A statement that the Medi-Cal beneficiary does not need to fill out monthly status reports in order to remain eligible for Medi-Cal, but shall may be required to submit a semiannual status report and annual reaffirmation forms. The notice shall remind individuals whose cash aid ended under the CalWORKs program as a result of not submitting a status report that he or she should review his or her circumstances to determine if changes have occurred that should be reported to the Medi-Cal eligibility worker.

(B) Commencing January 1, 2014, the semiannual status report requirement shall not be included in the statement described in subparagraph (A).

(4) A statement describing the responsibility of the Medi-Cal beneficiary to report to the county, within 10 days, significant changes that may affect eligibility.

(5) A telephone number to call for more information.

(6) A statement that the Medi-Cal beneficiary’s eligibility worker will not change, or, if the case has been reassigned, the new worker’s name, address, and telephone number, and the hours during which the county’s eligibility workers can be contacted.

(c) This section shall be implemented on or before July 1, 2001, but only to the extent that federal financial participation under Title XIX of the federal Social Security Act (Title 42-(42 U.S.C. Sec. 1396 and following)-et seq.) is available.
Notwithstanding Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, the department shall, without taking any regulatory action, implement this section by means of all county letters or similar instructions. 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. Comprehensive implementing instructions shall be issued to the counties no later than March 1, 2001.

(e) This section shall remain in effect only until January 1, 2014, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2014, deletes or extends that date.

SEC. XX. Section 14005.31 is added to the Welfare and Institutions Code to read:
(Added Section — amendments shown to existing 14005.31 and not SB 28)

14005.31. (a) (1) Subject to paragraph (2), for any person whose eligibility for benefits under Section 14005.30 has been determined with a concurrent determination of eligibility for cash aid under Chapter 2 (commencing with Section 11200), loss of eligibility or termination of cash aid under Chapter 2 (commencing with Section 11200) shall not result in a loss of eligibility or termination of benefits under Section 14005.30 absent the existence of a factor that would result in loss of eligibility for benefits under Section 14005.30 for a person whose eligibility under Section 14005.30 was determined without a concurrent determination of eligibility for benefits under Chapter 2 (commencing with Section 11200).

(2) Notwithstanding paragraph (1), a person whose eligibility would otherwise be terminated pursuant to that paragraph shall not have his or her eligibility terminated until the transfer procedures set forth in Section 14005.32 or the redetermination procedures set forth in Section 14005.37 14012 and all due process requirements have been met.

(b) The department, in consultation with the counties and representatives of consumers, managed care plans, and Medi-Cal providers, shall prepare a simple, clear, consumer-friendly notice to be used by the counties, to inform Medi-Cal beneficiaries whose eligibility for cash aid under Chapter 2 (commencing with Section 11200) has ended, but whose eligibility for benefits under Section 14005.30 continues pursuant to subdivision (a), that their benefits will continue. To the extent feasible, the notice shall be sent out at the same time as the notice of discontinuation of cash aid, and shall include all of the following:

1. A statement that Medi-Cal benefits will continue even though cash aid under the CalWORKs program has been terminated.

2. A statement that continued receipt of Medi-Cal benefits will not be counted against any time limits in existence for receipt of cash aid under the CalWORKs program.

3. (A) A statement that the Medi-Cal beneficiary does not need to fill out monthly status reports in order to remain eligible for Medi-Cal, but shall may be required to submit a semiannual status report and annual reaffirmation forms. The notice shall remind individuals whose cash aid ended under the CalWORKs program as a result of not submitting a status report that he or she should review his or her circumstances to
determine if changes have occurred that should be reported to the Medi-Cal eligibility worker.

(4) A statement describing the responsibility of the Medi-Cal beneficiary to report to the county, within 10 days, significant changes that may affect eligibility.

(5) A telephone number to call for more information.

(6) A statement that the Medi-Cal beneficiary's eligibility worker will not change, or, if the case has been reassigned, the new worker's name, address, and telephone number, and the hours during which the county's eligibility workers can be contacted.

(e) This section shall be implemented on or before July 1, 2001, but only to the extent that federal financial participation under Title XIX of the federal Social Security Act (Title 42 U.S.C. Sec. 1396 and following) is available.

(d) (e) Notwithstanding Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, the department shall, 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 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.

Comprehensive implementing instructions shall be issued to the counties no later than March 1, 2001. Beginning six months after the effective date of this section, the department shall provide a status report to the Legislature on a semiannual basis until regulations have been adopted.

(d) This section shall be implemented only if and to the extent that federal financial participation is available and any necessary federal approvals have been obtained.

(e) This section shall become effective January 1, 2014.

SEC. 10. Section 14005.32 of the Welfare and Institutions Code is amended to read:

14005.32. (a) (1) If the county has evidence clearly demonstrating that a beneficiary is not eligible for benefits under this chapter pursuant to Section 14005.30, but is eligible for benefits under this chapter pursuant to other provisions of law, the county shall transfer the individual to the corresponding Medi-Cal program. Eligibility under Section 14005.30 shall continue until the transfer is complete.

(2) The department, in consultation with the counties and representatives of consumers, managed care plans, and Medi-Cal providers, shall prepare a simple, clear, consumer-friendly notice to be used by the counties, to inform beneficiaries that their Medi-Cal benefits have been transferred pursuant to paragraph (1) and to inform them about the program to which they have been transferred. To the extent feasible, the notice shall be issued with the notice of discontinuance from cash aid, and shall include all of the following:

(A) A statement that Medi-Cal benefits will continue under another program, even though aid under Chapter 2 (commencing with Section 11200) has been terminated.

(B) The name of the program under which benefits will continue, and an explanation of that program.
(C) A statement that continued receipt of Medi-Cal benefits will not be counted against any time limits in existence for receipt of cash aid under the CalWORKs program.

(D)(i) A statement that the Medi-Cal beneficiary does not need to fill out monthly status reports in order to remain eligible for Medi-Cal, but shall may be required to submit a semiannual status report and annual reaffirmation forms. In addition, if the person or persons to whom the notice is directed has been found eligible for transitional Medi-Cal as described in Section 14005.8, 14005.84, or 14005.85, the statement shall explain the reporting requirements and duration of benefits under those programs, and shall further explain that, at the end of the duration of these benefits, a redetermination, as provided for in Section 14005.37 shall be conducted to determine whether benefits are available under any other provision of law.

(ii) Commencing January 1, 2014, the semiannual status report requirement shall not be included in the statement described in clause (i).

(E) A statement describing the beneficiary's responsibility to report to the county, within 10 days, significant changes that may affect eligibility or share of cost.

(F) A telephone number to call for more information.

(G) A statement that the beneficiary's eligibility worker will not change, or, if the case has been reassigned, the new worker's name, address, and telephone number, and the hours during which the county's Medi-Cal eligibility workers can be contacted.

(b) No later than September 1, 2001, the department shall submit a federal waiver application seeking authority to eliminate the reporting requirements imposed by transitional medicaid under Section 1925 of the federal Social Security Act (Title 42 U.S.C. Sec. 1396r-6).

(c) This section shall be implemented on or before July 1, 2001, but only to the extent that federal financial participation under Title XIX of the federal Social Security Act (Title 42 U.S.C. Sec. 1396 and following) et seq. is available.

(d) Notwithstanding Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, the department shall, without taking any regulatory action, implement this section by means of all county letters. 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. Comprehensive implementing instructions shall be issued to the counties no later than March 1, 2001.

(e) This section shall remain in effect only until January 1, 2014, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2014, deletes or extends that date.

SEC. XX. Section 14005.32 is added to the Welfare and Institutions Code to read:
(Added Section – amendments shown to existing 14005.32 and not SB 28)

14005.32. (a)(1) If the county has evidence clearly demonstrating that a beneficiary is not eligible for benefits under this chapter pursuant to Section 14005.30, but is eligible for benefits under this chapter pursuant to other provisions of law, the county shall transfer the individual to the corresponding Medi-Cal program in conformity with and

Administration's Proposed SB 28 Amendments 1-31-13
SB 28 (as introduced) -Administration’s Proposed Amendments
Version: 1-31-13

subject to the requirements of Section 14012. Eligibility under Section 14005.30 shall continue until the transfer is complete.

(2) The department, in consultation with the counties and representatives of consumers, managed care plans, and Medi-Cal providers, shall prepare a simple, clear, consumer-friendly notice to be used by the counties, to inform beneficiaries that their Medi-Cal benefits have been transferred pursuant to paragraph (1) and to inform them about the program to which they have been transferred. To the extent feasible, the notice shall be issued with the notice of discontinuance from cash aid, and shall include all of the following:

(A) A statement that Medi-Cal benefits will continue under another program, even though aid under Chapter 2 (commencing with Section 11200) has been terminated.

(B) The name of the program under which benefits will continue, and an explanation of that program.

(C) A statement that continued receipt of Medi-Cal benefits will not be counted against any time limits in existence for receipt of cash aid under the CalWORKs program.

(D) A statement that the Medi-Cal beneficiary does not need to fill out monthly status reports in order to remain eligible for Medi-Cal, but shall may be required to submit a semiannual status report and annual reaffirmation forms. In addition, if the person or persons to whom the notice is directed has been found eligible for transitional Medi-Cal as described in Section 14005.8, 14005.91 or 14005.85, the statement shall explain the reporting requirements and duration of benefits under those programs, and shall further explain that, at the end of the duration of these benefits, a redetermination, as provided for in Section 14005.37 14012, shall be conducted to determine whether benefits are available under any other provision of law.

(E) A statement describing the beneficiary’s responsibility to report to the county, within 10 days, significant changes that may affect eligibility or share of cost.

(F) A telephone number to call for more information.

(G) A statement that the beneficiary’s eligibility worker will not change, or, if the case has been reassigned, the new worker’s name, address, and telephone number, and the hours during which the county’s Medi-Cal eligibility workers can be contacted.

(b) No later than September 1, 2004, the department shall submit a federal waiver application seeking authority to eliminate the reporting requirements imposed by transitional medicaid under Section 1925 of the federal Social Security Act (Title 42 U.S.C. Sec. 1396r-6).

(c) This section shall be implemented on or before July 1, 2004, but only to the extent that federal financial participation under Title XIX of the federal Social Security Act (Title 42 U.S.C. Sec. 1396 and following) is available.

(d) Notwithstanding Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, the department shall, without taking any further regulatory action, 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 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.
Comprehensive implementing instructions shall be issued to the counties no later than March 1, 2004. Beginning six months after the effective date of this section, the department shall provide a status report to the Legislature on a semiannual basis until regulations have been adopted.

(c) This section shall be implemented only if and to the extent that federal financial participation is available and any necessary federal approvals have been obtained.

(d) This section shall become effective January 1, 2014.

SEC. XX. Section 14005.36 of the Welfare and Institutions Code is amended to read:

14005.36. (a) The county shall undertake outreach efforts to beneficiaries receiving benefits under this chapter, in order to maintain the most up-to-date home addresses, telephone numbers, and other necessary contact information, and to encourage and assist with timely submission of the annual reaffirmation form, and, when applicable, transitional Medi-Cal program reporting forms and to facilitate the Medi-Cal redetermination process when one is required as provided in Section 14005.37. In implementing this subdivision, a county may collaborate with community-based organizations, provided that confidentiality is protected.

(b) The department shall encourage and facilitate efforts by managed care plans to report updated beneficiary contact information to counties.

(c) The department and each county shall incorporate, in a timely manner, updated contact information received from managed care plans pursuant to subdivision (b) into the beneficiary's Medi-Cal case file and into all systems used to inform plans of their beneficiaries' enrollee status. Updated Medi-Cal beneficiary contact information shall be limited to the beneficiary's telephone number, change of address information, and change of name. The county may contact the beneficiary to attempt to verify that the information it receives from the plan is accurate before updating the beneficiary's case file. The department shall develop a consent form that may be used by the counties to record the beneficiary's consent to use the information received from a managed care plan to update the beneficiary's file.

(d) This section shall only be implemented on or before July 1, 2004, but only to the extent that federal financial participation under Title XIX of the federal Social Security Act (Title 42 U.S.C. Sec. 1396 and following et seq.) is available.

(e) Notwithstanding Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, the department shall, without taking any regulatory action, implement this section by means of all county letters or similar instructions. 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. Comprehensive implementing instructions shall be issued to the counties no later than March 1, 2004.

(f) This section shall remain in effect only until January 1, 2014, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2014, deletes or extends that date.
SEC. XX. Section 14005.36 of the Welfare and Institutions Code is added to read:
(Added Section – amendments shown to existing 14005.36 and not SB 28)

14005.36. (a) The county shall undertake outreach efforts to beneficiaries receiving
benefits under this chapter, in order to maintain the most up-to-date home addresses,
telephone numbers, and other necessary contact information, and to encourage and
assist with timely submission of the annual reaffirmation form, and, when applicable,
transitional Medi-Cal program reporting forms and to facilitate the Medi-Cal
redetermination process when one is required as provided in Section 14005.37 14012.
In implementing this subdivision, a county may collaborate with community-based
organizations, provided that confidentiality is protected.

(b) The department shall encourage and facilitate efforts by managed care plans to
report updated beneficiary contact information to counties.

(c) The department and each county shall incorporate, in a timely manner, updated
contact information received from managed care plans pursuant to subdivision (b) into
the beneficiary's Medi-Cal case file and into all systems used to inform plans of their
beneficiaries' enrollee status. Updated Medi-Cal beneficiary contact information shall be
limited to the beneficiary's telephone number, change of address information, and
change of name. The county may contact the beneficiary to attempt to verify that the
information it receives from the plan is accurate before updating the beneficiary's case
file. The department shall develop a consent form that may be used by the
counties to record the beneficiary's consent to use the information received from a
managed care plan to update the beneficiary's file.

(d) This section shall only be implemented on or before July 1, 2001, but only to
the extent that federal financial participation under Title XIX of the federal Social
Security Act (Title 42 U.S.C. Sec. 1396 and following et seq.) is available.

(e) Notwithstanding Chapter 3.5 (commencing with Section 11340) of Part 1 of
Division 3 of Title 2 of the Government Code, the department shall, 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 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.
Comprehensive implementing instructions shall be issued to the counties no
later than March 1, 2001. Beginning six months after the effective date of this
section, the department shall provide a status report to the Legislature on a
semiannual basis until regulations have been adopted.

(f) This section shall become effective January 1, 2014.

SEC. 11. Section 14005.37 of the Welfare and Institutions Code is amended to read:

14005.37. (a) Except as provided in Section 14005.39, whenever a county receives
information about changes in a beneficiary's circumstances that may affect eligibility for
Medi-Cal benefits, the county shall promptly redetermine eligibility. The procedures for
redetermining Medi-Cal eligibility described in this section shall apply to all Medi-Cal beneficiaries.

(b) Loss of eligibility for cash aid under that program shall not result in a redetermination under this section unless the reason for the loss of eligibility is one that would result in the need for a redetermination for a person whose eligibility for Medi-Cal under Section 14005.30 was determined without a concurrent determination of eligibility for cash aid under the CalWORKs program.

(c) A loss of contact, as evidenced by the return of mail marked in such a way as to indicate that it could not be delivered to the intended recipient or that there was no forwarding address, shall require a prompt redetermination according to the procedures set forth in this section.

(d) Except as otherwise provided in this section, Medi-Cal eligibility shall continue during the redetermination process described in this section. A Medi-Cal beneficiary's eligibility shall not be terminated under this section until the county makes a specific determination based on facts clearly demonstrating that the beneficiary is no longer eligible for Medi-Cal under any basis and due process rights guaranteed under this division have been met.

(e) For purposes of acquiring information necessary to conduct the eligibility determinations described in subdivisions (a) to (d), inclusive, a county shall make every reasonable effort to gather information available to the county that is relevant to the beneficiary's Medi-Cal eligibility prior to contacting the beneficiary. Sources for these efforts shall include, but are not limited to, Medi-Cal, CalWORKs, and CalFresh case files of the beneficiary or of any of his or her immediate family members, which are open or were closed within the last 45 days, and wherever feasible, other sources of relevant information reasonably available to the counties.

(f) If a county cannot obtain information necessary to redetermine eligibility pursuant to subdivision (e), the county shall attempt to reach the beneficiary by telephone in order to obtain this information, either directly or in collaboration with community-based organizations so long as confidentiality is protected.

(g) If a county's efforts pursuant to subdivisions (e) and (f) to obtain the information necessary to redetermine eligibility have failed, the county shall send to the beneficiary a form, which shall highlight the information needed to complete the eligibility determination. The county shall not request information or documentation that has been previously provided by the beneficiary, that is not absolutely necessary to complete the eligibility determination, or that is not subject to change. The form shall be accompanied by a simple, clear, consumer-friendly cover letter, which shall explain why the form is necessary, the fact that it is not necessary to be receiving CalWORKs benefits to be receiving Medi-Cal benefits, the fact that receipt of Medi-Cal benefits does not count toward any time limits imposed by the CalWORKs program, the various bases for Medi-Cal eligibility, including disability, and the fact that even persons who are employed can receive Medi-Cal benefits. The cover letter shall include a telephone number to call in order to obtain more information. The form and the cover letter shall be developed by the department in consultation with the counties and representatives of consumers, managed care plans, and Medi-Cal providers. A Medi-Cal beneficiary shall have no less than 20 days from the date the form is mailed pursuant to this subdivision to respond.
Except as provided in subdivision (h), failure to respond prior to the end of this 20-day period shall not impact his or her Medi-Cal eligibility.

(h) If the purpose for a redetermination under this section is a loss of contact with the Medi-Cal beneficiary, as evidenced by the return of mail marked in such a way as to indicate that it could not be delivered to the intended recipient or that there was no forwarding address, a return of the form described in subdivision (g) marked as undeliverable shall result in an immediate notice of action terminating Medi-Cal eligibility.

(i) If, within 20 days of the date of mailing of a form to the Medi-Cal beneficiary pursuant to subdivision (g), a beneficiary does not submit the completed form to the county, the county shall send the beneficiary a written notice of action stating that his or her eligibility shall be terminated 10 days from the date of the notice and the reasons for that determination, unless the beneficiary submits a completed form prior to the end of the 10-day period.

(j) If, within 20 days of the date of mailing of a form to the Medi-Cal beneficiary pursuant to subdivision (g), the beneficiary submits an incomplete form, the county shall attempt to contact the beneficiary by telephone and in writing to request the necessary information. If the beneficiary does not supply the necessary information to the county within 10 days from the date the county contacts the beneficiary in regard to the incomplete form, a 10-day notice of termination of Medi-Cal eligibility shall be sent.

(k) If, within 30 days of termination of a Medi-Cal beneficiary’s eligibility pursuant to subdivision (h), (i), or (j), the beneficiary submits to the county a completed form, eligibility shall be determined as though the form was submitted in a timely manner and if a beneficiary is found eligible, the termination under subdivision (h), (i), or (j) shall be rescinded.

(l) If the information reasonably available to the county pursuant to the redetermination procedures of subdivisions (d), (e), (g), and (m) does not indicate a basis of eligibility, Medi-Cal benefits may be terminated so long as due process requirements have otherwise been met.

(m) The department shall, with the counties and representatives of consumers, including those with disabilities, and Medi-Cal providers, develop a timeframe for redetermination of Medi-Cal eligibility based upon disability, including ex parte review, the redetermination form described in subdivision (g), timeframes for responding to county or state requests for additional information, and the forms and procedures to be used. The forms and procedures shall be as consumer-friendly as possible for people with disabilities. The timeframe shall provide a reasonable and adequate opportunity for the Medi-Cal beneficiary to obtain and submit medical records and other information needed to establish eligibility for Medi-Cal based upon disability.

(n) This section shall be implemented on or before July 1, 2001, but only to the extent that federal financial participation under Title XIX of the federal Social Security Act (Title 42-(42 U.S.C. Sec. 1396 and following)-et seq.) is available.

(o) Notwithstanding Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, the department shall, without taking any regulatory action, implement this section by means of all county letters or similar instructions. 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. Comprehensive implementing instructions shall be issued to the counties no later than March 1, 2001.

(p) This section shall remain in effect only until January 1, 2014, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2014, deletes or extends that date.

SEC. 12. Section 14005.37 is added to the Welfare and Institutions Code, to read:

14005.37. (a) Except as provided in Section 14005.39, whenever a county receives information about changes in a beneficiary's circumstances that may affect eligibility for Medi-Cal benefits, the county shall promptly redetermine eligibility. The procedures for redetermining Medi-Cal eligibility described in this section shall apply to all Medi-Cal beneficiaries.

(b) Loss of eligibility for cash aid under that program shall not result in a redetermination under this section unless the reason for the loss of eligibility is one that would result in the need for a redetermination for a person whose eligibility for Medi-Cal under Section 14005.30 was determined without a concurrent determination of eligibility for cash aid under the CalWORKs program.

(c) A loss of contact, as evidenced by the return of mail marked in such a way as to indicate that it could not be delivered to the intended recipient or that there was no forwarding address, shall require a prompt redetermination according to the procedures set forth in this section.

(d) Except as otherwise provided in this section, Medi-Cal eligibility shall continue during the redetermination process described in this section. A Medi-Cal beneficiary's eligibility shall not be terminated under this section until the county makes a specific determination based on facts clearly demonstrating that the beneficiary is no longer eligible for Medi-Cal under any basis and due process rights guaranteed under this division have been met.

(e) (1) For purposes of acquiring information necessary to conduct the eligibility determinations described in subdivisions (a) to (d), inclusive, a county shall gather information available to the county that is relevant to the beneficiary's Medi-Cal eligibility prior to contacting the beneficiary. Sources for these efforts shall include, but are not limited to, Medi-Cal, CalWORKs, and CalFresh case files of the beneficiary or of any of his or her immediate family members, which are open or were closed within the last 45 days, information accessed through any databases accessed by the agency under Sections 435.948, 435.949, and 435.856 of Title 42 of the Code of Federal Regulations, and wherever feasible, other sources of relevant information reasonably available to the county.

(2) If the county is able to renew eligibility based on such information, the county shall notify the individual of both of the following:

(A) The eligibility determination and basis.

(B) That the individual is required to inform the county via the Internet, by telephone, by mail, in person, or through other commonly available electronic
means, in counties where such electronic communication is available, if any information contained in the notice is inaccurate but that the individual is not required to sign and return the notice if all information provided on the notice is accurate.

(3) The county shall make all reasonable efforts not to send multiple notices during the same time period about eligibility. The notice of eligibility renewal shall contain other related information such as if the individual is in a new Medi-Cal program.

(f) If a county cannot obtain information necessary to redetermine eligibility pursuant to subdivision (e), the county shall attempt to reach the beneficiary by telephone and other commonly available electronic means, in counties where such electronic communication is available, in order to obtain this information, either directly or in collaboration with community-based organizations so long as confidentiality is protected.

(g) If a county's efforts pursuant to subdivisions (e) and (f) to obtain the information necessary to redetermine eligibility have failed, the county shall send to the beneficiary a form containing information available to the county needed to renew eligibility. The county shall not request information or documentation that has been previously provided by the beneficiary, that is not absolutely necessary to complete the eligibility determination, or that is not subject to change. The county shall not request information for nonapplicants necessary to make an eligibility determination. The form shall be accompanied by a simple, clear, consumer-friendly cover letter, that shall explain why the form is necessary, the fact that it is not necessary to be receiving CalWORKs benefits to be receiving Medi-Cal benefits, the fact that receipt of Medi-Cal benefits does not count toward any time limits imposed by the CalWORKs program, the various bases for Medi-Cal eligibility, including disability, and the fact that even persons who are employed can receive Medi-Cal benefits. The form shall advise the individual to provide any necessary information to the county via the Internet, by telephone, by mail, in person, or through other commonly available electronic means and to sign the renewal form. The cover letter shall include a telephone number to call in order to obtain more information. The form and the cover letter shall be developed by the department in consultation with the counties and representatives of consumers, managed care plans, and Medi-Cal providers. A Medi-Cal beneficiary shall have no less than 20 days from the date the form is mailed pursuant to this subdivision to respond. Except as provided in subdivision (h), failure to respond prior to the end of this 20-day period shall not impact his or her Medi-Cal eligibility.

(h) If the purpose for a redetermination under this section is a loss of contact with the Medi-Cal beneficiary, as evidenced by the return of mail marked in such a way as to indicate that it could not be delivered to the intended recipient or that there was no forwarding address, a return of the form described in subdivision (g) marked as undeliverable shall result in an immediate notice-of-action terminating Medi-Cal eligibility.
(i) If, within 20 days of the date of mailing of a form to the Medi-Cal beneficiary pursuant to subdivision (g), the beneficiary does not submit the completed form to the county, the county shall send the beneficiary a written notice of action stating that his or her eligibility shall be terminated 10 days from the date of the notice and the reasons for that determination, unless the beneficiary submits a completed form prior to the end of the 10-day period.

(ii) If, within 20 days of the date of mailing of a form to the Medi-Cal beneficiary pursuant to subdivision (g), the beneficiary submits an incomplete form, the county shall attempt to contact the beneficiary by telephone, in writing, and other commonly available electronic means, in counties where such electronic communication is available, to request the necessary information. If the beneficiary does not supply the necessary information to the county within 10 days from the date the county contacts the beneficiary in regard to the incomplete form, a 10-day notice of termination of Medi-Cal eligibility shall be sent.

(k) (1) Subject to paragraph (2), if within 30 days of termination of a Medi-Cal beneficiary's eligibility pursuant to subdivision (h), (i), or (j), the beneficiary submits to the county a completed form, eligibility shall be determined as though the form was submitted in a timely manner and if a beneficiary is found eligible, the termination under subdivision (h), (i), or (j) shall be rescinded.

(2) Commencing January 1, 2014, if within 90 days of termination of a Medi-Cal beneficiary's eligibility pursuant to subdivision (h), (i), or (j), the beneficiary submits to the county a completed form, eligibility shall be determined as though the form was submitted in a timely manner and if a beneficiary is found eligible, the termination under subdivision (h), (i), or (j) shall be rescinded.

(l) If the information available to the county pursuant to the redetermination procedures of subdivisions (d), (e), (g), and (m) does not indicate a basis of eligibility, Medi-Cal benefits may be terminated so long as due process requirements have otherwise been met.

(m) The department shall, with the counties and representatives of consumers, including those with disabilities, and Medi-Cal providers, develop a timeframe for redetermination of Medi-Cal eligibility based upon disability, including ex parte review, the redetermination form described in subdivision (g), timetables for responding to county or state requests for additional information, and the forms and procedures to be used. The forms and procedures shall be as consumer-friendly as possible for people with disabilities. The timeframe shall provide a reasonable and adequate opportunity for the Medi-Cal beneficiary to obtain and submit medical records and other information needed to establish eligibility for Medi-Cal based upon disability.

(n) The county shall consider blindness as continuing until the reviewing physician determines that a beneficiary's vision has improved beyond the definition of blindness contained in the plan.

(o) The county shall consider disability as continuing until the reviewing team determines that a beneficiary's disability no longer meets the definition of disability contained in the plan.
(p) If a county has enough information available to it to renew eligibility with respect to all eligibility criteria, the county shall begin a new 12-month eligibility period.

(q) For individuals determined ineligible for Medi-Cal, the county shall determine eligibility for other state health subsidy programs and comply with the procedures in Section 15926.

(r) Any renewal form or notice shall be accessible to persons who are limited English proficient and persons with disabilities consistent with all federal and state requirements.

(s) This section shall become operative January 1, 2014.

SEC. XX. Section 14005.38 of the Welfare and Institutions Code is amended to read:

14005.38. (a) To the extent feasible, the department shall use the redetermination form required by subdivision (g) of Section 14005.37 as the annual reaffirmation form.

(b) This section shall remain in effect only until January 1, 2014, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2014, deletes or extends that date.

SEC. XX. Section 14005.39 of the Welfare and Institutions Code, is amended to read:

14005.39. (a) If a county has facts clearly demonstrating that a Medi-Cal beneficiary cannot be eligible for Medi-Cal due to an event, such as death or change of state residency, Medi-Cal benefits shall be terminated without a redetermination under Section 14005.37.

(b) Whenever Medi-Cal eligibility is terminated without a redetermination, as provided in subdivision (a), the Medi-Cal eligibility worker shall document that fact or event causing the eligibility termination in the beneficiary's file, along with a written certification that a full redetermination could not result in a finding of Medi-Cal eligibility. Following this written certification, a notice of action specifying the basis for termination of Medi-Cal eligibility shall be sent to the beneficiary.

(c) This section shall be implemented on or before July 1, 2001, but only to the extent that federal financial participation under Title XIX of the federal Social Security Act (Title 42 U.S.C. Sec. 1396 and following) is available.

(d) Notwithstanding Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, the department shall, without taking any regulatory action, implement this section by means of all county letters or similar instructions. 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. Comprehensive implementing instructions shall be issued to the counties no later than March 1, 2001.
SB 28 (as introduced) - Administration's Proposed Amendments  
Version: 1-31-13

(e) This section shall remain in effect only until January 1, 2014, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2014, deletes or extends that date.

SEC. XX. Section 14005.39 is added to the Welfare and Institutions Code to read:  
(Added: Section – amendments shown to existing 14005.39 and not SB 28)

14005.39. (a) If a county has facts clearly demonstrating that a Medi-Cal beneficiary cannot be eligible for Medi-Cal due to an event, such as death or change of state residency, Medi-Cal benefits shall be terminated without a redetermination under Section 14005.37 14012.

(b) Whenever Medi-Cal eligibility is terminated without a redetermination, as provided in subdivision (a), the Medi-Cal eligibility worker shall document record that fact or event causing the eligibility termination in the beneficiary's file, along with a written certification that a full redetermination could not result in a finding of Medi-Cal eligibility. Following this written certification, a notice of action specifying the basis for termination of Medi-Cal eligibility shall be sent to the beneficiary.

(c) This section shall be implemented on or before July 1, 2004, but only if and to the extent that federal financial participation under Title XIX of the federal Social Security Act (Title 42 U.S.C. Sec. 1396 and following et seq.) is available and any necessary federal approvals have been obtained.

(d) Notwithstanding Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, the department shall, 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 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.

Comprehensive implementing instructions shall be issued to the counties no later than March 1, 2004. Beginning six months after the effective date of this section, the department shall provide a status report to the Legislature on a semiannual basis until regulations have been adopted.

(e) This section shall become operative on January 1, 2014.

SEC. 13. Section 14005.60 is added to the Welfare and Institutions Code, to read:

14005.60. (a) Commencing January 1, 2014, the department shall provide eligibility for Medi-Cal benefits for any person who meets the eligibility requirements of Section 1902(a)(10)(A)(i)(VIII) of Title XIX of the federal Social Security Act (42 U.S.C. Sec. 1396a(a)(10)(A)(i)(VIII)).

(b) Persons who qualify under subdivision (a) and are currently enrolled in a Low-Income Health Program (LIHP) under California's Bridge to Reform Section 1145(a) Medicaid Demonstration shall be transitioned to the Medi-Cal program under this section in accordance with the transition plan as approved by the
federal Centers for Medicare and Medicaid Services. With respect to plan enrollment, a LIHP enrollee shall be all of the following:

(1) Notified which Medi-Cal health plan or plans contain his or her existing medical home provider.

(2) Notified that he or she can select a health plan that contains his or her existing medical home provider.

(3) Provided the opportunity to choose a different health plan if there is more than one plan available in the county where he or she resides.

(4) Informed that if he or she does not affirmatively choose a plan or there is only one plan in the county where he or she resides, he or she shall be enrolled into the Medi-Cal managed care plan that contains his or her LIHP medical home provider.

In order to ensure that no persons lose health care coverage in the course of the transition, the department shall require that notices of the January 1, 2014, change be sent to LIHP enrollees upon their LIHP redetermination in 2013 and again at least 90 days prior to the transition. Pursuant to Section 1902(k)(1) and Section 1937(b)(1)(D) of the federal Social Security Act (42 U.S.C. Sec. 1396a(k)(1); 42 U.S.C. Sec. 1396u-7(b)(1)(D)), the department shall seek approval from the United States Secretary of Health and Human Services to establish a benchmark benefit package that includes the same benefits, services, and coverage that are provided to all other full scope Medi-Cal enrollees, supplemented by any benefits, services, and coverage included in the essential health benefits package adopted by the state and approved by the United States Secretary of Health and Human Services under Section 18022 of Title 42 of the United States Code.

SEC. 14. Section 14005.62 is added to the Welfare and Institutions Code, to read:

14005.62. Commencing January 1, 2014, the department shall accept an individual's attestation of information and verify information pursuant to Section 15926.2.

SEC. 15. Section 14005.63 is added to the Welfare and Institutions Code, to read:

14005.63. (a) Commencing January 1, 2014, a person who wishes to apply for a state health subsidy program, as defined in subdivision (a) of Section 15826, shall be allowed to file an application on his or her own behalf or on behalf of his or her family. Subject to the requirements of Section 14014.5, an individual also has the right to be accompanied, assisted, and represented in the application and renewal process by an individual or organization of his or her own choice. If the individual for any reason is unable to apply or renew on his or her own behalf, any of the following persons may file the application for the applicant assist in the application process or during a renewal of eligibility:

(1) The individual's guardian, conservator, or executor.

(2) A public agency representative.
(3) The individual’s legal counsel, relative, friend, or other spokesperson of his or her choice.

(b) A person who wishes to challenge a decision concerning his or her eligibility for or receipt of benefits from a state health subsidy program has the right to represent himself or herself or use legal counsel, a relative, a friend, or other spokesperson of his or her choice subject to the requirements of Section 14014.5.

(c) 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 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. Beginning six months after the effective date of this section, the department shall provide a status report to the Legislature on a semiannual basis until regulations have been adopted.

(d) This section shall be implemented on January 1, 2014 or when all necessary federal approvals have been obtained, whichever is later, and only if and to the extent that federal financial participation is available.

SEC. 16. Section 14005.64 is added to the Welfare and Institutions Code, to read:

14005.64. (a) This section implements Section 1902(e)(14)(C) of the federal Social Security Act (42 U.S.C. Sec. 1396a(e)(14)(C)) and Section 435.603(g) of Title 42 of the Code of Federal Regulations, which prohibits the use of an assets test for individuals whose income eligibility is determined based on adjusted gross income (AGI), and Section 2002 of the federal Patient Protection and Affordable Care Act (Affordable Care Act) (42 U.S.C. Sec. 1396a(e)(14)(I)) and Section 435.603(d) of Title 42 of the Code of Federal Regulations, which requires a 5-percent income disregard for individuals whose income eligibility is determined based on AGI.

(b) In the case of individuals whose financial eligibility for Medi-Cal is determined based on the application of MAGI pursuant to Section 435.603 of Title 42 of the Code of Federal Regulations, the eligibility determination shall not include any assets or resource test.

(c) The department shall implement the 5-percent income disregard for individuals whose income eligibility is determined based on MAGI in Section 2002 of the Affordable Care Act (42 U.S.C. Sec. 1396a(e)(14)(I)) and Section 435.603(d) of the Title 42 of the Code of Federal Regulations.

(d) The department shall adopt an equivalent income level for each eligibility group whose income level will be converted to MAGI. The equivalent income level shall not be less than the dollar amount of all income exemptions, exclusions, deductions, and disregards in effect on March 23, 2010, plus the existing income level expressed as a percent of the federal poverty level for each eligibility group so as to ensure that the use of MAGI income methodology does not result in
populations who would have been eligible under this chapter and Part 6.3 (commencing with Section 12695) of Division 2 of the Insurance Code losing coverage.

(c) This section shall become operative on January 1, 2014.

(a) Effective January 1, 2014 and not withstanding any other provision of law, when determining eligibility for Medi-Cal benefits an applicant's or beneficiary's income and resources shall be determined, counted and valued in accordance with the requirements of Section 1396a(e)(14) of Title 42 of the United States Code as added by the federal Patient Protection and Affordable Care Act (Public Law 111-148) and as amended by the federal Health Care and Education Reconciliation Act of 2010 (Public Law 111-152) and any subsequent amendments.

(2) The financial methodologies described in Section 1396a(e)(14) of Title 42 of the United States Code as added by the federal Patient Protection and Affordable Care Act (Public Law 111-148) and as amended by the federal Health Care and Education Reconciliation Act of 2010 (Public Law 111-152) and any subsequent amendments shall not apply to individuals identified in 42 C.F.R. section 435.603(i), who include, but are not limited to, the following:

(A) Individuals whose eligibility for Medi-Cal benefits does not require a determination of income by the state.

(B) Individuals who are age 65 or older when age is a condition of eligibility.

(C) Individuals whose eligibility is being determined on the basis of being blind or disabled, or on the basis of being treated as being blind or disabled.

(D) Individuals who request coverage for long-term services and supports for the purpose of being evaluated for an eligibility group for which meeting a level-of-care need is a condition of eligibility or under which long-term care services not covered for individuals determined eligible using MAGI-based financial methods are covered. "Long-term services and supports" as used in this subparagraph include nursing facility services, a level of care in any institution equivalent to nursing facility services, home and community-based services furnished under a waiver or State Plan under Section 1315 or 1396n of Title 42 of the United States Code, home health services as described in Section 1396d(a)(7) of Title 42 of the United States Code, and personal care services described in Section 1396d(a)(24) of Title 42 of the United States Code.

(E) Individuals who are being evaluated for eligibility for Medicare cost sharing assistance under Section 1396a(a)(10)(E) of Title 42 of the United States Code, but only for purposes of determining eligibility for such assistance.

(F) Individuals who are being evaluated for coverage as medically needy under Subparts D and I of Part 435 of Subchapter C of Chapter IV of Title 42 of the Code of Federal Regulations, but only for the purposes of determining eligibility on such basis.

(b) The department shall include individuals under the age of 19 years of age, or in case of full-time students, under the age of 21 years of age, in the household for purposes of determining eligibility under Section 1396a(e)(14) of Title 42 of the United States Code as added by the federal Patient Protection and Affordable
Care Act (Public Law 111-148) and as amended by the federal Health Care and Education Reconciliation Act of 2010 (Public Law 111-152) and any subsequent amendments, as provided in 42 C.F.R. section 435.603(f)(3).

(c) 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 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. Beginning six months after the effective date of this section, the department shall provide a status report to the Legislature on a semiannual basis until regulations have been adopted.

(d) This section shall be implemented only if and to the extent that federal financial participation is available and any necessary federal approvals have been obtained.

SEC. XX. Section 14007.1 of the Welfare and Institutions Code is amended to read:

14007.1 (a) The department shall adopt regulations for use by the county welfare department in determining whether an applicant is a resident of this state and of the county subject to the requirements of federal law. The regulations shall require that state residency is not established unless the applicant does both of the following:

(1) The applicant produces one of the following:
(A) A recent California rent or mortgage receipt or utility bill in the applicant's name.
(B) A current California motor vehicle driver's license or California Identification Card issued by the California Department of Motor Vehicles in the applicant's name.
(C) A current California motor vehicle registration in the applicant's name.
(D) A document showing that the applicant is employed in this state.
(E) A document showing that the applicant has registered with a public or private employment service in this state.
(F) Evidence that the applicant has enrolled his or her children in a school in this state.
(G) Evidence that the applicant is receiving public assistance in this state.
(H) Evidence of registration to vote in this state.

(2) The applicant declares, under penalty of perjury, that all of the following apply:
(A) The applicant does not own or lease a principal residence outside this state.
(B) The applicant is not receiving public assistance outside this state. As used in this subdivision, "public assistance" does not include unemployment insurance benefits.
(b) A denial of a determination of residency may be appealed in the same manner as any other denial of eligibility. The Administrative Law Judge shall receive any proof of residency offered by the applicant and may inquire into any facts relevant to the question of residency. A determination of residency shall not be granted unless a
preponderance of the credible evidence supports the applicant's intent to reside in this state including without a fixed address.

(c) This section shall remain in effect only until January 1, 2014, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2014, deletes or extends that date.

SEC. XX. Section 14007.1 is added to the Welfare and Institutions Code to read: (Added Section – amendments shown to existing 14007.1 and not SB 28)

14007.1 (a) The department shall adopt regulations for use by the county welfare department in determining whether an applicant is a resident of this state and of the county subject to the requirements of federal law. The regulations shall require that state residency is not established unless the applicant does both of the following: if the individual is 21 years of age or older, is capable of indicating intent, and is not residing in an institution, state residency is established when the individual does both of the following:

(1) The applicant individual provides one of the following:
(A) A recent California rent or mortgage receipt or utility bill in the applicant's individual's name.
(B) A current California motor vehicle driver's license or California Identification Card issued by the California Department of Motor Vehicles in the applicant's individual's name.
(C) A current California motor vehicle registration in the applicant's individual's name.
(D) A document showing that the applicant individual is employed in this state or is seeking employment in the state.
(E) A document showing that the applicant individual has registered with a public or private employment service in this state.
(F) Evidence that the applicant individual has enrolled his or her children in a school in this state.
(G) Evidence that the applicant individual is receiving public assistance in this state.
(H) Evidence of registration to vote in this state.

(I) A declaration by the individual under penalty of perjury that states that he or she intends to reside in this state and does not have a fixed address and cannot provide any of the documents identified in paragraphs (A) through (H).

(J) A declaration by the individual under penalty of perjury that states that he or she has entered the state with a job commitment or is seeking employment in the state and cannot provide any of the documents identified in paragraphs (A) through (H).

(2) The applicant individual declares, under penalty of perjury, that all of the following apply:
(A) The applicant individual does not own or lease a principal residence outside this state.
(B) The applicant individual is not receiving public assistance outside this state. As used in this subdivision, "public assistance" does not include unemployment insurance benefits.

(b) If the individual is 21 years or age or older, is incapable of indicating intent and is not residing in an institution, state residency is established when the parent, legal guardian of the individual, or any other person with knowledge declares, under penalty of perjury, that the individual is residing in this state.

(c) If the individual is 21 years of age or older, is residing in an institution and became incapable of indicating intent before reaching 21 years of age, state residency is established:

1. When the parent applying for Medi-Cal on the individual's behalf (A) declares under penalty of perjury that the individual's parents reside in separate states and (B) establishes that he or she is a resident of this state in accordance with the requirements of this section.

2. When the legal guardian applying for Medi-Cal on the individual's behalf (A) declares under penalty of perjury that parental rights have been terminated and (B) establishes that he or she is a resident of this state in accordance with the requirements of this section.

3. When the parent, or parents, applying for Medi-Cal on the individual's behalf establishes in accordance with the requirements of this section that he, she or they, as the case may be, was a resident of this state at the time the individual was placed in the institution.

4. When the legal guardian applying for Medi-Cal on the individual's behalf (A) declares under penalty of perjury that parental rights have been terminated and (B) establishes in accordance with the requirements of this section that he or she was a resident of this state at the time the individual was placed in the institution.

5. When the parent, or parents, applying for Medi-Cal on the individual's behalf (A) provides a document from the institution that demonstrates that the individual is institutionalized in this state and (B) establishes in accordance with the requirements of this section that he, she or they, as the case may be, is a resident of this state.

6. When the legal guardian applying for Medi-Cal on the individual's behalf (A) provides a document from the institution that demonstrates that the individual is institutionalized in this state, (B) declares under penalty of perjury that parental rights have been terminated, and (C) establishes in accordance with the requirements of this section that he or she is a resident of this state.

7. When the individual or party applying for Medi-Cal on the individual's behalf (A) provides a document from the institution that demonstrates that the individual is institutionalized in this state, and (B) declares under penalty of perjury that the individual has been abandoned by his or her parents and does not have a legal guardian, and (C) establishes that he or she is a resident of this state in accordance with the requirements of this section.

(d) Except where another state has placed the individual in the institution, if the individual is 21 years of age or older, is residing in an institution and became incapable of indicating intent on or after reaching 21 years of age, state residency
is established when the person filing the application on the individual's behalf provides a document from the institution that demonstrates that the individual is institutionalized in this state.

(e) If the individual is 21 years of age or older, is capable of indicating intent, and is residing in an institution, state residency is established when the individual (A) provides a document from the institution that demonstrates that the individual is institutionalized in this state, and (B) declares under penalty of perjury that he or she intends to reside in this state.

(f) If the individual is under 21 years of age, is married or emancipated from his or her parents, is capable of indicating intent, and is not residing in an institution, state residency is established in accordance with subdivision (a).

(g) If the individual is under 21 years of age, is not living in an institution, and is not described in subdivision (f), state residency is established:

(A) When the individual resides with his or her parent or parents and the parent or parents establish that he, she or they, as the case may be, are a resident of this state in accordance with the requirements of subdivision (a).

(B) When the individual resides with caretaker relative(s) and the caretaker relative(s) establish that he, she or they, as the case may be, are a resident of this state in accordance with the requirements of subdivision (a).

(C) When the person with whom the individual is residing is not the individual's parent or caretaker relative and he or she (i) declares under penalty of perjury that the individual is residing with him or her, and (ii) establishes that he or she is a resident of this state in accordance with the requirements of subdivision (a).

(D) When individual does not reside with his or her parent(s) or with caretaker relative(s) and he or she declares under penalty of perjury that he or she is living in this state.

(h) If the individual is under the age of 21, is institutionalized, and is not married or emancipated, state residency is established in accordance with paragraphs (3), (4), (5), (6) and (7) of subdivision (c).

(i) A denial of a determination of residency may be appealed in the same manner as any other denial of eligibility. The Administrative Law Judge shall receive any proof of residency offered by the applicant individual and may inquire into any facts relevant to the question of residency. A determination of residency shall not be granted unless a preponderance of the credible evidence supports that the applicant's intent to remain indefinitely in this state individual is a resident of this state under section 14007.15.

(j) Notwithstanding Chapter 3.5 (commencement 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 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. Beginning six months after the effective date of this section,
the department shall provide a status report to the Legislature on a semiannual basis until regulations have been adopted.

(k) This section shall be implemented only if and to the extent that federal financial participation is available and any necessary federal approvals have been obtained.

(l) This section shall become operative on January 1, 2014.

SEC. XX. Section 14007.15 is added to the Welfare and Institutions Code, to read:

14007.15 (a) Except as provided in subdivision (f), an individual is a resident of this state if he or she is 21 years of age or older and is not residing in an institution and is living in the state and any of the following apply:

(1) The individual intends to reside in this state, including individuals who do not have a fixed address.

(2) The individual has entered this state with a job commitment or is seeking employment in this state, regardless of whether he or she is currently employed.

(3) The individual is incapable of indicating intent.

(b) Except as provided in subdivision (f), an individual that is 21 years of age or older and is residing in an institution and became incapable of indicating intent before reaching 21 years of age is a resident of this state if any of the following apply:

(1) The individual’s parents reside in separate states and the parent applying for Medi-Cal on the individual’s behalf is a resident of this state under this section.

(2) The parental rights have been terminated and a legal guardian has been appointed for the individual, the legal guardian applying for Medi-Cal on the individual’s behalf is a resident of this state under this section.

(3) The individual’s parent(s), or legal guardian if parental rights have been terminated, was a resident of this state under this section at the time the individual was placed in the institution.

(4) The individual is institutionalized in this state and the parent(s), or legal guardian if parental rights have been terminated, applying for Medi-Cal on the individual’s behalf is a resident of this state under this section.

(c) The individual is institutionalized in this state and has been abandoned by his or her parent(s), does not have a legal guardian and the individual or party that filed the Medi-Cal application on the individual’s behalf is a resident of this state under this section.

(d) Except as provided in subdivision (f) and except where another state has placed the individual in the institution, an individual is a resident of this state if he or she is 21 years of age or older and is institutionalized in this state and became incapable of indicating intent on or after reaching 21 years of age.

(e) Except as provided in subdivision (f), an individual is a resident of this state if he or she is 21 years of age or older and is institutionalized in this state and intends to reside in this state.

(f) Except as provided in subdivision (f), an individual that is under 21 years of age is a resident of this state if:
(1) The individual is not residing in an institution, is capable of indicating intent, is married or is emancipated from his or her parent(s), is living in this state, and:
   (A) intends to reside in this state, including individuals who do not have a fixed address; or
   (B) has entered this state with a job commitment or is seeking employment in this state, regardless of whether he or she is currently employed.

(2) The individual is not described in paragraph (1) and is not living in an institution, and any of the following apply:
   (A) The individual resides in this state, including without a fixed address.
   (B) The individual resides with his or her parent(s) or caretaker relative(s) who is a resident of this state under this section.

(3) The individual is institutionalized, is not married or emancipated, and any of the following apply:
   (A) The individual’s parent(s), or legal guardian if parental rights have been terminated, was a resident of this state under this section at the time of placement in the institution.
   (B) The individual is institutionalized in this state and his or her parent(s), or legal guardian if parental rights have been terminated, who files the application on the individual’s behalf is a resident of this state under this section.
   (C) The individual is institutionalized in this state and has been abandoned by his or her parents, does not have a legal guardian and the individual or party that files the application on the individual’s behalf is a resident of this state under this section.
   (f) An individual who is receiving a State supplementary payment (SSP) is a resident of the state paying the SSP.
   (g) An individual who lives in this state and is receiving foster care or adoption assistance under Title IV-E of the federal Social Security Act is a resident of this state.

(h)(1) If this state or an agent of this state arranges for an individual to be placed in an institution located in another state, the individual is a resident of this state.
   (2) The following actions do not constitute a placement by this state:
   (A) Providing basic information to the individual about another state’s Medicaid program and information about the availability of health care services and facilities in another state.
   (B) Assisting an individual to locate an institution in another state will not constitute a placement when the individual is capable of indicating intent and independently decides to move to the other state.

(3) When a competent individual leaves the facility in which he or she was placed by this state, that individual’s state of residence is the state where the individual is physically located.

(4) If this state initiates a placement in another state because it lacks an appropriate facility to provide services to the individual, the individual is a resident of this state.

(i) For the purposes of this section and section 14007.1, the following definitions apply:
   (1) Institution has the same meaning as defined in Section 435.1010 of Title 42 of the Code of Federal Regulations. For the purposes of determining residency under
subdivision (h), the term also includes licensed foster care homes providing food, shelter and supportive services to one or more persons unrelated to the proprietor.

(2) An individual is considered to be incapable of indicating intent if the individual is any of the following:

(A) Determined to have an I.Q. of 49 or less or to have a mental age of 7 or less based upon tests administered by a properly licensed mental health or developmental disabilities professional.

(B) Found to be incapable of indicating intent based on medical documentation provided by a physician, psychologist, or other person licensed by the state in the field of mental health or developmental disabilities.

(C) Been judicially determined to be legally incompetent.

(i) 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 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. Beginning six months after the effective date of this section, the department shall provide a status report to the Legislature on a semiannual basis until regulations have been adopted.

(k) This section shall be implemented only if and to the extent that federal financial participation is available and any necessary federal approvals have been obtained.

(l) This section shall become operative on January 1, 2014.

SEC. XX. Section 14007.6 of the Welfare and Institutions Code is amended to read:

14007.6. (a) A recipient who maintains a residence outside of this state for a period of at least two months shall not be eligible for services under this chapter where the county has made inquiry of the recipient pursuant to Section 11100, and where the recipient has not responded to this inquiry by clearly showing that he or she has (1) not established residence elsewhere; and (2) been prevented by illness or other good cause from returning to this state.

(b) If a recipient whose services are terminated pursuant to subdivision (a) reenrolls for services, services shall be restored provided all other eligibility criteria are met if this individual can prove both of the following:

(1) His or her permanent residence is in this state.

(2) That residence has not been established in any other state which can be considered to be of a permanent nature.

(c) This section shall remain in effect only until January 1, 2014, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2014, deletes or extends that date.

SEC. XX. Section 14007.6 is added to the Welfare and Institutions Code, to read:
(Added Section — amendments shown to current law and not SB 28)
14007.6. (a) A recipient who maintains a residence outside of this state for a period of at least two months shall not be eligible for services under this chapter where the county has made inquiry of the recipient pursuant to Section 11100, and where the recipient has not responded to this inquiry by clearly showing that he or she has (1) not established residence elsewhere; and (2) been prevented by illness or other good cause from returning to this state.

(b) If a recipient whose services are terminated pursuant to subdivision (a) reapplies for services, services shall be restored provided all other eligibility criteria are met if and this individual is considered a resident under section 14007.1 can prove both of the following:

(1) His or her permanent residence is in this state.
(2) That residence has not been established in any other state which can be considered to be of a permanent nature.

(c) 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 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. Beginning six months after the effective date of this section, the department shall provide a status report to the Legislature on a semiannual basis until regulations have been adopted.

(d) This section shall be implemented only if and to the extent that federal financial participation is available and any necessary federal approvals have been obtained.

(e) This section shall become operative on January 1, 2014.

SEC. 17. Section 14008.85 of the Welfare and Institutions Code is amended to read.

14008.85. (a) To the extent federal financial participation is available, a parent who is the principal wage earner shall be considered an unemployed parent for purposes of establishing eligibility based upon deprivation of a child where any of the following applies:

(1) The parent works less than 100 hours per month as determined pursuant to the rules of the Aid to Families with Dependent Children program as it existed on July 16, 1996, including the rule allowing a temporary excess of hours due to intermittent work.

(2) The total net nonexempt earned income for the family is not more than 100 percent of the federal poverty level as most recently calculated by the federal government. The department may adopt additional deductions to be taken from a family’s income.
(3) The parent is considered unemployed under the terms of an existing federal waiver of the 100-hour rule for recipients under the program established by Section 1931(b) of the federal Social Security Act (42 U.S.C. Sec. 1396u-1).

(b) Notwithstanding Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, the department shall implement this section by means of an all-county letter or similar instruction without taking regulatory action. 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.

(c) This section shall become operative March 1, 2000.

(d) This section shall remain in effect only until January 1, 2014, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2014, deletes or extends that date.

SEC. 18. Section 14011.16 of the Welfare and Institutions Code is amended to read:

14011.16. (a) Commencing August 1, 2003, the department shall implement a requirement for beneficiaries to file semiannual status reports as part of the department’s procedures to ensure that beneficiaries make timely and accurate reports of any change in circumstance that may affect their eligibility. The department shall develop a simplified form to be used for this purpose. The department shall explore the feasibility of using a form that allows a beneficiary who has not had any changes to so indicate by checking a box and signing and returning the form.

(b) Beneficiaries who have been granted continuous eligibility under Section 14005.25 shall not be required to submit semiannual status reports. To the extent federal financial participation is available, all children under 19 years of age shall be exempt from the requirement to submit semiannual status reports.

(c) For any period of time that the continuous eligibility period described in paragraph (1) of subdivision (a) of Section 14005.25 is reduced to six months, subdivision (b) shall become inoperative, and all children under 19 years of age shall be required to file semiannual status reports.

(d) Beneficiaries whose eligibility is based on a determination of disability or on their status as aged or blind shall be exempt from the semiannual status report requirement described in subdivision (a). The department may exempt other groups from the semiannual status report requirement as necessary for simplicity of administration.

(e) When a beneficiary has completed, signed, and filed a semiannual status report that indicated a change in circumstance, eligibility shall be redetermined.

(f) Notwithstanding Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, the department shall implement this section by means of all-county letters or similar instructions without taking regulatory action. 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.

(g) This section shall be implemented only if and to the extent federal financial participation is available.
(h) This section shall remain in effect only until January 1, 2014, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2014, deletes or extends that date.

SEC. 19. Section 14011.17 of the Welfare and Institutions Code is amended to read:

14011.17. The following persons shall be exempt from the semiannual reporting requirements described in Section 14011.16:
(a) Pregnant women whose eligibility is based on pregnancy.
(b) Beneficiaries receiving Medi-Cal through Aid for Adoption of Children Program.
(c) Beneficiaries who have a public guardian.
(d) Medically indigent children who are not living with a parent or relative and who have a public agency assuming their financial responsibility.
(e) Individuals receiving minor consent services.
(f) Beneficiaries in the Breast and Cervical Cancer Treatment Program.
(g) Beneficiaries who are CalWORKs recipients and custodial parents whose children are CalWORKs recipients.
(h) This section shall remain in effect only until January 1, 2014, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2014, deletes or extends that date.

SEC. 20. Section 14012 of the Welfare and Institutions Code is amended to read:

14012. (a) Reaffirmation shall be filed annually and may be required at other times in accordance with general standards established by the department.
(b) This section shall remain in effect only until January 1, 2014, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2014, deletes or extends that date.

SEC. 21. Section 14012 is added to the Welfare and Institutions Code, to read:
(Added Section – amendments shown to existing 14012 and not SB 28)

14012. (a) Reaffirmation shall be filed annually and may be required at other times in accordance with general standards established by the department. The department shall perform redeterminations of eligibility for Med-Cal beneficiaries as follows:

1) For beneficiaries whose income eligibility is determined under Section 1396a(e)(14) of Title 42 of the United States Code as added by the federal Patient Protection and Affordable Care Act (Public Law 111-148) and as amended by the federal Health Care and Education Reconciliation Act of 2010 (Public Law 111-152) and any subsequent amendments, every 12 months unless the department obtains information of a change of circumstances that may affect eligibility.

2) For beneficiaries whose income eligibility is not determined under Section 1396a(e)(14) of Title 42 of the United States Code as added by the federal Patient Protection and Affordable Care Act (Public Law 111-148) and as amended by the
(a) The department shall determine the continued eligibility of the beneficiary at least every 12 months.

(b) (1) Redeterminations pursuant to subdivision (a) shall be based upon reliable information contained in the beneficiaries' file or other information, including more recent information, available to the department.

(2) If, based upon the information obtained pursuant to paragraph (1) of this subdivision the department makes a determination of continued eligibility, the beneficiary shall be notified of the eligibility determination and what information it is based upon except as provided in subparagraph (B) of paragraph (2) of subdivision (g). The notice shall require the beneficiary to inform the department if any of the information contained in the notice is inaccurate and shall inform the beneficiary that he or she is not required to sign or return the notice if all information contained in the notice is accurate.

(3)(A) For redeterminations subject to paragraph (1) of subdivision (a), if the department is unable to determine continued eligibility based upon the information obtained pursuant to paragraphs (1) and (2) of this subdivision, the beneficiary shall be so informed and shall be provided with a renewal form that is pre-populated with information that the department has obtained and that identifies any additional information needed by the department to determine eligibility. The renewal form shall be accompanied by a notice requiring the beneficiary to provide any necessary information, sign the renewal form, and respond within 30 days from the date after the date the form is sent to the beneficiary. If the beneficiary does not respond within 30 days, the department shall terminate his or her eligibility for Medi-Cal benefits in accordance with the requirements of this section.

(B) For redeterminations subject to paragraph (2) of subdivision (a), the department may use existing renewal form(s) or may develop new renewal form(s) to provide to the beneficiary that inform the beneficiary that it is unable to determine continued eligibility based upon the information obtained pursuant to paragraphs (1) and (2) of this subdivision and identifies any additional information needed by the department to determine eligibility. Such renewal form(s) shall be accompanied by a notice requiring the beneficiary to provide any necessary information, sign the renewal form(s), and respond within 30 days after the date the form(s) is sent to the beneficiary. If the beneficiary does not respond within 30 days, the department shall terminate his or her eligibility for Medi-Cal benefits in accordance with the requirements of this section.

(4) The department shall consider blindness as continuing until the reviewing physician determines that the beneficiary has improved beyond the applicable definition of blindness when conducting redeterminations.

(5) The department shall consider disability as continuing until the review team determines that the beneficiary no longer meets the applicable definition of disability when conducting redeterminations.

(c) Any information obtained by the department pursuant to subdivision (b) shall be verified by the department in accord with section 14013.
(d) In the case of all redeterminations under this section, the department shall only request information that is needed to redetermine eligibility.

(e) If an individual submits the renewal form pursuant to subdivision (b) or provides additional information pursuant to subdivision (g) within 90 days after the date of termination for failure to submit such form or the necessary information, the department shall reconsider the individual's eligibility in a timely manner.

(f) Beneficiaries shall be required to report any change in circumstances that may affect their eligibility within 10 calendar days following the date the change occurred.

(g)(1) The department shall promptly redetermine eligibility upon receipt of information of a change in a beneficiary's circumstances that may affect eligibility.

(2)(A) For redeterminations under this subdivision subject to paragraph (1) of subdivision (a), the department shall limit requests to the beneficiary for additional information to information relating to the change in circumstances.

(B) If under this subdivision the department determines that the change in circumstances does not affect the beneficiary's eligibility status, the department shall not send the beneficiary a notice under paragraph (2) of subdivision (b) unless required to do so by federal law.

(C) A request for additional information shall be accompanied by a notice requiring the beneficiary to provide any necessary information, sign the response, and respond within 30 days after the date the request is sent to the beneficiary. If the beneficiary does not respond within 30 days, the department shall terminate his or her eligibility for Medi-Cal benefits in accordance with the requirements of this section.

(h) A Medi-Cal beneficiary's eligibility shall not be terminated under this section until it has been specifically determined based on facts clearly demonstrating that the beneficiary is no longer eligible for Medi-Cal under any basis and due process rights guaranteed under this division have been met.

(i) Prior to making a determination of ineligibility, the department shall determine potential eligibility for other insurance affordability programs and shall, as appropriate, transfer the individual's electronic account to other insurance affordability programs via a secure electronic interface.

(j) If there is a loss of contact with the Medi-Cal beneficiary, for example, as evidenced by the return of mail marked in such a way as to indicate that it could not be delivered to the intended recipient or that there was no forwarding address, the department shall make all reasonable efforts to identify the beneficiary's current address. If the department is unable to identify the current address of the beneficiary, it shall terminate the beneficiary's eligibility in accordance with the requirements of this section.

(k) If the eligibility determination and redetermination processes and procedures required under the federal Patient Protection and Affordable Care Act (Public Law 111-148) and the federal Health Care and Education Reconciliation Act of 2010 (Public Law 111-152) as originally enacted are no longer required, the
department shall have the authority to reinstitute (1) the semiannual status reporting requirements that were in place, and (2) some or all of the eligibility determination and redetermination processes and procedures that were in place, on the date that the federal Patient Protection and Affordable Care Act (Public Law 111-148) was enacted to the extent allowed by federal law.

(l) This section shall be implemented only if and to the extent that federal financial participation is available and any necessary federal approvals have been obtained.

(m) The following shall apply to this section:

(1) The requirements to provide information in subdivision (b) and to report changes in circumstances in subdivision (f) may be provided through any of the modes of submission allowed in 42 C.F.R. section 435.907(a), including an internet web site identified by the department, telephone, mail, in person, and other commonly available electronic means, as authorized by the department.

(2) Forms required to be signed by a beneficiary pursuant to this section must be signed under penalty of perjury. Electronic signatures and handwritten signatures transmitted by electronic transmission shall be accepted.

(n) 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 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. Beginning six months after the effective date of this section, the department shall provide a status report to the Legislature on a semiannual basis until regulations have been adopted.

(o) This section shall become operative on January 1, 2014 and shall be implemented on that date or whenever all necessary federal approvals have been obtained, whichever is later.

SEC. XX. Section 14013.3 of the Welfare and Institutions Code is added to read:

14013.3 (a) When determining whether an individual is eligible for Medi-Cal benefits, the department shall verify the accuracy of the below-identified information provided as a part of the application or redetermination process in conformity with this section.

(b) The department shall obtain information about an individual that is available from other state and federal agencies and programs to the extent the department determines that such information would be useful in determining an individual's eligibility for Medi-Cal benefits or for potential eligibility for an insurance affordability program offered under the California Health Benefit Exchange established pursuant to Section 100500 of the Government Code. The information and agencies and programs shall include, but not be limited to, the following:

(1) Information related to wages, net earnings from self-employment, unearned income and resources from:
(A) The State Wage Information Collection Agency.
(B) The federal Internal Revenue Service.
(C) The federal Social Security Administration.
(D) The state agency administering the state’s unemployment compensation laws.
(E) The state administered supplementary payment program under section 1382e of Title 42 of the United States Code.
(F) Any state program administered under a plan approved under Titles I, X, XIV, or XVI of the federal Social Security Act.

(2) Information related to eligibility or enrollment from:
(A) The Supplemental Nutrition Assistance Program.
(B) The CalWORKS program.
(C) The state's children health insurance program under Title XXI of the federal Social Security Act.
(D) The California Health Benefit Exchange established pursuant to Section 100500 of the Government Code.
(E) The electronic service established in accordance with 42 C.F.R. section 435.949.

(c)(1) If the income information obtained by the department is reasonably compatible with the information provided by or on behalf of the individual, the department shall accept the information provided by or on behalf of the individual as being accurate.

(2) If the income information obtained by the department is not reasonably compatible with the information provided by or on behalf of the individual, the department shall require that the individual provide additional information that reasonably explains the discrepancy.

(3) For the purposes of this subdivision, income information obtained by the department is reasonably compatible with information provided by or on behalf of an individual if:
(A) Both state that the individual's income is above the applicable income standard or other relevant income threshold for eligibility.
(B) Both state that the individual's income is at or below the applicable income standard or other relevant income threshold for eligibility.
(C) The information provided by or on behalf of the individual states that the individual's income is above, and the information obtained by the department states that the individual's income is at or below, the applicable income standard or other relevant income threshold for eligibility.
(d) The department shall accept the attestation of the individual regarding whether she is pregnant unless the department has information that is not reasonably compatible with such attestation.

(e)(1) If the information obtained by the department under subdivision (d) is not reasonably compatible with the information provided by or on behalf of the individual, the department shall require that the individual provide additional information that reasonably explains the discrepancy.

(2) For the purposes of this subdivision, information obtained by the department is not reasonably compatible with information provided by or on behalf of an individual if the department's information would lead a reasonable person to believe that the information provided by or on behalf of the individual is incorrect.
(f) The department shall develop, and update as it is modified, a verification plan describing the verification policies and procedures adopted by the department to verify eligibility information. This verification plan shall conform to all federal requirements.

(g) 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 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. Beginning six months after the effective date of this section, the department shall provide a status report to the Legislature on a semiannual basis until regulations have been adopted.

(h) This section shall be implemented only if and to the extent that federal financial participation is available and any necessary federal approvals have been obtained.

(i) This section shall become operative on January 1, 2014.

SEC. XX. Section 14014.5 of the Welfare and Institutions Code is added to read:

14014.5. (a) It is the intent of the Legislature to protect individual privacy and the integrity of Medi-Cal and other insurance affordability programs by restricting the disclosure of personal identifying information to prevent identity theft, abuse, or fraud in situations where a public health subsidy program applicant or beneficiary appoints an authorized representative to assist him or her in obtaining health care benefits.

(b) The department, in consultation with the California Health Benefit Exchange, shall implement policies and prescribe forms, notices and other safeguards to ensure the privacy and protection of the rights of applicants who appoint an authorized representative consistent with the provisions of Section 1902 of the Social Security Act and Code of Federal Regulations Title 42, section 435.908.

(c) All insurance affordability programs shall obtain completed authorization form(s) pursuant to subdivision (b) prior to making the final determination concerning the eligibility or renewal to which the authorization applies.

(d) An authorization pursuant to this section:

1. May be cancelled at any time for any reason by the public health subsidy program applicant or beneficiary by submitting notice of cancellation to the appropriate insurance affordability program in accordance with policies developed pursuant to subdivision (b).

2. Shall be effective for no longer than one year from the date it is signed by the applicant or beneficiary.

(e) For purposes of this section the following definitions apply:

1. "Authorized Representative" means any individual(s) appointed in writing on a form designated by the department, by a competent person that is an applicant for or beneficiary of any public health subsidy program to accompany, assist or represent the applicant in the application process or redetermination of eligibility process.

2. "Competent" means being able to act on one’s own behalf in business and personal matters.

Administration's Proposed SB 28 Amendments 1-31-13
(f) An authorized representative of a public health subsidy program applicant or beneficiary who also is employed by or is a contractor for any type of health care provider or facility shall fully disclose in writing to the applicant or beneficiary that the authorized representative is employed by or contracting with such a provider and of any potential conflicts of interest.

(g) All notices regarding the public health subsidy program application or redetermination shall be sent to the applicant or beneficiary. An applicant or beneficiary of an insurance affordability program may fill out and submit a form, to be prescribed pursuant to subdivision (b), requesting notices be sent to an authorized representative. Upon receipt of the completed form, the insurance affordability program shall send copies of requested notices regarding the application or redetermination to the authorized representative. The request shall be accompanied by a completed authorized representation form pursuant to this section.

(h) Except as provided in (i), any public health subsidy program applicant or beneficiary requesting a state hearing regarding a Notice of Action that desires an authorized representative in that hearing must complete a new appointment of authorized representative form for that hearing.

(i) (1) If an applicant or beneficiary is not competent and has properly and timely appointed an authorized representative pursuant to this section, he or she does not need to complete a new appointment of authorized representative form for that hearing.

(2) If an applicant or beneficiary is not competent and has not appointed an authorized representative pursuant to this section or that appointment has expired, any of the individuals identified below may be recognized as the authorized representative to request a state hearing regarding a Notice of Action if, at the hearing, he or she demonstrates that the applicant or beneficiary is not competent and that lack of competency is the reason that he or she has not been authorized by the applicant or beneficiary to act as the applicant's or beneficiary's authorized representative. The individuals that may be recognized are:

(A) A relative of the applicant or beneficiary, or a person appointed by the relative.

(B) A person with knowledge of the applicant's or beneficiary's circumstances that completed and signed the Statement of Facts on the applicant's or beneficiary's behalf.

(3) If an applicant or beneficiary is not competent and has not appointed an authorized representative pursuant to this section or that appointment has expired, the hearing officer may allow an individual with knowledge about the beneficiary's circumstances represent the beneficiary at the hearing if (A) the hearing officer determines that the representation is in the beneficiary's best interests and (B) there is not a person who qualifies under paragraph (2) that is available to represent the beneficiary.

(j) 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 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. Beginning six months after the
effective date of this section, the department shall provide a status report to the Legislature on a semiannual basis until regulations have been adopted.

(k) This section shall be implemented only if and to the extent that federal financial participation is available and any necessary federal approvals have been obtained.

(l) This section shall be implemented on October 1, 2013 or when all necessary federal approvals have been obtained, whichever is later.

SEC. XX. Section 14015.5 is added to the Welfare and Institutions Code to read:

14015.5. (a) Notwithstanding any other provision of state law, the department shall retain or delegate the authority to perform initial screening for potential Medi-Cal eligibility and shall retain or delegate the authority to perform Medi-Cal eligibility determinations as set forth in this section.

(b)(1) The department hereby delegates to the Exchange the authority to conduct an initial screening and verification for potential eligibility for Medi-Cal benefits using the financial methodologies described in Section 1396a(e)(14) of Title 42 of the United States Code as added by the federal Patient Protection and Affordable Care Act (Public Law 111-148) and as amended by the federal Health Care and Education Reconciliation Act of 2010 (Public Law 111-152) and any subsequent amendments of all persons that apply to the Exchange or to the eligibility, enrollment, and retention system to the extent required by federal law and regulation. The screening protocol used by the Exchange shall be developed in conjunction with and subject to review and approval by the department.

(2) If, after performing a screening pursuant to paragraph (1), when utilizing the eligibility, enrollment, and retention system for an application submitted online or by mail, the Exchange can electronically determine the applicant's eligibility for Medi-Cal benefits using only the information initially provided on-line, or through a written application submitted by, or on behalf of, the applicant, and without using Exchange staff or a contracted entity to further verify the accuracy of the submitted information, the Exchange shall determine that applicant's eligibility for the Medi-Cal program using the financial methodologies described in Section 1396a(e)(14) of Title 42 of the United States Code as added by the federal Patient Protection and Affordable Care Act (Public Law 111-148) and as amended by the federal Health Care and Education Reconciliation Act of 2010 (Public Law 111-152) and any subsequent amendments.

(3) Except as provided in paragraphs (1) and (2), the county of residence shall be responsible for eligibility determinations and ongoing case management for individuals identified in paragraphs (1) and (2) as otherwise set forth in law.

(c)(1) Notwithstanding any other provision of state law, the Exchange shall be authorized to provide information regarding available Medi-Cal managed health care plan selection options to applicants determined to be eligible for Medi-Cal benefits using the financial methodologies described in Section 1396a(e)(14) of Title 42 of the United States Code as added by the federal Patient Protection and Affordable Care Act (Public Law 111-148) and as amended by the federal Health Care and Education Reconciliation Act of 2010 (Public Law 111-152) and any subsequent amendments and to allow those applicants to choose an available managed health care plan.
(2) The Exchange shall track health plan selection and report to the department pursuant to subdivision (b) of Section 14102.5.

(d) 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 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. Beginning six months after the effective date of this section, the department shall provide a status report to the Legislature on a semiannual basis until regulations have been adopted.

(e) As used in this section, "Exchange" means the California Health Benefit Exchange established pursuant to Section 100500 of the Government Code.

(f) This section shall be implemented only if and to the extent that federal financial participation is available and any necessary federal approvals have been obtained.

(g) This section shall become operative on January 1, 2014 and shall remain in effect only until July 1, 2014, and as of that date is repealed, unless a later enacted statute, that is enacted before July 1, 2014, deletes or extends that date.

SEC. XX. Section 14016.6 of the Welfare and Institutions Code is amended to read:

14016.6 The State Department of Health Services shall develop a program to implement Section 14016.5 and to provide information and assistance to enable Medi-Cal beneficiaries to understand and successfully use the services of the Medi-Cal managed care plans in which they enroll. The program shall include, but not be limited to, the following components:

(a)(1) Development of a method to inform beneficiaries and applicants of all of the following:

(A) Their choices for receiving Medi-Cal benefits including the use of fee-for-service sector managed health care plans, or pilot programs.

(B) The availability of staff and information resources to Medi-Cal managed health care plan enrollees described in subdivision (f).

(2) (A) Marketing and informational materials including printed materials, films, and exhibits, to be provided to Medi-Cal beneficiaries and applicants when choosing methods of receiving health care benefits.

(B) The department shall not be responsible for the costs of developing material required by subparagraph (A).

(C) (i) The department may prescribe the format and edit the informational materials for factual accuracy, objectivity and comprehensibility.

(ii) The department shall use the edited materials in informing beneficiaries and applicants of their choices for receiving Medi-Cal benefits.

(b) Provision of information that is necessary to implement this program in a manner that fairly and objectively explains to beneficiaries and applicants their choices for
methods of receiving Medi-Cal benefits, including information prepared by the department emphasizing the benefits and limitations to beneficiaries of enrolling in managed health care plans and pilot projects as opposed to the fee-for-service system.

(c) Provision of information about providers who will provide services to Medi-Cal beneficiaries. This may be information about provider referral services of a local provider professional organization. The information shall be made available to Medi-Cal beneficiaries and applicants at the same time the beneficiary or applicant is being informed of the options available for receiving care.

(d) Training of specialized county employees to carry out the program.

(e) Monitoring the implementation of the program in those county welfare offices where choices are made available in order to assure that beneficiaries and applicants may make a well-informed choice, without duress.

(f) Staff and information resources dedicated to directly assist Medi-Cal managed health care plan enrollees to understand how to effectively use the services of, and resolve problems or complaints involving, their managed health care plans.

(g) The responsibilities outlined in this section shall, at the option of the department, be carried out by a specially trained county or state employee or by an independent contractor paid by the department. If a county sponsored prepaid health plan or pilot program is offered, the responsibilities outlined in this section shall be carried out either by a specially trained state employee or by an independent contractor paid by the department.

(h) The department shall adopt any regulations as are necessary to ensure that the informing of beneficiaries of their health care options is a part of the eligibility determination process.

(i) This section shall remain in effect only until January 1, 2014, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2014, deletes or extends that date.

SEC. XX. Section 14016.6 is added to the Welfare and Institutions Code to read:
(Added Section – amendments shown to existing 14016.6 and not SB 28)

14016.6 The State Department of Health Care Services shall develop a program to implement Section 14016.5 and to provide information and assistance to enable Medi-Cal beneficiaries to understand and successfully use the services of the Medi-Cal managed care plans in which they enroll. The program shall include, but not be limited to, the following components:

(a) (1) Development of a method to inform beneficiaries and applicants of all of the following:

(A) Their choices for receiving Medi-Cal benefits including the use of fee-for-service sector managed health care plans, or pilot programs.

(B) The availability of staff and information resources to Medi-Cal managed health care plan enrollees described in subdivision (f).

(2) (A) Marketing and informational materials including printed materials, films, and exhibits, to be provided to Medi-Cal beneficiaries and applicants when choosing methods of receiving health care benefits.
(B) The department shall not be responsible for the costs of developing material required by subparagraph (A).

(C) (i) The department may prescribe the format and edit the informational materials for factual accuracy, objectivity and comprehensibility.

(ii) The department shall use the edited materials in informing beneficiaries and applicants of their choices for receiving Medi-Cal benefits.

(b) Provision of information that is necessary to implement this program in a manner that fairly and objectively explains to beneficiaries and applicants their choices for methods of receiving Medi-Cal benefits, including information prepared by the department emphasizing the benefits and limitations to beneficiaries of enrolling in managed health care plans and pilot projects as opposed to the fee-for-service system.

(c) Provision of information about providers who will provide services to Medi-Cal beneficiaries. This may be information about provider referral services of a local provider professional organization. The information shall be made available to Medi-Cal beneficiaries and applicants at the same time the beneficiary or applicant is being informed of the options available for receiving care.

(d) Training of specialized county employees individuals to carry out the program.

(e) Monitoring the implementation of the program in those county welfare offices where choices are made available in order to assure that beneficiaries and applicants may make a well-informed choice, without duress.

(f) Staff and information resources dedicated to directly assist Medi-Cal managed health care plan enrollees to understand how to effectively use the services of, and resolve problems or complaints involving, their managed health care plans.

(g) The responsibilities outlined in this section shall, at the option of the department, be carried out by a specially trained county or state employee or by an independent contractor paid by the department. If a county sponsored prepaid health plan or pilot program is offered, the responsibilities outlined in this section shall be carried out either by a specially trained state employee or by an independent contractor paid by the department.

(h) The department shall adopt any regulations as are necessary to ensure that the informing of beneficiaries of their health care options is a part of the eligibility determination process.

(g) Notwithstanding any other provision of state law, the department, in consultation with the California Health Benefit Exchange established pursuant to Section 100500 of the Government Code, shall have authority to authorize specific persons or entities, including counties, to provide information to beneficiaries concerning their health care options for receiving Medi-Cal benefits and assistance with enrollment. This subsection shall apply in all geographic areas designated by the Director, and shall take precedence over any conflicting state statutes. This subsection shall be implemented in a manner consistent with the federal law.

(h) 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 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. Beginning six months after the effective date of this section, the department shall provide a status report to the Legislature on a semiannual basis until regulations have been adopted.

(i) This section shall become operative on January 1, 2014.

SEC. XX. Section 14055 is added to the Welfare and Institutions Code to read:

14055. (a) “Caretaker relative” means a relative of a dependent child by blood, adoption, or marriage with whom the child is living, who assumes primary responsibility for the child’s care, and who is one of the following:

(1) The child’s father, mother, grandfather, grandmother, brother, sister, stepfather, stepmother, stepbrother, stepsister, great-grandparent, uncle, aunt, nephew, niece, great-great-grandparent, great uncle or aunt, first cousin, great-great-great-grandparent, great-great uncle or aunt, or first cousin once removed.

(2) The spouse of one of the relatives identified in paragraph (1), even after the marriage is terminated by death or divorce.

(b) This section shall become operative on January 1, 2014.

SEC. XX. Section 14057 is added to the Welfare and Institutions Code to read:

14057. (a) “Insurance affordability program” means a program that is one of the following:

(1) The state’s Medi-Cal program under Title XIX of the federal Social Security Act.

(2) The state’s children’s health insurance program (CHIP) under title XXI of the federal Social Security Act.

(3) A program that makes coverage in a qualified health plan through the California Health Benefit Exchange established pursuant to Section 100500 of the Government Code with advance payment of the premium tax credit established under section 36B of the Internal Revenue Code available to qualified individuals.

(4) A program that makes available coverage in a qualified health plan through the California Health Benefit Exchange established pursuant to Section 100500 of the Government Code with cost-sharing reductions established under section 1402 of the federal Patient Protection and Affordable Care Act (Public Law 111-148) and any subsequent amendments to that Act.

(b) This section shall become operative on January 1, 2014.

SEC. XX. Section 14102 is added to the Welfare and Institutions Code to read:

14102. (a) Notwithstanding any other provision of law and except as provided in (c), all individuals that are 21 years of age or older that are otherwise eligible for or receiving state only funded benefits through the following programs shall be ineligible for those
benefits to the extent that he or she is eligible for and is not barred from enrolling in
because he or she is outside of an available enrollment period, coverage under an
insurance affordability program offered through the California Health Benefit Exchange
established pursuant to Section 100500 of the Government Code:
(1) The Genetically Handicapped Persons Program under Article 1 (commencing
with Section 125125) of Chapter 2 of Part 5 of Division 106 of the Health and Safety
Code.
(2) The AIDS Drug Assistance Program under Chapter 6 (commencing with Section
(3) The Breast and Cervical Cancer Treatment Program under Article 1.5
(commencing with Section 104160) of Chapter 2 of Part 1 of Division 103 of the Health
and Safety Code.
(4) The Breast and Cervical Cancer Treatment Program under subdivision (b) of
Section 14007.71.
(5) The Every Woman Counts Program (Breast and Cervical Cancer Screening
Program) under Article 1.3 (commencing with Section 104150) of Chapter 2 of Part 1 of
Division 103 of the Health and Safety Code.
(6) The Prostate Cancer Screening Program under Chapter 7 (commencing with
Section 104322) of Part 1 of Division 103 of the Health and Safety Code.
(b) Notwithstanding any other provision of law and except as provided in (c), all
individuals that are 21 years of age or older who would be eligible for full scope benefits
for which federal financial participation under Title XIX of the federal Social Security Act
would be available but for the five-year eligibility limitation under Section 1613 of Title 8
of the United States Code and that are otherwise eligible for or receiving state only
funded full scope benefits shall be ineligible for those state only benefits to the extent
that he or she is eligible for, and is not barred from enrolling in because he or she is
outside of an available enrollment period, coverage under an insurance affordability
program offered through the California Health Benefit Exchange established pursuant to
Section 100500 of the Government Code.
(c) Individuals that are a State-only Medi-Cal person as defined in Section 14052
shall not be subject to subdivisions (a) or (b).
(2) Individuals eligible for and enrolled in any of the benefits programs identified in
subdivision (a) on December 31, 2013 shall not be subject to subdivision (a).
(3) Individuals identified in subdivision (b) that are eligible for and enrolled to receive
state only funded benefits on December 31, 2013 shall not be subject to subdivision (b).
(c) 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 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. Beginning six months after the
effective date of this section, the department shall provide a status report to the
Legislature on a semiannual basis until regulations have been adopted.
(d) This section shall become operative on January 1, 2014.
SEC. XX. Section 14102.5 is added to the Welfare and Institutions Code to read:

14102.5. (a) The department shall, in collaboration, with the Exchange, develop and prepare one or more reports to be issued on at least a quarterly basis for the purpose of informing the California Health and Human Services Agency, the Exchange, the legislature and the public about the enrollment process for all health subsidy programs and preparing reports that comply with the federal reporting requirements that will, at a minimum, include the following information:

(1) The number of applications received by the Medi-Cal program and the number of applicants.
(2) Applicant demographics stored on CalHEERS and the Statewide Automated Welfare Systems.
(3) The results of, and timeframes for, Medi-Cal eligibility determinations and re determinations.
(4) The number of beneficiary disenrollments.
(5) The number of determinations done by the Medi-Cal program.
(6) The health plans that are selected by applicants after they are originally determined to be eligible for Medi-Cal benefits.
(7) Types of assistance that the Medi-Cal program provides to applicants.
(8) The quality of the Medi-Cal program's customer service activities.
(9) The application pathway for eligibility and enrollment into Medi-Cal and the timeframe to complete the eligibility determination.

(b) The department shall collect the information necessary for these reports and develop these reports using data obtained from the counties and the Exchange and from county and State information management systems including but not limited to the California Health Eligibility Enrollment and Retention System and the Statewide Automated Welfare Systems.

(c) For purposes of this section, the following definitions shall apply:
(1) "CalHEERS" means the California Health Eligibility Enrollment and Retention System developed under Section 15926.
(2) "Exchange" means the California Health Benefit Exchange established pursuant to Section 100500 of the Government Code.

(d) 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 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. Beginning six months after the effective date of this section, the department shall provide a status report to the Legislature on a semiannual basis until regulations have been adopted.

(e) This section shall become operative on January 1, 2014.

SEC. XX. Section 14103 is added to the Welfare and Institutions Code to read:
14103. (a) If any increased federal medical assistance percentage payable to the state under the ACA is reduced or eliminated, or any mandatory Medicaid coverage group under the ACA is made optional or eliminated, or if the use of modified adjusted gross income under Section 1396a(e)(14) of Title 42 of the United States Code as added by the ACA is no longer federally required to determine eligibility for Medi-Cal benefits, the director shall consult with the Department of Finance about the fiscal consequences of any such change and thereafter the director shall cease implementation of any provision in this Chapter or Chapter 8 implementing the ACA and any subsequent amendments that is affected by the change, to the extent allowed by federal law. The director shall immediately notify the Chairpersons of the Senate and Assembly Health Committees and the Chairperson of the Joint Legislative Budget Committee if he or she needs to cease implementation of any provision in this Chapter or Chapter 8 pursuant to this section because of the fiscal implications and six months after that notice is sent, the identified provision or provisions shall cease to be implemented.

(b) As used in this section, “ACA” means the federal Patient Protection and Affordable Care Act (Public Law 111-148) as originally enacted and as amended by the federal Health Care and Education Reconciliation Act of 2010 (Public Law 111-152).

SEC. 22. Section 14132 of the Welfare and Institutions Code is amended to read:

14132. The following is the schedule of benefits under this chapter:
(a) Outpatient services are covered as follows:
   Physician, hospital or clinic outpatient, surgical center, respiratory care, optometric, chiropractic, psychology, pediatric, occupational therapy, physical therapy, speech therapy, audiology, acupuncture to the extent federal matching funds are provided for acupuncture, and services of persons rendering treatment by prayer or healing by spiritual means in the practice of any church or religious denomination insofar as these can be encompassed by federal participation under an approved plan, subject to utilization controls.
   (b) (1) Inpatient hospital services, including, but not limited to, physician and pediatric services, physical therapy and occupational therapy, are covered subject to utilization controls.
   (2) For Medi-Cal fee-for-service beneficiaries, emergency services and care that are necessary for the treatment of an emergency medical condition and medical care directly related to the emergency medical condition. This paragraph shall not be construed to change the obligation of Medi-Cal managed care plans to provide emergency services and care. For the purposes of this paragraph, “emergency services and care” and “emergency medical condition” shall have the same meanings as those terms are defined in Section 1317.1 of the Health and Safety Code.
   (c) Nursing facility services, subacute care services, and services provided by any category of intermediate care facility for the developmentally disabled, including podiatry, physician, nurse practitioner services, and prescribed drugs,
as described in subdivision (d), are covered subject to utilization controls. Respiratory care, physical therapy, occupational therapy, speech therapy, and audiology services for patients in nursing facilities and any category of intermediate-care facility for the developmentally-disabled are covered subject to utilization controls.

(d) (1) Purchase of prescribed drugs is covered subject to the Medi-Cal List of Contract Drugs and utilization controls.

(2) Purchase of drugs used to treat erectile dysfunction or any off-label use of those drugs are covered only to the extent that federal financial participation is available.

(3) (A) To the extent required by federal law, the purchase of outpatient prescribed drugs, for which the prescription is executed by a prescriber in a written, non-electronic form on or after April 1, 2008, is covered only when executed on a tamper-resistant prescription form. The implementation of this paragraph shall conform to the guidance issued by the federal Centers of Medicare and Medicaid Services but shall not conflict with state statutes on the characteristics of tamper-resistant prescriptions for controlled substances, including Section 11462.1 of the Health and Safety Code. The department shall provide providers and beneficiaries with as much flexibility in implementing these rules as allowed by the federal government. The department shall notify and consult with appropriate stakeholders in implementing, interpreting, or making specific this paragraph.

(B) Notwithstanding Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, the department may take the actions specified in subparagraph (A) by means of a provider bulletin or notice, policy letter, or other similar instructions without taking regulatory action.

(4) (A) (i) For the purposes of this paragraph, nonlegend has the same meaning as defined in subdivision (a) of Section 14105.45.

(ii) Nonlegend acetaminophen-containing products, with the exception of children’s acetaminophen-containing products, selected by the department are not covered benefits.

(iii) Nonlegend cough and cold products selected by the department are not covered benefits. This clause shall be implemented on the first day of the first calendar month following 90 days after the effective date of the act that added this clause, or on the first day of the first calendar month following 60 days after the date the department secures all necessary federal approvals to implement this section, whichever is later.

(iv) Beneficiaries under the Early and Periodic Screening, Diagnosis, and Treatment Program shall be exempt from clauses (ii) and (iii).

(B) Notwithstanding Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, the department may take the actions specified in subparagraph (A) by means of a provider bulletin or notice, policy letter, or other similar instruction without taking regulatory action.
(e) Outpatient dialysis services and home hemodialysis services, including physician services, medical supplies, drugs and equipment required for dialysis, are covered, subject to utilization controls.

(f) Anesthesiologist services when provided as part of an outpatient medical procedure, nurse anesthetist services when rendered in an inpatient or outpatient setting under conditions set forth by the director, outpatient laboratory services, and X-ray services are covered, subject to utilization controls. Nothing in this subdivision shall be construed to require prior authorization for anesthesiologist services provided as part of an outpatient medical procedure or for portable X-ray services in a nursing facility or any category of intermediate care facility for the developmentally disabled.

(g) Blood and blood derivatives are covered.

(h) Emergency and essential diagnostic and restorative dental services, except for orthodontic, fixed bridgework, and partial dentures that are not necessary for balance of a complete artificial denture, are covered, subject to utilization controls. The utilization controls shall allow emergency and essential diagnostic and restorative dental services and prostheses that are necessary to prevent a significant disability or to replace previously furnished prostheses which are lost or destroyed due to circumstances beyond the beneficiary’s control. Notwithstanding the foregoing, the director may by regulation provide for certain fixed artificial dentures necessary for obtaining employment or for medical conditions that preclude the use of removable dental prostheses, and for orthodontic services in cleft palate deformities administered by the department’s California Children Services Program.

(2) For persons 21 years of age or older, the services specified in paragraph (1) shall be provided subject to the following conditions:
   (A) Periodontal treatment is not a benefit.
   (B) Endodontic therapy is not a benefit except for vital pulpotomy.
   (C) Laboratory processed crowns are not a benefit.
   (D) Removable prosthetics shall be a benefit only for patients as a requirement for employment.

   (E) The director may, by regulation, provide for the provision of fixed artificial dentures that are necessary for medical conditions that preclude the use of removable prostheses.

   (F) Notwithstanding the conditions specified in subparagraphs (A) to (E), inclusive, the department may approve services for persons with special medical disorders subject to utilization review.

(3) Paragraph (2) shall become inoperative July 1, 1995.

(i) Medical transportation is covered, subject to utilization controls.

(j) Home health care services are covered, subject to utilization controls.

(k) Prosthetic and orthotic devices and eyeglasses are covered, subject to utilization controls. Utilization controls shall allow replacement of prosthetic and orthotic devices and eyeglasses necessary because of loss or destruction due to circumstances beyond the beneficiary’s control. Frame styles for eyeglasses...
replaced pursuant to this subdivision shall not change more than once every two years, unless the department so directs.

Orthopedic and conventional shoes are covered when provided by a prosthetic and orthotic supplier on the prescription of a physician and when at least one of the shoes will be attached to a prosthesis or brace, subject to utilization controls. Modification of stock conventional or orthopedic shoes when medically indicated, is covered subject to utilization controls. When there is a clearly established medical need that cannot be satisfied by the modification of stock conventional or orthopedic shoes, custom-made orthopedic shoes are covered, subject to utilization controls.

Therapeutic shoes and inserts are covered when provided to beneficiaries with a diagnosis of diabetes, subject to utilization controls, to the extent that federal financial participation is available.

(k) Hearing aids are covered, subject to utilization controls. Utilization controls shall allow replacement of hearing aids necessary because of loss or destruction due to circumstances beyond the beneficiary's control.

(m) Durable medical equipment and medical supplies are covered, subject to utilization controls. The utilization controls shall allow the replacement of durable medical equipment and medical supplies when necessary because of loss or destruction due to circumstances beyond the beneficiary's control. The utilization controls shall allow authorization of durable medical equipment needed to assist a disabled beneficiary in caring for a child for whom the disabled beneficiary is a parent, stepparent, foster parent, or legal guardian, subject to the availability of federal financial participation. The department shall adopt emergency regulations to define and establish criteria for assistive durable medical equipment in accordance with the rulemaking provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 4 of Division 3 of Title 2 of the Government Code).

(n) Family planning services are covered, subject to utilization controls.

(o) Inpatient intensive rehabilitation hospital services, including respiratory rehabilitation services, in a general acute care hospital are covered, subject to utilization controls, when either of the following criteria are met:

1. A patient with a permanent disability or severe impairment requires an inpatient intensive rehabilitation hospital program as described in Section 14064 to develop function beyond the limited amount that would occur in the normal course of recovery.

2. A patient with a chronic or progressive disease requires an inpatient intensive rehabilitation hospital program as described in Section 14064 to maintain the patient's present functional level as long as possible.

(p) (1) Adult day health care is covered in accordance with Chapter 8.7 (commencing with Section 14520).

2. Commencing 30 days after the effective date of the act that added this paragraph, and notwithstanding the number of days previously approved through a treatment authorization request, adult day health care is covered for a maximum of three days per week.
(3) As provided in accordance with paragraph (4), adult day health care is covered for a maximum of five days per week.

(4) As of the date that the director makes the declaration described in subdivision (g) of Section 14525.1, paragraph (2) shall become inoperative and paragraph (3) shall become operative.

(q) (1) Application of fluoride, or other appropriate fluoride treatment as defined by the department, other prophylaxis treatment for children 17 years of age and under, are covered.

(2) All dental hygiene services provided by a registered dental hygienist in alternative practice pursuant to Sections 1768 and 1770 of the Business and Professions Code may be covered as long as they are within the scope of Dental benefits and they are necessary services provided by a registered dental hygienist in alternative practice.

(r) (1) Paramedic services performed by a city, county, or special district, or pursuant to a contract with a city, county, or special district, and pursuant to a program established under Article 3 (commencing with Section 1480) of Chapter 2.5 of Division 2 of the Health and Safety Code by a paramedic certified pursuant to that article, and consisting of defibrillation and those services specified in subdivision (3) of Section 1482 of the article.

(2) All providers enrolled under this subdivision shall satisfy all applicable statutory and regulatory requirements for becoming a Medi-Cal provider.

(3) This subdivision shall be implemented only to the extent funding is available under Section 14106.6.

(e) In-home medical care services are covered when medically-appropriate and subject to utilization controls, for beneficiaries who would otherwise require care for an extended period of time in an acute care hospital at a cost higher than in-home medical care services. The director shall have the authority under this section to contract with organizations qualified to provide in-home medical care services to these persons. These services may be provided to patients placed in shared or congregate living arrangements, if a home setting is not medically appropriate or available to the beneficiary. As used in this section, "in-home medical care service" includes utility bills directly attributable to continuous, 24-hour operation of life-sustaining medical equipment, to the extent that federal financial participation is available.

As used in this subdivision, in-home medical care services, include, but are not limited to:

(1) Level of care and cost of care evaluations.

(2) Expenses, directly attributable to home care activities, for materials.

(3) Physician fees for home visits.

(4) Expenses directly attributable to home care activities for shelter and modification to shelter.

(5) Expenses directly attributable to additional costs of special diets, including tube feeding.

(6) Medically related personal services.

(7) Home nursing education.
(9) Emergency maintenance repair.
(10) Home health agency personnel benefits which permit coverage of care during periods when regular personnel are on vacation or using sick leave.
(11) All services needed to maintain antiseptic conditions at stoma or shunt sites on the body.
(12) Emergency and nonemergency medical transportation.
(13) Medical supplies.
(14) Medical equipment, including, but not limited to, scales, gurneys, and equipment racks suitable for paralyzed patients.
(15) Utility use directly attributable to the requirements of home care activities which are in addition to normal utility use.
(16) Special drugs and medications.
(17) Home health agency supervision of visiting staff which is medically necessary, but not included in the home health agency rate.
(18) Therapy services.
(19) Household appliances and household utensil costs directly attributable to home care activities.
(20) Modification of medical equipment for home use.
(21) Training and orientation for use of life-support systems, including, but not limited to, support of respiratory functions.
(22) Respiratory care practitioner services as defined in Sections 3702 and 3703 of the Business and Professions Code, subject to prescription by a physician and surgeon.

Beneficiaries receiving in-home medical care services are entitled to the full range of services within the Medi-Cal scope of benefits as defined by this section, subject to medical necessity and applicable utilization control. Services provided pursuant to this subdivision which are not otherwise included in the Medi-Cal schedule of benefits, shall be available only to the extent that federal financial participation for those services is available in accordance with a home- and community-based services waiver.

(f) Home- and community-based services approved by the United States Department of Health and Human Services may be covered to the extent that federal financial participation is available for those services under waivers granted in accordance with Section 1396n of Title 42 of the United States Code. The director may seek waivers for any or all home- and community-based services approvable under Section 1396n of Title 42 of the United States Code. Coverage for those services shall be limited by the terms, conditions, and duration of the federal waivers.

(u) Comprehensive perinatal services, as provided through an agreement with a health care provider designated in Section 14434.5 and meeting the standards developed by the department pursuant to Section 14434.5, subject to utilization controls.

The department shall seek any federal waivers necessary to implement the provisions of this subdivision. The provisions for which appropriate federal waivers cannot be obtained shall not be implemented. Provisions for which
waivers are obtained or for which waivers are not required shall be implemented notwithstanding any inability to obtain federal waivers for the other provisions. No provision of this subdivision shall be implemented unless matching funds from Subchapter XIX (commencing with Section 1396) of Chapter 7 of Title 42 of the United States Code are available.

(v) Early and periodic screening, diagnosis, and treatment for any individual under 21 years of age is covered, consistent with the requirements of Subchapter XIX (commencing with Section 1396) of Chapter 7 of Title 42 of the United States Code.

(w) Hospice service which is Medicare-certified hospice service is covered, subject to utilization controls. Coverage shall be available only to the extent that no additional net program costs are incurred.

(x) When a claim for treatment provided to a beneficiary includes both services which are authorized and reimbursable under this chapter, and services which are not reimbursable under this chapter, that portion of the claim for the treatment and services authorized and reimbursable under this chapter shall be payable.

(y) Home- and community-based services approved by the United States Department of Health and Human Services for beneficiaries with a diagnosis of AIDS or ARC, who require intermediate care or a higher level of care.

Services provided pursuant to a waiver obtained from the Secretary of the United States Department of Health and Human Services pursuant to this subdivision, and which are not otherwise included in the Medi-Cal schedule of benefits, shall be available only to the extent that federal financial participation for these services is available in accordance with the waiver, and subject to the terms, conditions, and duration of the waiver. These services shall be provided to individual beneficiaries in accordance with the client’s needs as identified in the plan of care, and subject to medical necessity and applicable utilization control.

The director may under this section contract with organizations qualified to provide, directly or by subcontract, services provided for in this subdivision to eligible beneficiaries. Contracts or agreements entered into pursuant to this division shall not be subject to the Public Contract Code.

(z) Respiratory care when provided in organized health care systems as defined in Section 3701 of the Business and Professions Code, and as an in-home medical service as outlined in subdivision (s).

(aa) (1) There is hereby established in the department, a program to provide comprehensive clinical family planning services to any person who has a family income at or below 200 percent of the federal poverty level, as revised annually, and who is eligible to receive these services pursuant to the waiver identified in paragraph (2). This program shall be known as the Family Planning, Access, Care, and Treatment (Family-PACT) Program.

(2) The department shall seek a waiver in accordance with Section 1315 of Title 42 of the United States Code, or a state plan amendment adopted in accordance with Section 1396a(a)(10)(A)(ii)(XXI)(ii)(2)-1396a(a)(10)(A)(ii)(XXI) of Title 42 of the United States Code, which was added to Section 1396a of Title 42
of the United States Code by Section 2303(a)(2) of the federal Patient Protection and Affordable Care Act (PPACA) (Public Law 111-148), for a program to provide comprehensive clinical family planning services as described in paragraph (8). Under the waiver, the program shall be operated only in accordance with the waiver and the statutes and regulations in paragraph (4) and subject to the terms, conditions, and duration of the waiver. Under the state plan amendment, which shall replace the waiver and shall be known as the Family PACT successor state plan amendment, the program shall be operated only in accordance with this subdivision and the statutes and regulations in paragraph (4). The state shall use the standards and processes imposed by the state on January 1, 2007, including the application of an eligibility discount factor to the extent required by the federal Centers for Medicare and Medicaid Services, for purposes of determining eligibility as permitted under Section 1396a(a)(10)(A)(ii)(XXI)(ii)(2) 1396a(a)(10)(A)(ii)(XXI) of Title 42 of the United States Code. To the extent that federal financial participation is available, the program shall continue to conduct education, outreach, enrollment, service delivery, and evaluation services as specified under the waiver. The services shall be provided under the program only if the waiver and, when applicable, the successor state plan amendment are approved by the federal Centers for Medicare and Medicaid Services and only to the extent that federal financial participation is available for the services. Nothing in this section shall prohibit the department from seeking the Family PACT successor state plan amendment during the operation of the waiver.

(3) Solely for the purposes of the waiver or Family PACT successor state plan amendment and notwithstanding any other provision of law, the collection and use of an individual's social security number shall be necessary only to the extent required by federal law.

(4) Sections 14105.3 to 14105.39, inclusive, 14107.11, 24005, and 24013, and any regulations adopted under these statutes shall apply to the program provided for under this subdivision. No other provision of law under the Medi-Cal program or the State Only Family Planning Program shall apply to the program provided for under this subdivision.

(5) Notwithstanding Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, the department may implement, without taking regulatory action, the provisions of the waiver after its approval by the federal Health Care Financing Administration and the provisions of this section by means of an all-county letter or similar instruction to providers. Thereafter, the department shall adopt regulations to implement this section and the approved waiver 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. Beginning six months after the effective date of the act adding this subdivision, the department shall provide a status report to the Legislature on a semiannual basis until regulations have been adopted.

(6) In the event that the Department of Finance determines that the program operated under the authority of the waiver described in paragraph (2) or the Family PACT successor state plan amendment is no longer cost effective, this
subdivision shall become inoperative on the first day of the first month following the issuance of a 30-day notification of that determination in writing by the Department of Finance to the chairperson in each house that considers appropriations, the chairpersons of the committees, and the appropriate subcommittees in each house that considers the State Budget, and the Chairperson of the Joint Legislative Budget Committee.

(7) If this subdivision ceases to be operative, all persons who have received or are eligible to receive comprehensive clinical family planning services pursuant to the waiver described in paragraph (2) shall receive family planning services under the Medi-Cal program pursuant to subdivision (n) if they are otherwise eligible for Medi-Cal with no share of cost, or shall receive comprehensive clinical family planning services under the program established in Division 24 (commencing with Section 24000) either if they are eligible for Medi-Cal with a share of cost or if they are otherwise eligible under Section 24003.

(8) For purposes of this subdivision, "comprehensive clinical family planning services" means the process of establishing objectives for the number and spacing of children, and selecting the means by which those objectives may be achieved. These means include a broad range of acceptable and effective methods and services to limit or enhance fertility, including contraceptive methods, federal Food and Drug Administration approved contraceptive drugs, devices, and supplies, natural family planning, abstinence methods, and basic, limited fertility management. Comprehensive clinical family planning services include, but are not limited to, preconception counseling, maternal and fetal health counseling, general reproductive health care, including diagnosis and treatment of infections and conditions, including cancer, that threaten reproductive capability, medical family planning treatment and procedures, including supplies and followup, and informational, counseling, and educational services. Comprehensive clinical family planning services shall not include abortion, pregnancy testing solely for the purposes of referral for abortion or services ancillary to abortions, or pregnancy care that is not incident to the diagnosis of pregnancy. Comprehensive clinical family planning services shall be subject to utilization control and include all of the following:

(A) Family planning related services and male and female sterilization. Family planning services for men and women shall include emergency services and services for complications directly related to the contraceptive method, federal Food and Drug Administration approved contraceptive drugs, devices, and supplies, and followup, consultation, and referral services, as indicated, which may require treatment authorization requests.

(B) All United States Department of Agriculture, federal Food and Drug Administration approved contraceptive drugs, devices, and supplies that are in keeping with current standards of practice and from which the individual may choose.

(C) Culturally and linguistically appropriate health education and counseling services, including informed consent, that include all of the following:

(i) Psychosocial and medical aspects of contraception.
(ii) Sexuality.
(iii) Fertility.
(iv) Pregnancy.
(v) Parenthood.
(vi) Infertility.
(vii) Reproductive health care.
(viii) Preconception and nutrition counseling.
(ix) Prevention and treatment of sexually transmitted infection.
(x) Use of contraceptive methods, federal Food and Drug Administration approved contraceptive drugs, devices, and supplies.
(xi) Possible contraceptive consequences and follow-up.
(xii) Interpersonal communication and negotiation of relationships to assist individuals and couples in effective contraceptive method use and planning families.
(D) A comprehensive health history, updated at the next periodic visit (between 11 and 24 months after initial examination) that includes a complete obstetrical history, gynecological history, contraceptive history, personal medical history, health-risk factors, and family health history, including genetic or hereditary conditions.
(E) A complete physical examination on initial and subsequent periodic visits.
(F) Services, drugs, devices, and supplies deemed by the federal Centers for Medicare and Medicaid Services to be appropriate for inclusion in the program.
(9) In order to maximize the availability of federal financial participation under this subdivision, the director shall have the discretion to implement the Family PACT successor state plan amendment retroactively to July 1, 2010.

(ab) (1) Purchase of prescribed enteral nutrition products is covered, subject to the Medi-Cal list of enteral nutrition products and utilization controls.
(2) Purchase of enteral nutrition products is limited to those products to be administered through a feeding tube, including, but not limited to, a gastric, nasogastric, or jejunostomy tube. Beneficiaries under the Early and Periodic Screening, Diagnosis, and Treatment Program shall be exempt from this paragraph.
(3) Notwithstanding paragraph (2), the department may deem an enteral nutrition product, not administered through a feeding tube, including, but not limited to, a gastric, nasogastric, or jejunostomy tube, a benefit for patients with diagnoses, including, but not limited to, malabsorption and inborn errors of metabolism, if the product has been shown to be neither investigational nor experimental when used as part of a therapeutic regimen to prevent serious disability or death.
(4) Notwithstanding Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, the department may implement the amendments to this subdivision made by the act that added this paragraph by means of all-county letters, provider bulletins, or similar instructions, without taking regulatory action.
(5) The amendments made to this subdivision by the act that added this paragraph shall be implemented June 1, 2011, or on the first day of the first calendar month following 60 days after the date the department secures all necessary federal approvals to implement this section, whichever is later.

(ac) Diabetic testing supplies are covered when provided by a pharmacy, subject to utilization controls.

(ad) Commencing January 1, 2014, any benefits, services, and coverage not otherwise described in this section that are included in the essential health benefits package adopted by the state and approved by the United States Secretary of Health and Human Services under Section 18022 of Title 42 of the United States Code.

SEC. 23. Section 14132.02 is added to the Welfare and Institutions Code, to read:

14132.02. (a) Pursuant to Sections 1902(k)(1) and 1937(b)(1)(D) of the federal Social Security Act (42 U.S.C. Secs. 1396a(k)(1); 42 U.S.C. Sec. 1396u-7(b)(1)(D)), the department shall seek approval from the United States Secretary of Health and Human Services to establish a benchmark benefit package that includes the same benefits, services, and coverage as is provided to all other full-scope Medi-Cal enrollees, supplemented by any benefits, services, and coverage included in the essential health benefits package adopted by the state and approved by the secretary under Section 18022 of Title 42 of the United States Code.

(b) This section shall become operative January 1, 2014.

SEC. 24. Section 15926 of the Welfare and Institutions Code is amended to read:

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

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

(2) "Limited-English proficient" means not speaking English as one's primary language and having a limited ability to read, speak, write, or understand English.

(3) "State health subsidy programs" means the programs described in Section 1413(e) of the PPACA.

(b) An individual shall have the option to apply for state health subsidy programs in person, by mail, online, by telephone, or other commonly available means.

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

(2) The department may develop and require the use of supplemental forms to collect additional information needed to determine eligibility on a basis other than
the financial methodologies described in Section 1396a(e)(14) of Title 42 of the United States Code as added by the federal Patient Protection and Affordable Care Act (Public Law 111-148) and as amended by the federal Health Care and Education Reconciliation Act of 2010 (Public Law 111-152) and any subsequent amendments, as provided under 42 C.F.R. section 435.907(c).

(3) Notwithstanding any other provision of law, the department or its designee shall have the authority to electronically verify the information provided by the applicant in the electronic application and electronically determine eligibility for the Medi-Cal program if the applicant provides sufficient information in the electronic application for an eligibility determination to be completed without the entry of additional information.

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

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

(A) The form shall include simple, user-friendly language and instructions.

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

(C) The form may require only information necessary to support the eligibility and enrollment processes for state health subsidy programs.

(D) The form may be used for, but shall not be limited to, screening.

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

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

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

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

(f) (1) If the eligibility, enrollment, and retention system has the ability to prepopulate an application form for insurance affordability programs with personal information from available electronic databases, an applicant shall be given the option, with his or her informed consent, to have the application form prepopulated. Before a prepopulated renewal form or, if available, prepopulated application is submitted to the entity authorized to make eligibility determinations, the individual shall be given the opportunity to provide additional eligibility information and to correct any information retrieved from a database.
(2) All state health subsidy programs may accept self-attestation, instead of requiring an individual to produce a document, with respect to all information for age, date of birth, family size, household income, state residence, pregnancy, and other applicable criteria needed to determine the eligibility of an applicant or recipient, to the extent permitted by state and federal law.

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

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

(5) The eligibility of an applicant shall not be delayed beyond the timeliness standards as provided in 42 C.F.R. section 435.912 or denied for any state health subsidy program unless the applicant is given a reasonable opportunity, of at least the kind provided for under the Medi-Cal program pursuant to Section 14007.5 and paragraph (7) of subdivision (e) of Section 14011.2, to resolve discrepancies concerning any information provided by a verifying entity.

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

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

(h) (1) During the processing of an application, renewal, or a transition due to a change in circumstances, an entity making eligibility determinations for a state health subsidy program shall ensure that an eligible applicant and recipient of state health subsidy programs that meets all program eligibility requirements and complies with all necessary requests for information moves between programs without any breaks in coverage and without being required to provide any forms, documents, or other information or undergo verification that is duplicative or otherwise unnecessary. The individual shall be informed about how to obtain information about the status of his or her application, renewal, or transfer to another program at any time, and the information shall be promptly provided when requested.

(2) The application or case of an individual screened as not eligible for Medi-Cal on the basis of Modified Adjusted Gross Income (MAGI) household income but who may be eligible on the basis of being 65 years of age or older, or on the basis of blindness or disability, shall be forwarded to the Medi-Cal program for an eligibility determination. During the period this application or case is processed for a non-MAGI Medi-Cal eligibility determination, if the applicant or recipient is otherwise eligible for a state health subsidy program, he or she shall be determined eligible for that program.
(3) Renewal procedures shall include all available methods for reporting renewal information, including, but not limited to, face-to-face, telephone, and online renewal.

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

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

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

(2) The applicant shall be informed of the penalty for failure to 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 all 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.

SEC. 25. Section 15926.2 is added to the Welfare and Institutions Code, to read:

15926.2. In accordance with paragraph (2) of subdivision (f) of Section 15926 and Sections 435.945(a) and 435.956 of Title 42 of the Code of Federal Regulations, state health subsidy programs shall accept an individual's attestation, without further documentation from the individual, for age, date of birth, family size, household income, state residence, pregnancy, and any other applicable eligibility criteria for which attestation is permitted by federal law.

SEC. 26. 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.

Sec. XX. The Department of Health Care Services shall have the authority to take all necessary actions to be ready to implement the statutes amended or added by this legislation on January 1, 2014. This authority shall include but not be limited to, negotiating and entering into contracts, issuing all-county welfare directors letters and plan letters, entering into interagency agreements, preparing forms and notices, and submitting Medicaid State Plan Amendments and Waivers.