

AMENDED IN SENATE JUNE 13, 2013

AMENDED IN SENATE JUNE 12, 2013

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

ASSEMBLY BILL

No. 82

Introduced by Committee on Budget (Blumenfield (Chair), Bloom, Bonilla, Campos, Chesbro, Daly, Dickinson, Gordon, Jones-Sawyer, Mitchell, Mullin, Muratsuchi, Nazarian, Skinner, Stone, and Ting)

January 10, 2013

An act to amend Section 680 of the Business and Professions Code, to amend Sections 6254, 26605.6, 26605.7, and 26605.8 of the Government Code, to amend Sections 1180.6, 1250.2, 1254, 1254.1, 1266.1, 1275.1, 1275.5, 1324.9, 1373, 111792, 123870, 123929, 123940, and 123955 of, and to add Section 104151 to, the Health and Safety Code, to amend Sections 10125, 10127, 12693.70, 12698, 12737, and 12739.61 of the Insurance Code, and to amend Sections 359, 708, 4005.7, 4080, 5150, 5151, 5157, 5202, 5326.9, 5358, 5366.1, 5404, 5405, 5585.21, 5585.50, 5585.55, 5675, 5675.1, 5675.2, 5751.7, 5768, 5840, 5845, 5846, 5909, 6007, 6551, 7100, 14105.22, 14105.3, 14131.10, 14134, 14707.5, and 15911 of, to add Sections 14100.3, 14100.51, 14100.52, 14132.86, and 14132.89 to, to add Part 3.3 (commencing with Section 15800) to Division 9 of, to add and repeal Section 14005.281 of, and to repeal Section 14131.07 of, the Welfare and Institutions Code, relating to health, and making an appropriation therefor, to take effect immediately, bill related to the budget.

LEGISLATIVE COUNSEL'S DIGEST

AB 82, as amended, Committee on Budget. Health.

(1) Existing law authorizes a sheriff to release a prisoner from a county correctional facility for transfer to a medical care facility or residential care facility upon the advice of a physician, as specified, or if the sheriff determines that the prisoner would not reasonably pose a threat to public safety and the prisoner, upon diagnosis by the examining physician, is deemed to have a life expectancy of 6 months or less, provided the sheriff gives specified notice to the superior court. Existing law also authorizes the sheriff to request the court to grant medical probation or to resentence a prisoner to medical probation in lieu of jail time if the prisoner is physically incapacitated with a medical condition that renders the prisoner permanently unable to perform activities of basic daily living, which has resulted in the prisoner requiring 24-hour care, and if that incapacitation did not exist at the time of sentencing or if the prisoner would require acute long-term inpatient rehabilitation services. Existing law requires a county that chooses to implement these provisions to pay the nonfederal share of a prisoner's or probationer's Medi-Cal costs for the period that the individual would have otherwise been incarcerated or been on medical probation. Existing law requires a county board of supervisors to adopt a process to fund the nonfederal share of Medi-Cal costs, as specified, before implementing the above-referenced provisions and to notify the State Department of Health Care Services of the process.

This bill would revise the conditions under which a county may implement these release or medical probation provisions by requiring the county to notify the department when a released prisoner has applied for Medi-Cal or is returned to custody and to also pay the nonfederal share of certain nonreimbursable medical costs paid by the state, and state administrative costs, as specified. The bill would specify the Legislature's intent that implementation of these provisions would not result in increased costs to the General Fund and should not jeopardize federal financial participation for the Medi-Cal program.

(2) Existing law establishes the Long-Term Care Quality Assurance Fund in the State Treasury and requires, beginning August 1, 2013, all revenues received by the State Department of Health Care Services categorized by the department as long-term quality assurance fees, including specified fees on certain intermediate care facilities and skilled nursing facilities, as specified, to be deposited into the fund. Existing law requires the moneys in the fund to be available, upon appropriation by the Legislature, for expenditure by the department to provide supplemental Medi-Cal reimbursement for intermediate care facility

services, and to enhance federal financial participation in the Medi-Cal program or to provide additional reimbursement to, and to support facility quality improvement efforts in, licensed skilled nursing facilities.

This bill would authorize the Controller to use the funds in the Long-Term Quality Assurance Fund for cashflow loans to the General Fund, as specified.

(3) Existing law requires the State Department of Health Care Services to provide, no later than January 10 and May 14 of each year, the fiscal committees of the Legislature with an estimate package for the Every Woman Counts Program, as specified.

This bill would instead require that the reporting occur each year no later than January 10 and concurrently with the May Revision of the annual budget. The bill would additionally require that the estimate package include a breakout of costs for specified clinical service activities, policy changes, and fund information.

(4) Existing law, the Mental Health Services Act, an initiative measure enacted by the voters as Proposition 63 at the November 2, 2004, statewide general election, funds a system of county mental health plans for the provision of mental health services, as specified. Among other things, the act establishes the Mental Health Services Oversight and Accountability Commission to oversee the administration of various parts of the Mental Health Services Act, and requires that the commission administer its operations separate and apart from the State Department of Health Care Services. The act provides that the Legislature may clarify procedures and terms of the act by majority vote.

This bill would require that the commission administer its operations separate and apart from the California Health and Human Services Agency. The bill would also make technical changes.

(5) Existing law provides for the Medi-Cal program, which is administered by the State Department of Health Care Services, under which qualified low-income individuals receive health care services, including specialty mental health services and drug treatment services. The Medi-Cal program is, in part, governed and funded by federal Medicaid Program provisions.

This bill would require the department, by January 10 and concurrently with the May Revision of the annual budget, to provide to the fiscal committees of the Legislature specified fiscal information with respect to the Medi-Cal Specialty Mental Health Services Program and the

Drug Medi-Cal Program. The bill also would require the department to post this information on its Internet Web site.

(6) Existing federal law requires the State Department of Health Care Services to describe the Medi-Cal program in a state plan. Under existing state law, the Director of Health Care Services has those powers and duties necessary to conform to requirements for securing approval of the state plan. Existing federal law authorizes the Secretary of Health and Human Services to waive provisions of federal Medicaid law under specified circumstances, including, among others, when the secretary finds that the waiver would be cost effective and efficient. Existing state law requires the department to seek a variety of waivers of federal law, including, among others, to implement objectives that may include better care coordination for seniors, persons with disabilities, and children with special health care needs.

This bill would require the department to post on its Internet Web site all submitted state plan amendments and all federal waiver applications and requests for new waivers, waiver amendments, and waiver renewals and extensions, within 10 business days from the date the department submits these documents for approval to the federal Centers for Medicare and Medicaid Services (CMS). The bill would require the department to also post on its Internet Web site approval or denial letters, or, if applicable, withdrawal notifications, and accompanying documents for all submitted state plan amendments and federal waiver applications and requests within 10 business days from the date the department receives notification of final approval or denial from CMS, or, if applicable, within 10 business days from when the department notifies CMS of the withdrawal. The bill would require the department to post on its Internet Web site all pending submitted state plan amendments and federal waiver requests, as specified, that were submitted in 2009 and every year thereafter unless already posted pursuant to these provisions.

(7) Existing law states the intent of the Legislature that the State Department of Health Care Services develop Medi-Cal reimbursement rates for clinical laboratory or laboratory services in accordance with specified criteria. Existing law exempts from compliance with a specified regulation laboratory providers reimbursed pursuant to any payment reductions implemented pursuant to these provisions for 12 months following the date of implementation of this reduction.

This bill would extend the length of this exemption from 12 months to 21 months. The bill also would extend the date by which laboratory

providers are required to submit certain data reports, for the purposes of establishing reimbursement rates, by an additional 5 months. The bill would also make technical changes to those provisions.

(8) Existing law authorizes the State Department of Health Care Services to enter into contracts with providers licensed to dispense dangerous drugs or devices, as specified, to provide specialized care in the distribution of specialized drugs for Medi-Cal beneficiaries. Existing law requires the department, when implementing those provisions, to, among other things, consult current standards of practice when executing a provider contract, contract with a nonexclusive number of providers that meet the needs of the affected population, and generate an annual report, as prescribed. Under existing law, those provisions pertaining to specialized drugs become inoperative 3 years after the date of implementation or July 1, 2013, whichever is earlier.

This bill would delete the provision making those provisions inoperative and would delete the reporting requirement. This bill would also make technical changes to those provisions.

(9) Existing law limits the total number of Medi-Cal physician office and clinic visits to 7 visits per beneficiary per fiscal year, except as specified.

This bill would delete these provisions.

(10) Existing law requires Medi-Cal beneficiaries to make copayments for specified services and, upon federal approval, existing law revises the copayment rates and makes other related changes, as specified.

This bill would provide that these copayment requirements shall not apply to certain preventive services or any approved adult vaccines and their administration, as specified and that these services shall be provided without any cost sharing by the beneficiary.

(11) Existing law requires the State Department of Health Care Services, in collaboration with specified entities, to create a plan for a performance outcomes system for Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) mental health services provided to eligible Medi-Cal beneficiaries under 21 years of age.

This bill would require the department, by February 1, 2014, to convene a stakeholder advisory committee for purposes, among other things, of developing measures for screening and referring Medi-Cal beneficiaries to mental health services and supports, and to make recommendations regarding performance and outcome measures. The bill would require the department to incorporate into the performance

outcomes system these screenings and referrals, and to provide an updated performance outcomes system plan to the fiscal and appropriate policy committees of the Legislature by October 1, 2014. The bill would require the department to propose how to implement the updated performance systems outcome plan by January 10, 2015.

(12) Existing law requires the State Department of Health Care Services, to the extent federal participation is available pursuant to an approved state plan amendment, to extend Medi-Cal benefits to independent foster care adolescents, as defined.

This bill would require, until January 1, 2014, the department, using general fund moneys to the extent federal funds are not available, to maintain Medi-Cal eligibility for all former independent foster care adolescents who, on or after July 1, 2013, but no later than December 31, 2013, lose Medi-Cal coverage as a result of attaining 21 years of age.

(13) Existing law provides for a schedule of benefits under the Medi-Cal program, which includes all of the following: emergency and essential diagnostic and restorative dental services, subject to utilization controls, as specified, certain optional adult dental benefits, and enteral nutrition products subject to the Medi-Cal list of enteral nutrition products and utilization controls. Existing law, except as specified, requires that the purchase of enteral nutrition products be limited to those products administered through a feeding tube.

This bill would, on May 1, 2014, or the effective date of any necessary federal financial participation approvals, whichever is later, provide specified dental services be included as a covered medical benefit for persons 21 years of age or older, subject to utilization controls. The bill, effective May 1, 2014, would also provide that the purchase of prescribed enteral nutrition products is a covered benefit, subject to the Medi-Cal list of enteral nutrition products and utilization controls.

(14) Existing law requires the State Department of Health Care Services, subject to federal approval, to authorize a local Low Income Health Program (LIHP) to provide health care services to eligible low-income individuals under certain circumstances. Existing law requires the department, in consultation with participating entities, as defined, to determine actuarially sound per enrollee capitation rates for LIHPs, as specified, and to pay those rates to the participating entity. Existing law requires that, if the participating entity and the department reach an agreement regarding reimbursement rates, the rate be applied no earlier than the first day of the LIHP year in which the parties agree

to the rate. Existing law provides an exception to that provision with respect to the LIHP year ending June 30, 2012.

This bill would delete the above-described exception.

(15) Under existing law, the State Department of Social Services is responsible for the licensing of psychiatric health facilities, as defined, and mental health rehabilitation centers, as described, and the approval of certain 72-hour treatment and evaluation facilities. Existing law requires the State Department of Social Services to adopt regulations necessary to implement those provisions.

This bill would transfer, from the State Department of Social Services, those responsibilities related to licensing and approval of those facilities to the State Department of Health Care Services. The bill would authorize the State Department of Health Care Services to adopt regulations necessary to implement those responsibilities. The bill would make various related, technical, and conforming changes to reflect the transfer of those responsibilities.

(16) Existing law provides the Director of Health Care Services with the authority and responsibility to monitor and approve special treatment programs in skilled nursing facilities.

This bill would require the State Department of Health Care Services to conduct annual certification inspections of special treatment programs for the mentally disordered, as specified.

(17) Existing law requires the manufacturer of any cosmetic product subject to regulation by the federal Food and Drug Administration that is sold in this state to, on a schedule and in electronic or other format, determined as specified, provide a complete and accurate list of specified cosmetic products that, as of the date of submission, are sold in the state and that contain any ingredient that is a chemical identified as causing cancer or reproductive toxicity. Existing law includes, among those chemicals identified, any chemical contained in the product for purposes of fragrance or flavoring, and any chemical identified by the phrase “and other ingredients” and determined to be a trade secret, as specified.

This bill would require the State Department of Public Health, on or before December 31, 2013, to develop and make operational a consumer-friendly, public Internet Web site that creates a database of cosmetic product information collected pursuant to those provisions. The bill would require that the database be searchable to accommodate a wide range of users, including users with limited technical and scientific literacy. The bill would require the Internet Web site to include

hypertext links to other educational and informational Internet Web sites to enhance consumer understanding.

(18) Existing law establishes the Access for Infants and Mothers (AIM) Program, administered by the Managed Risk Medical Insurance Board. The board contracts with a variety of health plans and health care delivery systems to provide health insurance coverage to eligible persons who pay a subscriber contribution. An “AIM-linked infant” is defined as any infant born to a woman enrolled in AIM after June 30, 2004, and is eligible for health care coverage under the Healthy Families Program. Existing law establishes the Healthy Families Program administered by the board, and provides that eligible subscribers, except certain AIM-linked infants, be transitioned to the Medi-Cal program, no sooner than January 1, 2013.

This bill would terminate eligibility for coverage under the Healthy Families Program for AIM-linked infants, and the board would be required to cease providing health care coverage for those infants on October 1, 2013, or when the State Department of Health Care Services has implemented specified provisions, whichever occurs later. The bill would require the board to coordinate with the State Department of Health Care Services to implement the AIM-Linked Infants Program, which would be created by the bill, including transition of AIM-linked infants to the program. The bill would require the State Department of Health Care Services to administer the AIM-Linked Infants Program, as provided, to address the health care needs of children formerly covered under the Healthy Families Program. The bill would condition the implementation of these provisions on the receipt of federal approvals and the availability of federal financial participation. The bill would also make related and conforming changes.

This bill would also revise the eligibility criteria for the AIM Program by requiring that income be determined, counted, and valued as required under a specified provision of federal law.

(19) Existing law establishes the California Major Risk Medical Insurance Program, which is administered by the Managed Risk Medical Insurance Board, to provide major risk medical coverage to persons who, among other things, have been rejected for coverage by at least one private health plan. Existing law requires the board to establish program contribution amounts for each category of risk for each participating health plan and requires that these amounts be based on the average amount of subsidy funds required for the program as a whole, to be determined in a specified manner. Existing law, for the

period commencing January 1, 2013, to December 31, 2013, inclusive, additionally authorizes the program to further subsidize subscriber contributions based on a specified percentage of the standard average individual risk rate for comparable coverage, as specified. Existing law requires the program to pay program contribution amounts to participating health plans from the Major Risk Medical Insurance Fund, a continuously appropriated fund.

This bill would delete the termination date for further subsidization of subscriber contributions. By extending the duration of these subsidies made from a continuously appropriated fund, the bill would make an appropriation.

(20) Existing law requires the Managed Risk Medical Insurance Board to manage a temporary high risk pool to provide health coverage, until January 1, 2014, to specified individuals who have preexisting conditions, consistent with the federal Patient Protection and Affordable Care Act.

This bill would change the termination date to July 1, 2013, except as required by the contract between the board and the United States Department of Health and Human Services, and would no longer require the board to conduct transition activities, as prescribed.

(21) Existing law establishes the California Health Benefit Exchange (Exchange) within state government, specifies the powers and duties of the executive board governing the Exchange, and requires the board to facilitate the purchase of qualified health plans through the Exchange by qualified individuals and small employers by January 1, 2014. Existing law requires the board to undertake outreach and enrollment activities that seek to assist enrollees and potential enrollees with enrolling in the Exchange, and requires the board to inform individuals of eligibility requirements for the Medi-Cal program, the Healthy Families Program, or any applicable state or local public program and, if, through screening of the application by the Exchange, the Exchange determines that an individual is eligible for of those programs, to enroll that individual in the program.

This bill would require the State Department of Health Care Services to accept contributions by private foundations in the amount of at least \$14,000,000 for purposes of making payments to entities and persons for Medi-Cal in-person enrollment assistance, as specified, and in the amount of at least \$12,500,000 to provide allocations for the management and funding of Medi-Cal outreach and enrollment plans, as specified. The bill would require the State Department of Health

Care Services to immediately seek an equal amount of federal matching funds. The bill would also provide for the payment of those enrollment assistance payments, as specified.

(22) Existing law requires the State Department of Health Care Services to seek a demonstration project or federal waiver of Medicaid law to implement specified objectives, which may include better care coordination for seniors, persons with disabilities, and children with special health care needs.

This bill would require the department, commencing no later than August 1, 2013, to convene a series of stakeholder meetings to receive input from clients, family members, providers, counties, and representatives of the Legislature concerning the development of the Behavioral Health Services Plan as required by the Special Terms and Conditions of California's Bridge to Reform Section 1115(a) Medicaid Demonstration.

(23) Existing law provides specified health care coverage to individuals under the AIDS Drug Assistance Program (ADAP) and under federal Ryan White Act funded programs, which are administered by the State Department of Public Health.

This bill would require the State Department of Public Health to report to the Joint Legislative Budget Committee by October 1, 2013, on whether any of the projections or assumptions used to develop the ADAP estimated budget in the Budget Act of 2013 may result in an inability of ADAP to provide services to ADAP eligible clients. If the State Department of Public Health determines, before October 1, 2013, that ADAP is unable to provide services to ADAP eligible clients, the bill would require the department to notify the committee with 15 calendar days of making that determination.

(24) Existing law establishes the Infant Botulism Treatment and Prevention Program and requires the State Department of Public Health to administer this program.

This bill would require the State Department of Public Health, by October 1, 2013, to submit to the fiscal and appropriate policy committees of the Legislature a report describing how it plans to address the findings and recommendations described in a report relating to this program.

(25) This bill would reappropriate the balance of specified funds appropriated in the Budget Act of 2012 to the Department of Managed Health Care until June 30, 2014, to be used as specified, thereby making an appropriation.

(26) This bill would declare that it is to take effect immediately as a bill providing for appropriations related to the Budget Bill.

Vote: majority. Appropriation: yes. Fiscal committee: yes.
State-mandated local program: no.

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

1 SECTION 1. Section 680 of the Business and Professions Code
2 is amended to read:

3 680. (a) Except as otherwise provided in this section, a health
4 care practitioner shall disclose, while working, his or her name
5 and practitioner’s license status, as granted by this state, on a name
6 tag in at least 18-point type. A health care practitioner in a practice
7 or an office, whose license is prominently displayed, may opt to
8 not wear a name tag. If a health care practitioner or a licensed
9 clinical social worker is working in a psychiatric setting or in a
10 setting that is not licensed by the state, the employing entity or
11 agency shall have the discretion to make an exception from the
12 name tag requirement for individual safety or therapeutic concerns.
13 In the interest of public safety and consumer awareness, it shall
14 be unlawful for any person to use the title “nurse” in reference to
15 himself or herself and in any capacity, except for an individual
16 who is a registered nurse or a licensed vocational nurse, or as
17 otherwise provided in Section 2800. Nothing in this section shall
18 prohibit a certified nurse assistant from using his or her title.

19 (b) Facilities licensed by the State Department of Social
20 Services, the State Department of Public Health, or the State
21 Department of Health Care Services shall develop and implement
22 policies to ensure that health care practitioners providing care in
23 those facilities are in compliance with subdivision (a). The State
24 Department of Social Services, the State Department of Public
25 Health, and the State Department of Health Care Services shall
26 verify through periodic inspections that the policies required
27 pursuant to subdivision (a) have been developed and implemented
28 by the respective licensed facilities.

29 (c) For purposes of this article, “health care practitioner” means
30 any person who engages in acts that are the subject of licensure
31 or regulation under this division or under any initiative act referred
32 to in this division.

1 SEC. 2. Section 6254 of the Government Code is amended to
2 read:

3 6254. Except as provided in Sections 6254.7 and 6254.13,
4 nothing in this chapter shall be construed to require disclosure of
5 records that are any of the following:

6 (a) Preliminary drafts, notes, or interagency or intra-agency
7 memoranda that are not retained by the public agency in the
8 ordinary course of business, if the public interest in withholding
9 those records clearly outweighs the public interest in disclosure.

10 (b) Records pertaining to pending litigation to which the public
11 agency is a party, or to claims made pursuant to Division 3.6
12 (commencing with Section 810), until the pending litigation or
13 claim has been finally adjudicated or otherwise settled.

14 (c) Personnel, medical, or similar files, the disclosure of which
15 would constitute an unwarranted invasion of personal privacy.

16 (d) Contained in or related to any of the following:

17 (1) Applications filed with any state agency responsible for the
18 regulation or supervision of the issuance of securities or of financial
19 institutions, including, but not limited to, banks, savings and loan
20 associations, industrial loan companies, credit unions, and
21 insurance companies.

22 (2) Examination, operating, or condition reports prepared by,
23 on behalf of, or for the use of, any state agency referred to in
24 paragraph (1).

25 (3) Preliminary drafts, notes, or interagency or intra-agency
26 communications prepared by, on behalf of, or for the use of, any
27 state agency referred to in paragraph (1).

28 (4) Information received in confidence by any state agency
29 referred to in paragraph (1).

30 (e) Geological and geophysical data, plant production data, and
31 similar information relating to utility systems development, or
32 market or crop reports, that are obtained in confidence from any
33 person.

34 (f) Records of complaints to, or investigations conducted by,
35 or records of intelligence information or security procedures of,
36 the office of the Attorney General and the Department of Justice,
37 the California Emergency Management Agency, and any state or
38 local police agency, or any investigatory or security files compiled
39 by any other state or local police agency, or any investigatory or
40 security files compiled by any other state or local agency for

1 correctional, law enforcement, or licensing purposes. However,
2 state and local law enforcement agencies shall disclose the names
3 and addresses of persons involved in, or witnesses other than
4 confidential informants to, the incident, the description of any
5 property involved, the date, time, and location of the incident, all
6 diagrams, statements of the parties involved in the incident, the
7 statements of all witnesses, other than confidential informants, to
8 the victims of an incident, or an authorized representative thereof,
9 an insurance carrier against which a claim has been or might be
10 made, and any person suffering bodily injury or property damage
11 or loss, as the result of the incident caused by arson, burglary, fire,
12 explosion, larceny, robbery, carjacking, vandalism, vehicle theft,
13 or a crime as defined by subdivision (b) of Section 13951, unless
14 the disclosure would endanger the safety of a witness or other
15 person involved in the investigation, or unless disclosure would
16 endanger the successful completion of the investigation or a related
17 investigation. However, nothing in this division shall require the
18 disclosure of that portion of those investigative files that reflects
19 the analysis or conclusions of the investigating officer.

20 Customer lists provided to a state or local police agency by an
21 alarm or security company at the request of the agency shall be
22 construed to be records subject to this subdivision.

23 Notwithstanding any other provision of this subdivision, state
24 and local law enforcement agencies shall make public the following
25 information, except to the extent that disclosure of a particular
26 item of information would endanger the safety of a person involved
27 in an investigation or would endanger the successful completion
28 of the investigation or a related investigation:

29 (1) The full name and occupation of every individual arrested
30 by the agency, the individual's physical description including date
31 of birth, color of eyes and hair, sex, height and weight, the time
32 and date of arrest, the time and date of booking, the location of
33 the arrest, the factual circumstances surrounding the arrest, the
34 amount of bail set, the time and manner of release or the location
35 where the individual is currently being held, and all charges the
36 individual is being held upon, including any outstanding warrants
37 from other jurisdictions and parole or probation holds.

38 (2) Subject to the restrictions imposed by Section 841.5 of the
39 Penal Code, the time, substance, and location of all complaints or
40 requests for assistance received by the agency and the time and

1 nature of the response thereto, including, to the extent the
2 information regarding crimes alleged or committed or any other
3 incident investigated is recorded, the time, date, and location of
4 occurrence, the time and date of the report, the name and age of
5 the victim, the factual circumstances surrounding the crime or
6 incident, and a general description of any injuries, property, or
7 weapons involved. The name of a victim of any crime defined by
8 Section 220, 236.1, 261, 261.5, 262, 264, 264.1, 265, 266, 266a,
9 266b, 266c, 266e, 266f, 266j, 267, 269, 273a, 273d, 273.5, 285,
10 286, 288, 288a, 288.2, 288.3 (as added by Chapter 337 of the
11 Statutes of 2006), 288.3 (as added by Section 6 of Proposition 83
12 of the November 7, 2006, statewide general election), 288.5, 288.7,
13 289, 422.6, 422.7, 422.75, 646.9, or 647.6 of the Penal Code may
14 be withheld at the victim's request, or at the request of the victim's
15 parent or guardian if the victim is a minor. When a person is the
16 victim of more than one crime, information disclosing that the
17 person is a victim of a crime defined in any of the sections of the
18 Penal Code set forth in this subdivision may be deleted at the
19 request of the victim, or the victim's parent or guardian if the
20 victim is a minor, in making the report of the crime, or of any
21 crime or incident accompanying the crime, available to the public
22 in compliance with the requirements of this paragraph.

23 (3) Subject to the restrictions of Section 841.5 of the Penal Code
24 and this subdivision, the current address of every individual
25 arrested by the agency and the current address of the victim of a
26 crime, where the requester declares under penalty of perjury that
27 the request is made for a scholarly, journalistic, political, or
28 governmental purpose, or that the request is made for investigation
29 purposes by a licensed private investigator as described in Chapter
30 11.3 (commencing with Section 7512) of Division 3 of the Business
31 and Professions Code. However, the address of the victim of any
32 crime defined by Section 220, 236.1, 261, 261.5, 262, 264, 264.1,
33 265, 266, 266a, 266b, 266c, 266e, 266f, 266j, 267, 269, 273a,
34 273d, 273.5, 285, 286, 288, 288a, 288.2, 288.3 (as added by
35 Chapter 337 of the Statutes of 2006), 288.3 (as added by Section
36 6 of Proposition 83 of the November 7, 2006, statewide general
37 election), 288.5, 288.7, 289, 422.6, 422.7, 422.75, 646.9, or 647.6
38 of the Penal Code shall remain confidential. Address information
39 obtained pursuant to this paragraph may not be used directly or
40 indirectly, or furnished to another, to sell a product or service to

1 any individual or group of individuals, and the requester shall
2 execute a declaration to that effect under penalty of perjury.
3 Nothing in this paragraph shall be construed to prohibit or limit a
4 scholarly, journalistic, political, or government use of address
5 information obtained pursuant to this paragraph.

6 (g) Test questions, scoring keys, and other examination data
7 used to administer a licensing examination, examination for
8 employment, or academic examination, except as provided for in
9 Chapter 3 (commencing with Section 99150) of Part 65 of Division
10 14 of Title 3 of the Education Code.

11 (h) The contents of real estate appraisals or engineering or
12 feasibility estimates and evaluations made for or by the state or
13 local agency relative to the acquisition of property, or to
14 prospective public supply and construction contracts, until all of
15 the property has been acquired or all of the contract agreement
16 obtained. However, the law of eminent domain shall not be affected
17 by this provision.

18 (i) Information required from any taxpayer in connection with
19 the collection of local taxes that is received in confidence and the
20 disclosure of the information to other persons would result in unfair
21 competitive disadvantage to the person supplying the information.

22 (j) Library circulation records kept for the purpose of identifying
23 the borrower of items available in libraries, and library and museum
24 materials made or acquired and presented solely for reference or
25 exhibition purposes. The exemption in this subdivision shall not
26 apply to records of fines imposed on the borrowers.

27 (k) Records, the disclosure of which is exempted or prohibited
28 pursuant to federal or state law, including, but not limited to,
29 provisions of the Evidence Code relating to privilege.

30 (l) Correspondence of and to the Governor or employees of the
31 Governor's office or in the custody of or maintained by the
32 Governor's Legal Affairs Secretary. However, public records shall
33 not be transferred to the custody of the Governor's Legal Affairs
34 Secretary to evade the disclosure provisions of this chapter.

35 (m) In the custody of or maintained by the Legislative Counsel,
36 except those records in the public database maintained by the
37 Legislative Counsel that are described in Section 10248.

38 (n) Statements of personal worth or personal financial data
39 required by a licensing agency and filed by an applicant with the

1 licensing agency to establish his or her personal qualification for
2 the license, certificate, or permit applied for.

3 (o) Financial data contained in applications for financing under
4 Division 27 (commencing with Section 44500) of the Health and
5 Safety Code, where an authorized officer of the California Pollution
6 Control Financing Authority determines that disclosure of the
7 financial data would be competitively injurious to the applicant
8 and the data is required in order to obtain guarantees from the
9 United States Small Business Administration. The California
10 Pollution Control Financing Authority shall adopt rules for review
11 of individual requests for confidentiality under this section and for
12 making available to the public those portions of an application that
13 are subject to disclosure under this chapter.

14 (p) Records of state agencies related to activities governed by
15 Chapter 10.3 (commencing with Section 3512), Chapter 10.5
16 (commencing with Section 3525), and Chapter 12 (commencing
17 with Section 3560) of Division 4, that reveal a state agency's
18 deliberative processes, impressions, evaluations, opinions,
19 recommendations, meeting minutes, research, work products,
20 theories, or strategy, or that provide instruction, advice, or training
21 to employees who do not have full collective bargaining and
22 representation rights under these chapters. Nothing in this
23 subdivision shall be construed to limit the disclosure duties of a
24 state agency with respect to any other records relating to the
25 activities governed by the employee relations acts referred to in
26 this subdivision.

27 (q) (1) Records of state agencies related to activities governed
28 by Article 2.6 (commencing with Section 14081), Article 2.8
29 (commencing with Section 14087.5), and Article 2.91
30 (commencing with Section 14089) of Chapter 7 of Part 3 of
31 Division 9 of the Welfare and Institutions Code, that reveal the
32 special negotiator's deliberative processes, discussions,
33 communications, or any other portion of the negotiations with
34 providers of health care services, impressions, opinions,
35 recommendations, meeting minutes, research, work product,
36 theories, or strategy, or that provide instruction, advice, or training
37 to employees.

38 (2) Except for the portion of a contract containing the rates of
39 payment, contracts for inpatient services entered into pursuant to
40 these articles, on or after April 1, 1984, shall be open to inspection

1 one year after they are fully executed. If a contract for inpatient
2 services that is entered into prior to April 1, 1984, is amended on
3 or after April 1, 1984, the amendment, except for any portion
4 containing the rates of payment, shall be open to inspection one
5 year after it is fully executed. If the California Medical Assistance
6 Commission enters into contracts with health care providers for
7 other than inpatient hospital services, those contracts shall be open
8 to inspection one year after they are fully executed.

9 (3) Three years after a contract or amendment is open to
10 inspection under this subdivision, the portion of the contract or
11 amendment containing the rates of payment shall be open to
12 inspection.

13 (4) Notwithstanding any other provision of law, the entire
14 contract or amendment shall be open to inspection by the Joint
15 Legislative Audit Committee and the Legislative Analyst's Office.
16 The committee and that office shall maintain the confidentiality
17 of the contracts and amendments until the time a contract or
18 amendment is fully open to inspection by the public.

19 (r) Records of Native American graves, cemeteries, and sacred
20 places and records of Native American places, features, and objects
21 described in Sections 5097.9 and 5097.993 of the Public Resources
22 Code maintained by, or in the possession of, the Native American
23 Heritage Commission, another state agency, or a local agency.

24 (s) A final accreditation report of the Joint Commission on
25 Accreditation of Hospitals that has been transmitted to the State
26 Department of Health Care Services pursuant to subdivision (b)
27 of Section 1282 of the Health and Safety Code.

28 (t) Records of a local hospital district, formed pursuant to
29 Division 23 (commencing with Section 32000) of the Health and
30 Safety Code, or the records of a municipal hospital, formed
31 pursuant to Article 7 (commencing with Section 37600) or Article
32 8 (commencing with Section 37650) of Chapter 5 of Part 2 of
33 Division 3 of Title 4 of this code, that relate to any contract with
34 an insurer or nonprofit hospital service plan for inpatient or
35 outpatient services for alternative rates pursuant to Section 10133
36 of the Insurance Code. However, the record shall be open to
37 inspection within one year after the contract is fully executed.

38 (u) (1) Information contained in applications for licenses to
39 carry firearms issued pursuant to Section 26150, 26155, 26170,
40 or 26215 of the Penal Code by the sheriff of a county or the chief

1 or other head of a municipal police department that indicates when
2 or where the applicant is vulnerable to attack or that concerns the
3 applicant's medical or psychological history or that of members
4 of his or her family.

5 (2) The home address and telephone number of prosecutors,
6 public defenders, peace officers, judges, court commissioners, and
7 magistrates that are set forth in applications for licenses to carry
8 firearms issued pursuant to Section 26150, 26155, 26170, or 26215
9 of the Penal Code by the sheriff of a county or the chief or other
10 head of a municipal police department.

11 (3) The home address and telephone number of prosecutors,
12 public defenders, peace officers, judges, court commissioners, and
13 magistrates that are set forth in licenses to carry firearms issued
14 pursuant to Section 26150, 26155, 26170, or 26215 of the Penal
15 Code by the sheriff of a county or the chief or other head of a
16 municipal police department.

17 (v) (1) Records of the Managed Risk Medical Insurance Board
18 and the State Department of Health Care Services related to
19 activities governed by Part 6.3 (commencing with Section 12695),
20 Part 6.5 (commencing with Section 12700), Part 6.6 (commencing
21 with Section 12739.5), and Part 6.7 (commencing with Section
22 12739.70) of Division 2 of the Insurance Code, and Chapter 2
23 (commencing with Section 15850) of Part 3.3 of Division 9 of the
24 Welfare and Institutions Code, and that reveal any of the following:

25 (A) The deliberative processes, discussions, communications,
26 or any other portion of the negotiations with entities contracting
27 or seeking to contract with the board or the department, entities
28 with which the board or the department is considering a contract,
29 or entities with which the board is considering or enters into any
30 other arrangement under which the board or the department
31 provides, receives, or arranges services or reimbursement.

32 (B) The impressions, opinions, recommendations, meeting
33 minutes, research, work product, theories, or strategy of the board
34 or its staff or the department or its staff, or records that provide
35 instructions, advice, or training to their employees.

36 (2) (A) Except for the portion of a contract that contains the
37 rates of payment, contracts entered into pursuant to Part 6.3
38 (commencing with Section 12695), Part 6.5 (commencing with
39 Section 12700), Part 6.6 (commencing with Section 12739.5), or
40 Part 6.7 (commencing with Section 12739.70) of Division 2 of the

1 Insurance Code, or Chapter 2.2 (commencing with Section 15850)
2 of Part 3.3 of Division 9 of the Welfare and Institutions Code, on
3 or after July 1, 1991, shall be open to inspection one year after
4 their effective dates.

5 (B) If a contract that is entered into prior to July 1, 1991, is
6 amended on or after July 1, 1991, the amendment, except for any
7 portion containing the rates of payment, shall be open to inspection
8 one year after the effective date of the amendment.

9 (3) Three years after a contract or amendment is open to
10 inspection pursuant to this subdivision, the portion of the contract
11 or amendment containing the rates of payment shall be open to
12 inspection.

13 (4) Notwithstanding any other law, the entire contract or
14 amendments to a contract shall be open to inspection by the Joint
15 Legislative Audit Committee. The committee shall maintain the
16 confidentiality of the contracts and amendments thereto, until the
17 contracts or amendments to the contracts are open to inspection
18 pursuant to paragraph (3).

19 (w) (1) Records of the Managed Risk Medical Insurance Board
20 related to activities governed by Chapter 8 (commencing with
21 Section 10700) of Part 2 of Division 2 of the Insurance Code, and
22 that reveal the deliberative processes, discussions, communications,
23 or any other portion of the negotiations with health plans, or the
24 impressions, opinions, recommendations, meeting minutes,
25 research, work product, theories, or strategy of the board or its
26 staff, or records that provide instructions, advice, or training to
27 employees.

28 (2) Except for the portion of a contract that contains the rates
29 of payment, contracts for health coverage entered into pursuant to
30 Chapter 8 (commencing with Section 10700) of Part 2 of Division
31 2 of the Insurance Code, on or after January 1, 1993, shall be open
32 to inspection one year after they have been fully executed.

33 (3) Notwithstanding any other law, the entire contract or
34 amendments to a contract shall be open to inspection by the Joint
35 Legislative Audit Committee. The committee shall maintain the
36 confidentiality of the contracts and amendments thereto, until the
37 contracts or amendments to the contracts are open to inspection
38 pursuant to paragraph (2).

39 (x) Financial data contained in applications for registration, or
40 registration renewal, as a service contractor filed with the Director

1 of Consumer Affairs pursuant to Chapter 20 (commencing with
2 Section 9800) of Division 3 of the Business and Professions Code,
3 for the purpose of establishing the service contractor's net worth,
4 or financial data regarding the funded accounts held in escrow for
5 service contracts held in force in this state by a service contractor.

6 (y) (1) Records of the Managed Risk Medical Insurance Board
7 related to activities governed by Part 6.2 (commencing with Section
8 12693) or Part 6.4 (commencing with Section 12699.50) of
9 Division 2 of the Insurance Code, and that reveal any of the
10 following:

11 (A) The deliberative processes, discussions, communications,
12 or any other portion of the negotiations with entities contracting
13 or seeking to contract with the board, entities with which the board
14 is considering a contract, or entities with which the board is
15 considering or enters into any other arrangement under which the
16 board provides, receives, or arranges services or reimbursement.

17 (B) The impressions, opinions, recommendations, meeting
18 minutes, research, work product, theories, or strategy of the board
19 or its staff, or records that provide instructions, advice, or training
20 to employees.

21 (2) (A) Except for the portion of a contract that contains the
22 rates of payment, contracts entered into pursuant to Part 6.2
23 (commencing with Section 12693) or Part 6.4 (commencing with
24 Section 12699.50) of Division 2 of the Insurance Code, on or after
25 January 1, 1998, shall be open to inspection one year after their
26 effective dates.

27 (B) If a contract entered into pursuant to Part 6.2 (commencing
28 with Section 12693) or Part 6.4 (commencing with Section
29 12699.50) of Division 2 of the Insurance Code is amended, the
30 amendment shall be open to inspection one year after the effective
31 date of the amendment.

32 (3) Three years after a contract or amendment is open to
33 inspection pursuant to this subdivision, the portion of the contract
34 or amendment containing the rates of payment shall be open to
35 inspection.

36 (4) Notwithstanding any other law, the entire contract or
37 amendments to a contract shall be open to inspection by the Joint
38 Legislative Audit Committee. The committee shall maintain the
39 confidentiality of the contracts and amendments thereto until the

1 contract or amendments to a contract are open to inspection
2 pursuant to paragraph (2) or (3).

3 (5) The exemption from disclosure provided pursuant to this
4 subdivision for the contracts, deliberative processes, discussions,
5 communications, negotiations, impressions, opinions,
6 recommendations, meeting minutes, research, work product,
7 theories, or strategy of the board or its staff shall also apply to the
8 contracts, deliberative processes, discussions, communications,
9 negotiations, impressions, opinions, recommendations, meeting
10 minutes, research, work product, theories, or strategy of applicants
11 pursuant to Part 6.4 (commencing with Section 12699.50) of
12 Division 2 of the Insurance Code.

13 (z) Records obtained pursuant to paragraph (2) of subdivision
14 (f) of Section 2891.1 of the Public Utilities Code.

15 (aa) A document prepared by or for a state or local agency that
16 assesses its vulnerability to terrorist attack or other criminal acts
17 intended to disrupt the public agency's operations and that is for
18 distribution or consideration in a closed session.

19 (ab) Critical infrastructure information, as defined in Section
20 131(3) of Title 6 of the United States Code, that is voluntarily
21 submitted to the California Emergency Management Agency for
22 use by that office, including the identity of the person who or entity
23 that voluntarily submitted the information. As used in this
24 subdivision, "voluntarily submitted" means submitted in the
25 absence of the office exercising any legal authority to compel
26 access to or submission of critical infrastructure information. This
27 subdivision shall not affect the status of information in the
28 possession of any other state or local governmental agency.

29 (ac) All information provided to the Secretary of State by a
30 person for the purpose of registration in the Advance Health Care
31 Directive Registry, except that those records shall be released at
32 the request of a health care provider, a public guardian, or the
33 registrant's legal representative.

34 (ad) The following records of the State Compensation Insurance
35 Fund:

36 (1) Records related to claims pursuant to Chapter 1
37 (commencing with Section 3200) of Division 4 of the Labor Code,
38 to the extent that confidential medical information or other
39 individually identifiable information would be disclosed.

1 (2) Records related to the discussions, communications, or any
2 other portion of the negotiations with entities contracting or seeking
3 to contract with the fund, and any related deliberations.

4 (3) Records related to the impressions, opinions,
5 recommendations, meeting minutes of meetings or sessions that
6 are lawfully closed to the public, research, work product, theories,
7 or strategy of the fund or its staff, on the development of rates,
8 contracting strategy, underwriting, or competitive strategy pursuant
9 to the powers granted to the fund in Chapter 4 (commencing with
10 Section 11770) of Part 3 of Division 2 of the Insurance Code.

11 (4) Records obtained to provide workers' compensation
12 insurance under Chapter 4 (commencing with Section 11770) of
13 Part 3 of Division 2 of the Insurance Code, including, but not
14 limited to, any medical claims information, policyholder
15 information provided that nothing in this paragraph shall be
16 interpreted to prevent an insurance agent or broker from obtaining
17 proprietary information or other information authorized by law to
18 be obtained by the agent or broker, and information on rates,
19 pricing, and claims handling received from brokers.

20 (5) (A) Records that are trade secrets pursuant to Section
21 6276.44, or Article 11 (commencing with Section 1060) of Chapter
22 4 of Division 8 of the Evidence Code, including without limitation,
23 instructions, advice, or training provided by the State Compensation
24 Insurance Fund to its board members, officers, and employees
25 regarding the fund's special investigation unit, internal audit unit,
26 and informational security, marketing, rating, pricing, underwriting,
27 claims handling, audits, and collections.

28 (B) Notwithstanding subparagraph (A), the portions of records
29 containing trade secrets shall be available for review by the Joint
30 Legislative Audit Committee, the Bureau of State Audits, Division
31 of Workers' Compensation, and the Department of Insurance to
32 ensure compliance with applicable law.

33 (6) (A) Internal audits containing proprietary information and
34 the following records that are related to an internal audit:

35 (i) Personal papers and correspondence of any person providing
36 assistance to the fund when that person has requested in writing
37 that his or her papers and correspondence be kept private and
38 confidential. Those papers and correspondence shall become public
39 records if the written request is withdrawn, or upon order of the
40 fund.

1 (ii) Papers, correspondence, memoranda, or any substantive
2 information pertaining to any audit not completed or an internal
3 audit that contains proprietary information.

4 (B) Notwithstanding subparagraph (A), the portions of records
5 containing proprietary information, or any information specified
6 in subparagraph (A) shall be available for review by the Joint
7 Legislative Audit Committee, the Bureau of State Audits, Division
8 of Workers' Compensation, and the Department of Insurance to
9 ensure compliance with applicable law.

10 (7) (A) Except as provided in subparagraph (C), contracts
11 entered into pursuant to Chapter 4 (commencing with Section
12 11770) of Part 3 of Division 2 of the Insurance Code shall be open
13 to inspection one year after the contract has been fully executed.

14 (B) If a contract entered into pursuant to Chapter 4 (commencing
15 with Section 11770) of Part 3 of Division 2 of the Insurance Code
16 is amended, the amendment shall be open to inspection one year
17 after the amendment has been fully executed.

18 (C) Three years after a contract or amendment is open to
19 inspection pursuant to this subdivision, the portion of the contract
20 or amendment containing the rates of payment shall be open to
21 inspection.

22 (D) Notwithstanding any other law, the entire contract or
23 amendments to a contract shall be open to inspection by the Joint
24 Legislative Audit Committee. The committee shall maintain the
25 confidentiality of the contracts and amendments thereto until the
26 contract or amendments to a contract are open to inspection
27 pursuant to this paragraph.

28 (E) This paragraph is not intended to apply to documents related
29 to contracts with public entities that are not otherwise expressly
30 confidential as to that public entity.

31 (F) For purposes of this paragraph, "fully executed" means the
32 point in time when all of the necessary parties to the contract have
33 signed the contract.

34 This section shall not prevent any agency from opening its
35 records concerning the administration of the agency to public
36 inspection, unless disclosure is otherwise prohibited by law.

37 This section shall not prevent any health facility from disclosing
38 to a certified bargaining agent relevant financing information
39 pursuant to Section 8 of the National Labor Relations Act (29
40 U.S.C. Sec. 158).

1 SEC. 3. Section 26605.6 of the Government Code is amended
2 to read:

3 26605.6. (a) The sheriff, or his or her designee, has the
4 authority, after conferring with a physician who has oversight for
5 providing medical care at a county jail, or that physician's designee,
6 to release from a county correctional facility, a prisoner sentenced
7 to a county jail if the sheriff determines that the prisoner would
8 not reasonably pose a threat to public safety and the prisoner, upon
9 diagnosis by the examining physician, is deemed to have a life
10 expectancy of six months or less.

11 (b) Before the release of any prisoner pursuant to this section,
12 the sheriff shall notify the presiding judge of the superior court of
13 his or her intention to release the prisoner. This notification shall
14 include:

15 (1) The prisoner's name.

16 (2) The offense or offenses for which the prisoner was
17 incarcerated, if applicable, and the pending charges, if applicable.

18 (3) The date of sentence, if applicable.

19 (4) The physician's diagnosis of the prisoner's condition.

20 (5) The physician's prognosis for the prisoner's recovery.

21 (6) The prisoner's address after release.

22 (c) (1) This section shall be implemented only to the extent that
23 a county that releases a prisoner pursuant to this section does both
24 of the following:

25 (A) Sends a letter to the State Department of Health Care
26 Services agreeing to do both of the following:

27 (i) Notify the State Department of Health Care Services, in
28 writing, when a prisoner released pursuant to this section has
29 applied for Medi-Cal.

30 (ii) Notify the State Department of Health Care Services, in
31 writing, if a prisoner released pursuant to this section, who is
32 Medi-Cal eligible, is returned to the custody of the sheriff.

33 (B) For the period of time that the offender would otherwise
34 have been incarcerated:

35 (i) Reimburses the State Department of Health Care Services
36 for the nonfederal share of the Medi-Cal costs and any medical
37 costs paid by the State Department of Health Care Services that
38 are not reimbursable pursuant to Title XIX or XXI of the federal
39 Social Security Act, for an offender released pursuant to this
40 section.

1 (ii) Provides to the State Department of Health Care Services
2 the nonfederal share of the state's administrative costs associated
3 with this section.

4 (2) It is the intent of the Legislature that the implementation of
5 this section shall not result in increased costs to the General Fund.

6 (3) Participation in the program under this section is voluntary
7 for purposes of all applicable federal law. This section shall be
8 implemented only to the extent that federal financial participation
9 for the Medi-Cal program is not jeopardized.

10 (d) Before a prisoner's compassionate release from a county
11 jail pursuant to this section, the sheriff, or his or her designee, shall
12 secure a placement option for the prisoner in the community and,
13 in consultation with the county welfare department or another
14 applicable county agency, examine the prisoner's eligibility for
15 federal Medicaid benefits or other medical coverage that might
16 assist in funding the prisoner's medical treatment while in the
17 community.

18 (e) (1) For any prisoner released pursuant to this section who
19 is eligible for Medi-Cal, the county shall continue to pay the
20 nonfederal share of the prisoner's Medi-Cal costs for the period
21 of time that the offender would have otherwise been incarcerated.

22 (2) For any prisoner granted compassionate release pursuant to
23 this section who is ineligible for Medi-Cal, the county shall
24 consider whether the prisoner has private medical insurance or
25 sufficient income or assets to provide for his or her own medical
26 care. If the county determines that the prisoner can provide for his
27 or her own medical care, the county shall not be required to provide
28 the prisoner with medical care.

29 (f) This section shall not be construed as authorizing the sheriff
30 to refuse to receive and incarcerate a defendant or sentenced
31 individual who is not in need of immediate medical care or who
32 has a terminal medical condition.

33 (g) Notwithstanding any other law, the State Department of
34 Health Care Services may exempt individuals released pursuant
35 to this section from mandatory enrollment in managed health care,
36 including county-organized health plans and, as deemed necessary
37 by the State Department of Health Care Services, may determine
38 the proper prior authorization process for individuals who have
39 been released pursuant to this section.

1 (h) Notwithstanding Chapter 3.5 (commencing with Section
2 11340) of Part 1 of Division 3 of Title 2, the State Department of
3 Health Care Services, without taking any further regulatory action,
4 shall implement, interpret, and make specific this section by means
5 of provider bulletins, all-county letters, manuals, or similar
6 instructions until the time that regulations are adopted. Thereafter,
7 the department shall adopt regulations in accordance with Chapter
8 3.5 (commencing with Section 11340) of Part 1 of Division 3 of
9 Title 2. Six months after the effective date of the act that added
10 this subdivision, the department shall provide a status update to
11 the Legislature on its efforts to adopt the regulations. Thereafter,
12 notwithstanding Section 10231.5, the department shall report on
13 the status of this effort to the Legislature on an annual basis, until
14 the regulations have been adopted.

15 SEC. 4. Section 26605.7 of the Government Code is amended
16 to read:

17 26605.7. (a) The sheriff, or his or her designee, after conferring
18 with the physician who has oversight for providing medical care,
19 or the physician's designee, may request the court to grant medical
20 probation or to resentence a prisoner to medical probation in lieu
21 of jail time for any prisoner sentenced to a county jail under either
22 of the following circumstances:

23 (1) The prisoner is physically incapacitated with a medical
24 condition that renders the prisoner permanently unable to perform
25 activities of basic daily living, which has resulted in the prisoner
26 requiring 24-hour care, if that incapacitation did not exist at the
27 time of sentencing.

28 (2) The prisoner would require acute long-term inpatient
29 rehabilitation services.

30 (b) Before a prisoner's release to medical probation, the sheriff,
31 or his or her designee, shall secure a placement option for the
32 prisoner in the community and, in consultation with the county
33 welfare department or another applicable county agency, examine
34 the prisoner's eligibility for federal Medicaid benefits or other
35 medical coverage that might assist in funding the prisoner's
36 medical treatment while in the community.

37 (c) During the time on probation pursuant to this section, the
38 probation officer or court may, at any time, request a medical
39 reexamination of the probationer by a physician who has oversight
40 for providing medical care to prisoners in a county jail, or the

1 physician's designee. If the court determines, based on that medical
2 examination, that the probationer's medical condition has improved
3 to the extent that the probationer no longer qualifies for medical
4 probation, the court may return the probationer to the custody of
5 the sheriff.

6 (d) (1) For any probationer granted medical probation pursuant
7 to this section who is eligible for Medi-Cal, the county shall
8 continue to pay the nonfederal share of the probationer's Medi-Cal
9 costs. After a probationer is released from medical probation, the
10 county shall no longer be required to pay the nonfederal share of
11 the Medi-Cal costs.

12 (2) For any probationer granted medical probation pursuant to
13 this section who is ineligible for Medi-Cal, the county shall
14 consider whether the probationer has private medical insurance or
15 sufficient income or assets to provide for his or her own medical
16 care. If the county determines that the probationer can provide for
17 his or her own medical care, the county shall not be required to
18 provide the probationer with medical care.

19 (e) (1) This section shall be implemented only to the extent that
20 a court sentences a person to medical probation pursuant to this
21 section and the sheriff does both of the following:

22 (A) Sends a letter to the State Department of Health Care
23 Services agreeing to do both of the following:

24 (i) Notify the State Department of Health Care Services, in
25 writing, when a probationer released pursuant to this section has
26 applied for Medi-Cal.

27 (ii) Notify the State Department of Health Care Services, in
28 writing, if a probationer released pursuant to this section, who is
29 Medi-Cal eligible, is returned to the custody of the sheriff. The
30 chief probation officer shall notify the State Department of Health
31 Care Services, in writing, when a Medi-Cal eligible probationer's
32 term of medical probation ends.

33 (B) For the period of time the offender is on medical probation:

34 (i) Reimburses the State Department of Health Care Services
35 for the nonfederal share of the Medi-Cal costs and any medical
36 costs paid by the State Department of Health Care Services that
37 are not reimbursable pursuant to Title XIX or XXI of the federal
38 Social Security Act, for an offender released pursuant to this
39 section.

1 (ii) Provides to the State Department of Health Care Services
2 the nonfederal share of the state's administrative costs associated
3 with this section.

4 (2) It is the intent of the Legislature that the implementation of
5 this section shall not result in increased costs to the General Fund.

6 (3) Participation in the program under this section is voluntary
7 for purposes of all applicable federal law. This section shall be
8 implemented only to the extent that federal financial participation
9 for the Medi-Cal program is not jeopardized.

10 (f) Notwithstanding any other law, the State Department of
11 Health Care Services may exempt individuals released pursuant
12 to this section from mandatory enrollment in managed health care,
13 including county-organized health plans and, as deemed necessary
14 by the State Department of Health Care Services, may determine
15 the proper prior authorization process for individuals who have
16 been released pursuant to this section.

17 (g) Notwithstanding Chapter 3.5 (commencing with Section
18 11340) of Part 1 of Division 3 of Title 2, the State Department of
19 Health Care Services, without taking any further regulatory action,
20 may implement, interpret, and make specific this section by means
21 of provider bulletins, all-county letters, manuals, or similar
22 instructions until the time that regulations are adopted. Thereafter,
23 the department shall adopt regulations in accordance with Chapter
24 3.5 (commencing with Section 11340) of Part 1 of Division 3 of
25 Title 2. Six months after the effective date of the act that added
26 this subdivision, the department shall provide a status update to
27 the Legislature on its efforts to adopt the regulations. Thereafter,
28 notwithstanding Section 10231.5, the department shall report on
29 the status of this effort to the Legislature on an annual basis, until
30 the regulations have been adopted.

31 SEC. 5. Section 26605.8 of the Government Code is amended
32 to read:

33 26605.8. Before implementing Sections 26605.6 and 26605.7,
34 the county board of supervisors shall adopt a process to fund the
35 nonfederal share of Medi-Cal costs for the period of time that a
36 prisoner would have otherwise been incarcerated or for the period
37 of time that a probationer is on medical probation. The county
38 board of supervisors shall provide the State Department of Health
39 Care Services with written notification of the process.

1 SEC. 6. Section 1180.6 of the Health and Safety Code is
2 amended to read:

3 1180.6. The State Department of Public Health, the State
4 Department of State Hospitals, the State Department of Social
5 Services, the State Department of Developmental Services, and
6 the State Department of Health Care Services shall annually
7 provide information to the Legislature, during Senate and Assembly
8 budget committee hearings, about the progress made in
9 implementing this division. This information shall include the
10 progress of implementation and barriers to achieving full
11 implementation.

12 SEC. 7. Section 1250.2 of the Health and Safety Code is
13 amended to read:

14 1250.2. (a) (1) As defined in Section 1250, “health facility”
15 includes a “psychiatric health facility,” defined to mean a health
16 facility, licensed by the State Department of Health Care Services,
17 that provides 24-hour inpatient care for mentally disordered,
18 incompetent, or other persons described in Division 5 (commencing
19 with Section 5000) or Division 6 (commencing with Section 6000)
20 of the Welfare and Institutions Code. This care shall include, but
21 not be limited to, the following basic services: psychiatry, clinical
22 psychology, psychiatric nursing, social work, rehabilitation, drug
23 administration, and appropriate food services for those persons
24 whose physical health needs can be met in an affiliated hospital
25 or in outpatient settings.

26 (2) It is the intent of the Legislature that the psychiatric health
27 facility shall provide a distinct type of service to psychiatric
28 patients in a 24-hour acute inpatient setting. The State Department
29 of Health Care Services shall require regular utilization reviews
30 of admission and discharge criteria and lengths of stay in order to
31 assure that these patients are moved to less restrictive levels of
32 care as soon as appropriate.

33 (b) (1) The State Department of Health Care Services may issue
34 a special permit to a psychiatric health facility for it to provide
35 structured outpatient services (commonly referred to as SOPS)
36 consisting of morning, afternoon, or full daytime organized
37 programs, not exceeding 10 hours, for acute daytime care for
38 patients admitted to the facility. This subdivision shall not be
39 construed as requiring a psychiatric health facility to apply for a
40 special permit to provide these alternative levels of care.

1 (2) The Legislature recognizes that, with access to structured
2 outpatient services, as an alternative to 24-hour inpatient care,
3 certain patients would be provided with effective intervention and
4 less restrictive levels of care. The Legislature further recognizes
5 that, for certain patients, the less restrictive levels of care eliminate
6 the need for inpatient care, enable earlier discharge from inpatient
7 care by providing a continuum of care with effective aftercare
8 services, or reduce or prevent the need for a subsequent readmission
9 to inpatient care.

10 (c) Any reference in any statute to Section 1250 of the Health
11 and Safety Code shall be deemed and construed to also be a
12 reference to this section.

13 (d) Notwithstanding any other provision of law, and to the extent
14 consistent with federal law, a psychiatric health facility shall be
15 eligible to participate in the medicare program under Title XVIII
16 of the federal Social Security Act (42 U.S.C. Sec. 1395 et seq.),
17 and the medicaid program under Title XIX of the federal Social
18 Security Act (42 U.S.C. Sec. 1396 et seq.), if all of the following
19 conditions are met:

20 (1) The facility is a licensed facility.

21 (2) The facility is in compliance with all related statutes and
22 regulations enforced by the State Department of Health Care
23 Services, including regulations contained in Chapter 9
24 (commencing with Section 77001) of Division 5 of Title 22 of the
25 California Code of Regulations.

26 (3) The facility meets the definitions and requirements contained
27 in subdivisions (e) and (f) of Section 1861 of the federal Social
28 Security Act (42 U.S.C. Sec. 1395x(e) and (f)), including the
29 approval process specified in Section 1861(e)(7)(B) of the federal
30 Social Security Act (42 U.S.C. Sec. 1395x(e)(7)(B)), which
31 requires that the state agency responsible for licensing hospitals
32 has assured that the facility meets licensing requirements.

33 (4) The facility meets the conditions of participation for hospitals
34 pursuant to Part 482 of Title 42 of the Code of Federal Regulations.

35 SEC. 8. Section 1254 of the Health and Safety Code is amended
36 to read:

37 1254. (a) Except as provided in subdivision (e), the state
38 department shall inspect and license health facilities. The state
39 department shall license health facilities to provide their respective
40 basic services specified in Section 1250. Except as provided in

1 Section 1253, the state department shall inspect and approve a
2 general acute care hospital to provide special services as specified
3 in Section 1255. The state department shall develop and adopt
4 regulations to implement the provisions contained in this section.

5 (b) Upon approval, the state department shall issue a separate
6 license for the provision of the basic services enumerated in
7 subdivision (c) or (d) of Section 1250 whenever these basic services
8 are to be provided by an acute care hospital, as defined in
9 subdivision (a), (b), or (f) of that section, where the services
10 enumerated in subdivision (c) or (d) of Section 1250 are to be
11 provided in any separate freestanding facility, whether or not the
12 location of the separate freestanding facility is contiguous to the
13 acute care hospital. The same requirement shall apply to any new
14 freestanding facility constructed for the purpose of providing basic
15 services, as defined in subdivision (c) or (d) of Section 1250, by
16 any acute care hospital on or after January 1, 1984.

17 (c) (1) Those beds licensed to an acute care hospital which,
18 prior to January 1, 1984, were separate freestanding beds and were
19 not part of the physical structure licensed to provide acute care,
20 and which beds were licensed to provide those services enumerated
21 in subdivision (c) or (d) of Section 1250, are exempt from the
22 requirements of subdivision (b).

23 (2) All beds licensed to an acute care hospital and located within
24 the physical structure in which acute care is provided are exempt
25 from the requirements of subdivision (b) irrespective of the date
26 of original licensure of the beds, or the licensed category of the
27 beds.

28 (3) All beds licensed to an acute care hospital owned and
29 operated by the State of California or any other public agency are
30 exempt from the requirements of subdivision (b).

31 (4) All beds licensed to an acute care hospital in a rural area as
32 defined by Chapter 1010, of the Statutes of 1982, are exempt from
33 the requirements of subdivision (b), except where there is a
34 freestanding skilled nursing facility or intermediate care facility
35 which has experienced an occupancy rate of 95 percent or less
36 during the past 12 months within a 25-mile radius or which may
37 be reached within 30 minutes using a motor vehicle.

38 (5) All beds licensed to an acute care hospital which meet the
39 criteria for designation within peer group six or eight, as defined
40 in the report entitled Hospital Peer Grouping for Efficiency

1 Comparison, dated December 20, 1982, and published by the
2 California Health Facilities Commission, and all beds in hospitals
3 which have fewer than 76 licensed acute care beds and which are
4 located in a census designation place of 15,000 or less population,
5 are exempt from the requirements of subdivision (b), except where
6 there is a free-standing skilled nursing facility or intermediate care
7 facility which has experienced an occupancy rate of 95 percent or
8 less during the past 12 months within a 25-mile radius or which
9 may be reached within 30 minutes using a motor vehicle.

10 (6) All beds licensed to an acute care hospital which has had a
11 certificate of need approved by a health systems agency on or
12 before July 1, 1983, are exempt from the requirements of
13 subdivision (b).

14 (7) All beds licensed to an acute care hospital are exempt from
15 the requirements of subdivision (b), if reimbursement from the
16 Medi-Cal program for beds licensed for the provision of services
17 enumerated in subdivision (c) or (d) of Section 1250 and not
18 otherwise exempt does not exceed the reimbursement which would
19 be received if the beds were in a separately licensed facility.

20 (d) Except as provided in Section 1253, the state department
21 shall inspect and approve a general acute care hospital to provide
22 special services as specified in Section 1255. The state department
23 shall develop and adopt regulations to implement subdivisions (a)
24 to (d), inclusive, of this section.

25 (e) The State Department of Health Care Services shall inspect
26 and license psychiatric health facilities. The State Department of
27 Health Care Services shall license psychiatric health facilities to
28 provide their basic services specified in Section 1250.2. The State
29 Department of Health Care Services shall develop, adopt, or amend
30 regulations to implement this subdivision.

31 SEC. 9. Section 1254.1 of the Health and Safety Code is
32 amended to read:

33 1254.1. (a) The State Department of Health Care Services
34 shall license psychiatric health facilities to provide their basic
35 services specified in Section 1250.

36 (b) Any reference in any statute to Section 1254 shall be deemed
37 and construed to also be a reference to this section.

38 SEC. 10. Section 1266.1 of the Health and Safety Code is
39 amended to read:

1 1266.1. (a) Each new or renewal application for a license for
2 a psychiatric health facility shall be accompanied by a fee credited
3 to the State Department of Health Care Services for its costs
4 incurred in the review of psychiatric health facility programs, in
5 connection with the licensing of these facilities. The amount of
6 the fees shall be determined and collected by the State Department
7 of Health Care Services, but the total amount of the fees collected
8 shall not exceed the actual costs of licensure and review of
9 psychiatric health facility programs, including, but not limited to,
10 the costs of processing the application, inspection costs, and other
11 related costs.

12 (b) New or renewal licensure application fees for psychiatric
13 health facilities shall be collected by the State Department of Health
14 Care Services.

15 (c) The annual fees shall be waived for any psychiatric health
16 facility conducted, maintained, or operated by this state or any
17 state department, authority, bureau, commission, or officer, or by
18 the Regents of the University of California, or by a local hospital
19 district, city, county, or city and county.

20 (d) If additional private psychiatric health facilities seek new
21 licensure on or after January 1, 1991, the State Department of
22 Health Care Services may increase the fees for all private
23 psychiatric health facilities with more than nine beds sufficient to
24 accommodate the increased level of workload and costs.

25 (e) (1) Any licensee desiring to obtain a special permit to offer
26 and provide structured outpatient services shall file an application
27 with the State Department of Health Care Services.

28 (2) The application for a special permit, if any, shall be
29 submitted with each new or renewal application for a license for
30 a psychiatric health facility, and shall be accompanied by a
31 reasonable fee, as determined by the State Department of Health
32 Care Services, not to exceed the actual costs of administration
33 related to the special permit. An application for a special permit
34 submitted by a psychiatric health facility operated by a public
35 entity shall be exempt from the fee required pursuant to this section
36 for the issuance of the special permit.

37 (3) The State Department of Health Care Services shall not issue
38 a special permit unless the applicant furnishes all of the following:

39 (A) Its annual licensing fee required pursuant to subdivision
40 (a).

1 (B) A completed application submitted on forms furnished by
2 the department.

3 (C) A written agreement ensuring that the facility will have
4 additional staffing for the services to be provided under the special
5 permit, that the additional staffing will meet the same professional
6 standards as required by regulation for inpatient services, and that
7 a coordinator of these services will be appointed.

8 (D) Any other information or documentation as may be required
9 by the department for its proper and efficient administration and
10 enforcement of special permit services.

11 (4) The provision of structured outpatient services pursuant to
12 a special permit may be as an alternative to admission to inpatient
13 services, as aftercare services following discharge from inpatient
14 care, or as both.

15 SEC. 11. Section 1275.1 of the Health and Safety Code is
16 amended to read:

17 1275.1. (a) Notwithstanding any rules or regulations governing
18 other health facilities, the regulations developed by the State
19 Department of Health Care Services, or a predecessor, for
20 psychiatric health facilities shall prevail. The regulations applying
21 to psychiatric health facilities shall prescribe standards of adequacy,
22 safety, and sanitation of the physical plant, of staffing with duly
23 qualified licensed personnel, and of services based on the needs
24 of the persons served thereby.

25 (b) The regulations shall include standards appropriate for two
26 levels of disorder:

27 (1) Involuntary ambulatory psychiatric patients.

28 (2) Voluntary ambulatory psychiatric patients.

29 For purposes of this subdivision, “ambulatory patients” shall
30 include, but not be limited to, deaf, blind, and physically
31 handicapped persons. Disoriented persons who are not bedridden
32 or confined to a wheelchair shall also be considered as ambulatory
33 patients.

34 (c) The regulations shall not require, but may permit building
35 and services requirements for hospitals which are only applicable
36 to physical health care needs of patients that can be met in an
37 affiliated hospital or in outpatient settings including, but not limited
38 to, such requirements as surgical, dietary, laboratory, laundry,
39 central supply, radiologic, and pharmacy.

1 (d) The regulations shall include provisions for an “open
2 planning” architectural concept.

3 (e) The regulations shall exempt from seismic requirements all
4 structures of Type V and of one-story construction.

5 (f) Standards for involuntary patients shall include provisions
6 to allow for restraint and seclusion of patients. These standards
7 shall provide for adequate safeguards for patient safety and
8 protection of patient rights.

9 (g) The regulations shall provide for the retention by the
10 psychiatric health facility of a consultant pharmacist, who shall
11 supervise and review pharmaceutical services within the facility
12 and perform any other services, including prevention of the
13 unlawful diversion of controlled substances subject to abuse, as
14 the State Department of Health Care Services may by regulation
15 require. Regulations adopted pursuant to this subdivision shall
16 take into consideration the varying bed sizes of psychiatric health
17 facilities.

18 SEC. 12. Section 1275.5 of the Health and Safety Code is
19 amended to read:

20 1275.5. (a) The regulations relating to the licensing of
21 hospitals, heretofore adopted by the State Department of Public
22 Health pursuant to former Chapter 2 (commencing with Section
23 1400) of Division 2, and in effect immediately prior to July 1,
24 1973, shall remain in effect and shall be fully enforceable with
25 respect to any hospital required to be licensed by this chapter,
26 unless and until the regulations are readopted, amended, or repealed
27 by the director.

28 (b) The regulations relating to private institutions receiving or
29 caring for any mentally disordered persons, intellectually disabled
30 persons, and other incompetent persons, heretofore adopted by the
31 Department of Mental Hygiene pursuant to Chapter 1 (commencing
32 with Section 7000) of Division 7 of the Welfare and Institutions
33 Code, and in effect immediately prior to July 1, 1973, shall remain
34 in effect and shall be fully enforceable with respect to any facility,
35 establishment, or institution for the reception and care of mentally
36 disordered persons, intellectually disabled persons and other
37 incompetent persons, required to be licensed by the provisions of
38 this chapter unless and until said regulations are readopted,
39 amended, or repealed by the director.

1 (c) (1) All regulations relating to the licensing of psychiatric
2 health facilities heretofore adopted by the State Department of
3 Health Services, pursuant to authority now vested in the State
4 Department of Health Care Services by Section 4080 of the Welfare
5 and Institutions Code, and in effect immediately preceding
6 September 20, 1988, shall remain in effect and shall be fully
7 enforceable by the State Department of Health Care Services with
8 respect to any facility or program required to be licensed as a
9 psychiatric health facility, unless and until readopted, amended,
10 or repealed by the Director of Health Care Services.

11 (2) The State Department of Health Care Services shall succeed
12 to and be vested with all duties, powers, purposes, functions,
13 responsibilities, and jurisdiction as they relate to licensing
14 psychiatric health facilities.

15 SEC. 13. Section 1324.9 of the Health and Safety Code is
16 amended to read:

17 1324.9. (a) The Long-Term Care Quality Assurance Fund is
18 hereby created in the State Treasury. Moneys in the fund shall be
19 available, upon appropriation by the Legislature, for expenditure
20 by the State Department of Health Care Services for the purposes
21 of this article and Article 7.6 (commencing with Section 1324.20).
22 Notwithstanding Section 16305.7 of the Government Code, the
23 fund shall contain all interest and dividends earned on moneys in
24 the fund.

25 (b) Notwithstanding any other law, beginning August 1, 2013,
26 all revenues received by the State Department of Health Care
27 Services categorized by the State Department of Health Care
28 Services as long-term care quality assurance fees shall be deposited
29 into the Long-Term Care Quality Assurance Fund. Revenue that
30 shall be deposited into this fund shall include quality assurance
31 fees imposed pursuant to this article and quality assurance fees
32 imposed pursuant to Article 7.6 (commencing with Section
33 1324.20).

34 (c) Notwithstanding any other law, the Controller may use the
35 funds in the Long-Term Care Quality Assurance Fund for cashflow
36 loans to the General Fund as provided in Sections 16310 and 16381
37 of the Government Code.

38 SEC. 14. Section 1373 of the Health and Safety Code is
39 amended to read:

1 1373. (a) (1) A plan contract may not provide an exception
2 for other coverage if the other coverage is entitlement to Medi-Cal
3 benefits under Chapter 7 (commencing with Section 14000) or
4 Chapter 8 (commencing with Section 14200) of Part 3 of Division
5 9 of the Welfare and Institutions Code, or Medicaid benefits under
6 Subchapter 19 (commencing with Section 1396) of Chapter 7 of
7 Title 42 of the United States Code.

8 (2) Each plan contract shall be interpreted not to provide an
9 exception for the Medi-Cal or Medicaid benefits.

10 (3) A plan contract shall not provide an exemption for
11 enrollment because of an applicant's entitlement to Medi-Cal
12 benefits under Chapter 7 (commencing with Section 14000) or
13 Chapter 8 (commencing with Section 14200) of Part 3 of Division
14 9 of the Welfare and Institutions Code, or Medicaid benefits under
15 Subchapter 19 (commencing with Section 1396) of Chapter 7 of
16 Title 42 of the United States Code.

17 (4) A plan contract may not provide that the benefits payable
18 thereunder are subject to reduction if the individual insured has
19 entitlement to the Medi-Cal or Medicaid benefits.

20 (b) (1) A plan contract that provides coverage, whether by
21 specific benefit or by the effect of general wording, for sterilization
22 operations or procedures shall not impose any disclaimer,
23 restriction on, or limitation of, coverage relative to the covered
24 individual's reason for sterilization.

25 (2) As used in this section, "sterilization operations or
26 procedures" shall have the same meaning as that specified in
27 Section 10120 of the Insurance Code.

28 (c) Every plan contract that provides coverage to the spouse or
29 dependents of the subscriber or spouse shall grant immediate
30 accident and sickness coverage, from and after the moment of
31 birth, to each newborn infant of any subscriber or spouse covered
32 and to each minor child placed for adoption from and after the date
33 on which the adoptive child's birth parent or other appropriate
34 legal authority signs a written document, including, but not limited
35 to, a health facility minor release report, a medical authorization
36 form, or a relinquishment form, granting the subscriber or spouse
37 the right to control health care for the adoptive child or, absent
38 this written document, on the date there exists evidence of the
39 subscriber's or spouse's right to control the health care of the child
40 placed for adoption. No plan may be entered into or amended if it

1 contains any disclaimer, waiver, or other limitation of coverage
2 relative to the coverage or insurability of newborn infants of, or
3 children placed for adoption with, a subscriber or spouse covered
4 as required by this subdivision.

5 (d) (1) Every plan contract that provides that coverage of a
6 dependent child of a subscriber shall terminate upon attainment
7 of the limiting age for dependent children specified in the plan,
8 shall also provide that attainment of the limiting age shall not
9 operate to terminate the coverage of the child while the child is
10 and continues to meet both of the following criteria:

11 (A) Incapable of self-sustaining employment by reason of a
12 physically or mentally disabling injury, illness, or condition.

13 (B) Chiefly dependent upon the subscriber for support and
14 maintenance.

15 (2) The plan shall notify the subscriber that the dependent child's
16 coverage will terminate upon attainment of the limiting age unless
17 the subscriber submits proof of the criteria described in
18 subparagraphs (A) and (B) of paragraph (1) to the plan within 60
19 days of the date of receipt of the notification. The plan shall send
20 this notification to the subscriber at least 90 days prior to the date
21 the child attains the limiting age. Upon receipt of a request by the
22 subscriber for continued coverage of the child and proof of the
23 criteria described in subparagraphs (A) and (B) of paragraph (1),
24 the plan shall determine whether the child meets that criteria before
25 the child attains the limiting age. If the plan fails to make the
26 determination by that date, it shall continue coverage of the child
27 pending its determination.

28 (3) The plan may subsequently request information about a
29 dependent child whose coverage is continued beyond the limiting
30 age under this subdivision but not more frequently than annually
31 after the two-year period following the child's attainment of the
32 limiting age.

33 (4) If the subscriber changes carriers to another plan or to a
34 health insurer, the new plan or insurer shall continue to provide
35 coverage for the dependent child. The new plan or insurer may
36 request information about the dependent child initially and not
37 more frequently than annually thereafter to determine if the child
38 continues to satisfy the criteria in subparagraphs (A) and (B) of
39 paragraph (1). The subscriber shall submit the information

1 requested by the new plan or insurer within 60 days of receiving
2 the request.

3 (5) (A) Except as set forth in subparagraph (B), under no
4 circumstances shall the limiting age be less than 26 years of age
5 with respect to plan years beginning on or after September 23,
6 2010.

7 (B) For plan years beginning before January 1, 2014, a group
8 health care service plan contract that qualifies as a grandfathered
9 health plan under Section 1251 of the federal Patient Protection
10 and Affordable Care Act (Public Law 111-148) and that makes
11 available dependent coverage of children may exclude from
12 coverage an adult child who has not attained 26 years of age only
13 if the adult child is eligible to enroll in an eligible
14 employer-sponsored health plan, as defined in Section 5000A(f)(2)
15 of the Internal Revenue Code, other than a group health plan of a
16 parent.

17 (C) (i) With respect to a child (I) whose coverage under a group
18 or individual plan contract ended, or who was denied or not eligible
19 for coverage under a group or individual plan contract, because
20 under the terms of the contract the availability of dependent
21 coverage of children ended before the attainment of 26 years of
22 age, and (II) who becomes eligible for that coverage by reason of
23 the application of this paragraph, the health care service plan shall
24 give the child an opportunity to enroll that shall continue for at
25 least 30 days. This opportunity and the notice described in clause
26 (ii) shall be provided not later than the first day of the first plan
27 year beginning on or after September 23, 2010, consistent with
28 the federal Patient Protection and Affordable Care Act (Public
29 Law 111-148), as amended by the federal Health Care and
30 Education Reconciliation Act of 2010 (Public Law 111-152), and
31 any additional federal guidance or regulations issued by the United
32 States Secretary of Health and Human Services.

33 (ii) The health care service plan shall provide written notice
34 stating that a dependent described in clause (i) who has not attained
35 26 years of age is eligible to enroll in the plan for coverage. This
36 notice may be provided to the dependent's parent on behalf of the
37 dependent. If the notice is included with other enrollment materials
38 for a group plan, the notice shall be prominent.

1 (iii) In the case of an individual who enrolls under this
2 subparagraph, coverage shall take effect no later than the first day
3 of the first plan year beginning on or after September 23, 2010.

4 (iv) A dependent enrolling in a group health plan for coverage
5 pursuant to this subparagraph shall be treated as a special enrollee
6 as provided under the rules of Section 146.117(d) of Title 45 of
7 the Code of Federal Regulations. The health care service plan shall
8 offer the recipient of the notice all of the benefit packages available
9 to similarly situated individuals who did not lose coverage by
10 reason of cessation of dependent status. Any difference in benefits
11 or cost-sharing requirements shall constitute a different benefit
12 package. A dependent enrolling in a group health plan for coverage
13 pursuant to this subparagraph shall not be required to pay more
14 for coverage than similarly situated individuals who did not lose
15 coverage by reason of cessation of dependent status.

16 (D) Nothing in this section shall require a health care service
17 plan to make coverage available for a child of a child receiving
18 dependent coverage. Nothing in this section shall be construed to
19 modify the definition of “dependent” as used in the Revenue and
20 Taxation Code with respect to the tax treatment of the cost of
21 coverage.

22 (e) A plan contract that provides coverage, whether by specific
23 benefit or by the effect of general wording, for both an employee
24 and one or more covered persons dependent upon the employee
25 and provides for an extension of the coverage for any period
26 following a termination of employment of the employee shall also
27 provide that this extension of coverage shall apply to dependents
28 upon the same terms and conditions precedent as applied to the
29 covered employee, for the same period of time, subject to payment
30 of premiums, if any, as required by the terms of the policy and
31 subject to any applicable collective bargaining agreement.

32 (f) A group contract shall not discriminate against handicapped
33 persons or against groups containing handicapped persons. Nothing
34 in this subdivision shall preclude reasonable provisions in a plan
35 contract against liability for services or reimbursement of the
36 handicap condition or conditions relating thereto, as may be
37 allowed by rules of the director.

38 (g) Every group contract shall set forth the terms and conditions
39 under which subscribers and enrollees may remain in the plan in
40 the event the group ceases to exist, the group contract is terminated,

1 or an individual subscriber leaves the group, or the enrollees’
2 eligibility status changes.

3 (h) (1) A health care service plan or specialized health care
4 service plan may provide for coverage of, or for payment for,
5 professional mental health services, or vision care services, or for
6 the exclusion of these services. If the terms and conditions include
7 coverage for services provided in a general acute care hospital or
8 an acute psychiatric hospital as defined in Section 1250 and do
9 not restrict or modify the choice of providers, the coverage shall
10 extend to care provided by a psychiatric health facility as defined
11 in Section 1250.2 operating pursuant to licensure by the State
12 Department of Health Care Services. A health care service plan
13 that offers outpatient mental health services but does not cover
14 these services in all of its group contracts shall communicate to
15 prospective group contractholders as to the availability of outpatient
16 coverage for the treatment of mental or nervous disorders.

17 (2) No plan shall prohibit the member from selecting any
18 psychologist who is licensed pursuant to the Psychology Licensing
19 Law (Chapter 6.6 (commencing with Section 2900) of Division 2
20 of the Business and Professions Code), any optometrist who is the
21 holder of a certificate issued pursuant to Chapter 7 (commencing
22 with Section 3000) of Division 2 of the Business and Professions
23 Code or, upon referral by a physician and surgeon licensed pursuant
24 to the Medical Practice Act (Chapter 5 (commencing with Section
25 2000) of Division 2 of the Business and Professions Code), (A)
26 any marriage and family therapist who is the holder of a license
27 under Section 4980.50 of the Business and Professions Code, (B)
28 any licensed clinical social worker who is the holder of a license
29 under Section 4996 of the Business and Professions Code, (C) any
30 registered nurse licensed pursuant to Chapter 6 (commencing with
31 Section 2700) of Division 2 of the Business and Professions Code,
32 who possesses a master’s degree in psychiatric-mental health
33 nursing and is listed as a psychiatric-mental health nurse by the
34 Board of Registered Nursing, (D) any advanced practice registered
35 nurse certified as a clinical nurse specialist pursuant to Article 9
36 (commencing with Section 2838) of Chapter 6 of Division 2 of
37 the Business and Professions Code who participates in expert
38 clinical practice in the specialty of psychiatric-mental health
39 nursing, to perform the particular services covered under the terms
40 of the plan, and the certificate holder is expressly authorized by

1 law to perform these services, or (E) any professional clinical
2 counselor who is the holder of a license under Chapter 16
3 (commencing with Section 4999.10) of Division 2 of the Business
4 and Professions Code.

5 (3) Nothing in this section shall be construed to allow any
6 certificate holder or licensee enumerated in this section to perform
7 professional mental health services beyond his or her field or fields
8 of competence as established by his or her education, training, and
9 experience.

10 (4) For the purposes of this section:

11 (A) “Marriage and family therapist” means a licensed marriage
12 and family therapist who has received specific instruction in
13 assessment, diagnosis, prognosis, and counseling, and
14 psychotherapeutic treatment of premarital, marriage, family, and
15 child relationship dysfunctions, which is equivalent to the
16 instruction required for licensure on January 1, 1981.

17 (B) “Professional clinical counselor” means a licensed
18 professional clinical counselor who has received specific
19 instruction in assessment, diagnosis, prognosis, counseling, and
20 psychotherapeutic treatment of mental and emotional disorders,
21 which is equivalent to the instruction required for licensure on
22 January 1, 2012.

23 (5) Nothing in this section shall be construed to allow a member
24 to select and obtain mental health or psychological or vision care
25 services from a certificate holder or licensee who is not
26 directly affiliated with or under contract to the health care service
27 plan or specialized health care service plan to which the member
28 belongs. All health care service plans and individual practice
29 associations that offer mental health benefits shall make reasonable
30 efforts to make available to their members the services of licensed
31 psychologists. However, a failure of a plan or association to comply
32 with the requirements of the preceding sentence shall not constitute
33 a misdemeanor.

34 (6) As used in this subdivision, “individual practice association”
35 means an entity as defined in subsection (5) of Section 1307 of
36 the federal Public Health Service Act (42 U.S.C. Sec. 300e-1(5)).

37 (7) Health care service plan coverage for professional mental
38 health services may include community residential treatment
39 services that are alternatives to inpatient care and that are directly

1 affiliated with the plan or to which enrollees are referred by
2 providers affiliated with the plan.

3 (i) If the plan utilizes arbitration to settle disputes, the plan
4 contracts shall set forth the type of disputes subject to arbitration,
5 the process to be utilized, and how it is to be initiated.

6 (j) A plan contract that provides benefits that accrue after a
7 certain time of confinement in a health care facility shall specify
8 what constitutes a day of confinement or the number of consecutive
9 hours of confinement that are requisite to the commencement of
10 benefits.

11 (k) If a plan provides coverage for a dependent child who is
12 over 26 years of age and enrolled as a full-time student at a
13 secondary or postsecondary educational institution, the following
14 shall apply:

15 (1) Any break in the school calendar shall not disqualify the
16 dependent child from coverage.

17 (2) If the dependent child takes a medical leave of absence, and
18 the nature of the dependent child's injury, illness, or condition
19 would render the dependent child incapable of self-sustaining
20 employment, the provisions of subdivision (d) shall apply if the
21 dependent child is chiefly dependent on the subscriber for support
22 and maintenance.

23 (3) (A) If the dependent child takes a medical leave of absence
24 from school, but the nature of the dependent child's injury, illness,
25 or condition does not meet the requirements of paragraph (2), the
26 dependent child's coverage shall not terminate for a period not to
27 exceed 12 months or until the date on which the coverage is
28 scheduled to terminate pursuant to the terms and conditions of the
29 plan, whichever comes first. The period of coverage under this
30 paragraph shall commence on the first day of the medical leave of
31 absence from the school or on the date the physician and surgeon
32 determines the illness prevented the dependent child from attending
33 school, whichever comes first. Any break in the school calendar
34 shall not disqualify the dependent child from coverage under this
35 paragraph.

36 (B) Documentation or certification of the medical necessity for
37 a leave of absence from school shall be submitted to the plan at
38 least 30 days prior to the medical leave of absence from the school,
39 if the medical reason for the absence and the absence are
40 foreseeable, or 30 days after the start date of the medical leave of

1 absence from school and shall be considered prima facie evidence
2 of entitlement to coverage under this paragraph.

3 (4) This subdivision shall not apply to a specialized health care
4 service plan or to a Medicare supplement plan.

5 SEC. 15. Section 104151 is added to the Health and Safety
6 Code, to read:

7 104151. Notwithstanding Section 10231.5 of the Government
8 Code, each year, by no later than January 10 and concurrently with
9 the release of the May Revision, the State Department of Health
10 Care Services shall provide the fiscal committees of the Legislature
11 with an estimate package for the Every Woman Counts Program.
12 This estimate package shall include all significant assumptions
13 underlying the estimate for the Every Woman Counts Program's
14 current-year and budget-year proposals, and shall contain concise
15 information identifying applicable estimate components, such as
16 caseload; a breakout of costs, including, but not limited to, clinical
17 service activities, including office visits and consults, screening
18 mammograms, diagnostic mammograms, diagnostic breast
19 procedures, case management, and other clinical services; policy
20 changes; contractor information; General Fund, special fund, and
21 federal fund information; and other assumptions necessary to
22 support the estimate.

23 SEC. 16. Section 111792 of the Health and Safety Code is
24 amended to read:

25 111792. (a) The manufacturer of any cosmetic product subject
26 to regulation by the federal Food and Drug Administration that is
27 sold in this state shall, on a schedule and in electronic or other
28 format, as determined by the division, provide the division with a
29 complete and accurate list of its cosmetic products that, as of the
30 date of submission, are sold in the state and that contain any
31 ingredient that is a chemical identified as causing cancer or
32 reproductive toxicity, including any chemical that meets either of
33 the following conditions:

34 (1) A chemical contained in the product for purposes of
35 fragrance or flavoring.

36 (2) A chemical identified by the phrase "and other ingredients"
37 and determined to be a trade secret pursuant to the procedure
38 established in Part 20 and Section 720.8 of Part 720 of Title 21 of
39 the Code of Federal Regulations. Any ingredient identified pursuant
40 to this paragraph shall be considered to be a trade secret and shall

1 be treated by the division in a manner consistent with the
2 requirements of Part 20 and Part 720 of Title 21 of the Code of
3 Federal Regulations. Any ingredients considered to be a trade
4 secret shall not be subject to the California Public Records Act
5 (Chapter 3.5 (commencing with Section 6250) of Division 7 of
6 Title 1 of the Government Code) for the purposes of this section.

7 (b) Any information submitted pursuant to subdivision (a) shall
8 identify each chemical both by name and Chemical Abstract
9 Service number and shall specify the product or products in which
10 the chemical is contained.

11 (c) If an ingredient identified pursuant to this section
12 subsequently is removed from the product in which it was
13 contained, is removed from the list of chemicals known to cause
14 cancer or reproductive toxicity published under Section 25249.8,
15 or is no longer a chemical identified as causing cancer or
16 reproductive toxicity by an authoritative body, the manufacturer
17 of the product containing the ingredient shall submit the new
18 information to the division. Upon receipt of new information, the
19 division, after verifying the accuracy of that information, shall
20 revise the manufacturer's information on record with the division
21 to reflect the new information. The manufacturer shall not be under
22 obligation to submit subsequent information on the presence of
23 the ingredient in the product unless subsequent changes require
24 submittal of the information.

25 (d) This section shall not apply to any manufacturer of cosmetic
26 products with annual aggregate sales of cosmetic products, both
27 within and outside of California, of less than one million dollars
28 (\$1,000,000), based on the manufacturer's most recent tax year
29 filing.

30 (e) On or before December 31, 2013, the State Department of
31 Public Health shall develop and make operational a
32 consumer-friendly, public Internet Web site that creates a database
33 of the information collected pursuant to this section. The database
34 shall be searchable to accommodate a wide range of users,
35 including users with limited technical and scientific literacy. Data
36 shall be presented in an educational manner with, among other
37 things, hypertext links that explain the meanings of technical terms,
38 including, but not limited to, "carcinogenic" and "reproductive
39 toxicity." The Internet Web site shall be designed to be easily
40 navigable and to enable users to compare and contrast products

1 and reportable ingredients. The Internet Web site shall include
2 hypertext links to other educational and informational Internet
3 Web sites to enhance consumer understanding.

4 SEC. 17. Section 123870 of the Health and Safety Code is
5 amended to read:

6 123870. (a) The department shall establish standards of
7 financial eligibility for treatment services under the California
8 Children's Services Program (CCS program).

9 (1) Financial eligibility for treatment services under this program
10 shall be limited to persons in families with an adjusted gross
11 income of forty thousand dollars (\$40,000) or less in the most
12 recent tax year, as calculated for California state income tax
13 purposes. If a person is enrolled in the Healthy Families Program
14 (Part 6.2 (commencing with Section 12693) of Division 2 of the
15 Insurance Code), the financial documentation required for that
16 program in Section 2699.6600 of Title 10 of the California Code
17 of Regulations may be used instead of the person's California state
18 income tax return. If a person is enrolled in the Medi-Cal program
19 pursuant to Section 14005.26 of the Welfare and Institutions Code,
20 or enrolled in the AIM-Linked Infants Program pursuant to Chapter
21 2 (commencing with Section 15850) of Part 3.3 of Division 9 of
22 the Welfare and Institutions Code, the financial documentation
23 required to establish eligibility for the respective programs may
24 be used instead of the person's California state income tax return.
25 However, the director may authorize treatment services for persons
26 in families with higher incomes if the estimated cost of care to the
27 family in one year is expected to exceed 20 percent of the family's
28 adjusted gross income.

29 (2) Children enrolled in the Healthy Families Program, the
30 Medi-Cal program pursuant to Section 14005.26 of the Welfare
31 and Institutions Code, or the AIM-Linked Infants Program pursuant
32 to Chapter 2 (commencing with Section 15850) of Part 3.3 of
33 Division 9 of the Welfare and Institutions Code, who have a CCS
34 program eligible medical condition under Section 123830, and
35 whose families do not meet the financial eligibility requirements
36 of paragraph (1), shall be deemed financially eligible for CCS
37 program benefits.

38 (b) Necessary medical therapy treatment services under the
39 California Children's Services Program rendered in the public
40 schools shall be exempt from financial eligibility standards and

1 enrollment fee requirements for the services when rendered to any
2 handicapped child whose educational or physical development
3 would be impeded without the services.

4 (c) All counties shall use the uniform standards for financial
5 eligibility and enrollment fees established by the department. All
6 enrollment fees shall be used in support of the California Children’s
7 Services Program.

8 (d) Annually, every family with a child eligible to receive
9 services under this article shall pay a fee of twenty dollars (\$20),
10 that shall be in addition to any other program fees for which the
11 family is liable. This assessment shall not apply to any child who
12 is eligible for full scope Medi-Cal benefits without a share of cost,
13 for children receiving therapy through the California Children’s
14 Services Program as a related service in their individualized
15 education plans, for children from families having incomes of less
16 than 100 percent of the federal poverty level, or for children
17 covered under the Healthy Families Program or the AIM-Linked
18 Infants Program.

19 SEC. 18. Section 123929 of the Health and Safety Code is
20 amended to read:

21 123929. (a) Except as otherwise provided in this section and
22 Section 14133.05 of the Welfare and Institutions Code, California
23 Children’s Services Program services provided pursuant to this
24 article require prior authorization by the department or its designee.
25 Prior authorization is contingent on determination by the
26 department or its designee of all of the following:

27 (1) The child receiving the services is confirmed to be medically
28 eligible for the CCS program.

29 (2) The provider of the services is approved in accordance with
30 the standards of the CCS program.

31 (3) The services authorized are medically necessary to treat the
32 child’s CCS-eligible medical condition.

33 (b) The department or its designee may approve a request for a
34 treatment authorization that is otherwise in conformance with
35 subdivision (a) for services for a child participating in the Healthy
36 Families Program or the AIM-Linked Infants Program pursuant
37 to clause (ii) of subparagraph (A) of paragraph (6) of subdivision
38 (a) of Section 12693.70 of the Insurance Code or Chapter 2
39 (commencing with Section 15850) of Part 3.3 of Division 9 of the
40 Welfare and Institutions Code, received by the department or its

1 designee after the requested treatment has been provided to the
2 child.

3 (c) If a provider of services who meets the requirements of
4 paragraph (2) of subdivision (a) incurs costs for services described
5 in paragraph (3) of subdivision (a) to treat a child described in
6 subdivision (b) who is subsequently determined to be medically
7 eligible for the CCS program as determined by the department or
8 its designee, the department may reimburse the provider for those
9 costs. Reimbursement under this section shall conform to the
10 requirements of Section 14105.18 of the Welfare and Institutions
11 Code.

12 SEC. 19. Section 123940 of the Health and Safety Code is
13 amended to read:

14 123940. (a) (1) Annually, the board of supervisors shall
15 appropriate a sum of money for services for handicapped children
16 of the county, including diagnosis, treatment, and therapy services
17 for physically handicapped children in public schools, equal to 25
18 percent of the actual expenditures for the county program under
19 this article for the 1990–91 fiscal year, except as specified in
20 paragraph (2).

21 (2) If the state certifies that a smaller amount is needed in order
22 for the county to pay 25 percent of costs of the county’s program
23 from this source. The smaller amount certified by the state shall
24 be the amount that the county shall appropriate.

25 (b) In addition to the amount required by subdivision (a), the
26 county shall allocate an amount equal to the amount determined
27 pursuant to subdivision (a) for purposes of this article from
28 revenues allocated to the county pursuant to Chapter 6
29 (commencing with Section 17600) of Division 9 of the Welfare
30 and Institutions Code.

31 (c) (1) The state shall match county expenditures for this article
32 from funding provided pursuant to subdivisions (a) and (b).

33 (2) County expenditures shall be waived for payment of services
34 for children who are eligible pursuant to paragraph (2) of
35 subdivision (a) of Section 123870.

36 (d) The county may appropriate and expend moneys in addition
37 to those set forth in subdivision (a) and (b) and the state shall match
38 the expenditures, on a dollar-for-dollar basis, to the extent that
39 state funds are available for this article.

1 (e) County appropriations under subdivisions (a) and (b) shall
2 include county financial participation in the nonfederal share of
3 expenditures for services for children who are enrolled in the
4 Medi-Cal program pursuant to Section 14005.26 of the Welfare
5 and Institutions Code, or the AIM-Linked Infants Program pursuant
6 to Chapter 2 (commencing with Section 15850) of Part 3.3 of
7 Division 9 of the Welfare and Institutions Code, and who are
8 eligible for services under this article pursuant to paragraph (1) of
9 subdivision (a) of Section 123870, to the extent that federal
10 financial participation is available at the enhanced federal
11 reimbursement rate under Title XXI of the federal Social Security
12 Act (42 U.S.C. Sec. 1397aa et seq.) and funds are appropriated for
13 the California Children’s Services Program in the State Budget.

14 (f) Nothing in this section shall require the county to expend
15 more than the amount set forth in subdivision (a) plus the amount
16 set forth in subdivision (b) nor shall it require the state to expend
17 more than the amount of the match set forth in subdivision (c).

18 (g) Notwithstanding Chapter 3.5 (commencing with Section
19 11340) of Part 1 of Division 3 of Title 2 of the Government Code,
20 the department, without taking further regulatory action, shall
21 implement this section by means of California Children’s Services
22 numbered letters.

23 SEC. 20. Section 123955 of the Health and Safety Code is
24 amended to read:

25 123955. (a) The state and the counties shall share in the cost
26 of administration of the California Children’s Services Program
27 at the local level.

28 (b) (1) The director shall adopt regulations establishing
29 minimum standards for the administration, staffing, and local
30 implementation of this article subject to reimbursement by the
31 state.

32 (2) The standards shall allow necessary flexibility in the
33 administration of county programs, taking into account the
34 variability of county needs and resources, and shall be developed
35 and revised jointly with state and county representatives.

36 (c) The director shall establish minimum standards for
37 administration, staffing and local operation of the program subject
38 to reimbursement by the state.

39 (d) Until July 1, 1992, reimbursable administrative costs, to be
40 paid by the state to counties, shall not exceed 4.1 percent of the

1 gross total expenditures for diagnosis, treatment and therapy by
2 counties as specified in Section 123940.

3 (e) Beginning July 1, 1992, this subdivision shall apply with
4 respect to all of the following:

5 (1) Counties shall be reimbursed by the state for 50 percent of
6 the amount required to meet state administrative standards for that
7 portion of the county caseload under this article that is ineligible
8 for Medi-Cal to the extent funds are available in the State Budget
9 for the California Children's Services Program.

10 (2) Counties shall be reimbursed by the state for 50 percent of
11 the nonfederal share of the amount required to meet state
12 administrative standards for that portion of the county caseload
13 under this article that is enrolled in the Medi-Cal program pursuant
14 to Section 14005.26 of the Welfare and Institutions Code or the
15 AIM-Linked Infants Program pursuant to Chapter 2 (commencing
16 with Section 15850) of Part 3.3 of Division 9 of the Welfare and
17 Institutions Code, and who are eligible for services under this
18 article pursuant to subdivision (a) of Section 123870, to the extent
19 that federal financial participation is available at the enhanced
20 federal reimbursement rate under Title XXI of the federal Social
21 Security Act (42 U.S.C. Sec. 1397aa et seq.) and funds are
22 appropriated for the California Children's Services Program in the
23 State Budget.

24 (3) On or before September 15 of each year, each county
25 program implementing this article shall submit an application for
26 the subsequent fiscal year that provides information as required
27 by the state to determine if the county administrative staff and
28 budget meet state standards.

29 (4) The state shall determine the maximum amount of state
30 funds available for each county from state funds appropriated for
31 CCS county administration. If the amount appropriated for any
32 fiscal year in the Budget Act for county administration under this
33 article differs from the amounts approved by the department, each
34 county shall submit a revised application in a form and at the time
35 specified by the department.

36 (f) The department and counties shall maximize the use of
37 federal funds for administration of the programs implemented
38 pursuant to this article, including using state and county funds to
39 match funds claimable under Title XIX or Title XXI of the federal

1 Social Security Act (42 U.S.C. Sec. 1396 et seq.; 42 U.S.C. Sec.
2 1397aa et seq.).

3 SEC. 21. Section 10125 of the Insurance Code is amended to
4 read:

5 10125. (a) On and after January 1, 1974, every insurer issuing
6 group disability insurance which covers hospital, medical, or
7 surgical expenses shall offer coverage for expenses incurred as a
8 result of mental or nervous disorders, under the terms and
9 conditions which may be agreed upon between the group
10 policyholder and the insurer. If the terms and conditions include
11 coverage for inpatient care for nervous or mental disorders, the
12 coverage shall extend to treatment provided at all of the following
13 facilities:

14 (1) A general acute care hospital as defined in subdivision (a)
15 of Section 1250 of the Health and Safety Code.

16 (2) An acute psychiatric hospital as defined in subdivision (b)
17 of Section 1250 of the Health and Safety Code.

18 (3) A psychiatric health facility as defined by Section 1250.2
19 of the Health and Safety Code operating pursuant to licensure by
20 the State Department of Health Care Services.

21 Nothing in this subdivision prohibits an insurer that negotiates
22 and enters into a contract with a professional or institutional
23 provider for alternative rates of payment pursuant to Section 10133
24 from restricting or modifying the choice of providers.

25 (b) Every insurer shall communicate to prospective group
26 policyholders as to the availability of outpatient coverage for the
27 treatment of mental or nervous disorders. Every insurer shall
28 communicate the availability of that coverage to all group
29 policyholders and to all prospective group policyholders with
30 whom they are negotiating. This coverage may include community
31 residential treatment services, as described in former Section 5458
32 of the Welfare and Institutions Code, that are alternatives to
33 institutional care.

34 SEC. 22. Section 10127 of the Insurance Code is amended to
35 read:

36 10127. On and after January 1, 1974, every self-insured
37 employee welfare benefit plan that provides coverage for hospital,
38 medical, or surgical expenses shall offer coverage for expenses
39 incurred as a result of mental or nervous disorders, under the terms
40 and conditions which may be agreed upon between the self-insured

1 welfare benefit plan and the member. If the terms and conditions
2 include coverage for services provided in a general acute care
3 hospital, or an acute psychiatric hospital as defined in Section 1250
4 of the Health and Safety Code, and do not restrict or modify the
5 choice of providers, the coverage shall extend to care provided by
6 a psychiatric health facility, as defined by Section 1250.2 of the
7 Health and Safety Code, operating pursuant to licensure by the
8 State Department of Health Care Services. Every plan shall
9 communicate to prospective members as to the availability of
10 outpatient coverage for the treatment of mental or nervous
11 disorders. Every self-insured welfare benefit plan shall
12 communicate the availability of this coverage to all members and
13 prospective members. This coverage may include community
14 residential treatment services, as described in former Section 5458
15 of the Welfare and Institutions Code, that are alternatives to
16 institutional care.

17 SEC. 23. Section 12693.70 of the Insurance Code is amended
18 to read:

19 12693.70. To be eligible to participate in the program, an
20 applicant shall meet all of the following requirements:

21 (a) Be an applicant applying on behalf of an eligible child, which
22 means a child who is all of the following:

23 (1) Less than 19 years of age. An application may be made on
24 behalf of a child not yet born up to three months prior to the
25 expected date of delivery. Coverage shall begin as soon as
26 administratively feasible, as determined by the board, after the
27 board receives notification of the birth. However, no child less
28 than 12 months of age shall be eligible for coverage until 90 days
29 after the enactment of the Budget Act of 1999.

30 (2) Not eligible for no-cost full-scope Medi-Cal or Medicare
31 coverage at the time of application.

32 (3) In compliance with Sections 12693.71 and 12693.72.

33 (4) A child who meets citizenship and immigration status
34 requirements that are applicable to persons participating in the
35 program established by Title XXI of the Social Security Act, except
36 as specified in Section 12693.76.

37 (5) A resident of the State of California pursuant to Section 244
38 of the Government Code; or, if not a resident pursuant to Section
39 244 of the Government Code, is physically present in California
40 and entered the state with a job commitment or to seek

1 employment, whether or not employed at the time of application
2 to or after acceptance in, the program.

3 (6) (A) In either of the following:

4 (i) In a family with an annual or monthly household income
5 equal to or less than 200 percent of the federal poverty level.

6 (ii) (I) When implemented by the board, subject to subdivision
7 (b) of Section 12693.765 and pursuant to this section, a child under
8 the age of two years who was delivered by a mother enrolled in
9 the Access for Infants and Mothers Program as described in Part
10 6.3 (commencing with Section 12695). Commencing July 1, 2007,
11 eligibility under this subparagraph shall not include infants during
12 any time they are enrolled in employer-sponsored health insurance
13 or are subject to an exclusion pursuant to Section 12693.71 or
14 12693.72, or are enrolled in the full scope of benefits under the
15 Medi-Cal program at no share of cost. For purposes of this clause,
16 any infant born to a woman whose enrollment in the Access for
17 Infants and Mothers Program begins after June 30, 2004, shall be
18 automatically enrolled in the Healthy Families Program, except
19 during any time on or after July 1, 2007, that the infant is enrolled
20 in employer-sponsored health insurance or is subject to an
21 exclusion pursuant to Section 12693.71 or 12693.72, or is enrolled
22 in the full scope of benefits under the Medi-Cal program at no
23 share of cost. Except as otherwise specified in this section, this
24 enrollment shall cover the first 12 months of the infant's life. At
25 the end of the 12 months, as a condition of continued eligibility,
26 the applicant shall provide income information. The infant shall
27 be disenrolled if the gross annual household income exceeds the
28 income eligibility standard that was in effect in the Access for
29 Infants and Mothers Program at the time the infant's mother
30 became eligible, or following the two-month period established
31 in Section 12693.981 if the infant is eligible for Medi-Cal with no
32 share of cost. At the end of the second year, infants shall again be
33 screened for program eligibility pursuant to this section, with
34 income eligibility evaluated pursuant to clause (i), subparagraphs
35 (B) and (C), and paragraph (2) of subdivision (a).

36 (II) Effective on October 1, 2013, or when the State Department
37 of Health Care Services has implemented Chapter 2 (commencing
38 with Section 15850) of Part 3.3 of Division 9 of the Welfare and
39 Institutions Code, whichever is later, eligibility for coverage in
40 the program pursuant to this clause shall terminate. The board shall

1 coordinate with the State Department of Health Care Services to
2 implement Chapter 2 (commencing with Section 15850) of Part
3 3.3 of Division 9 of the Welfare and Institutions Code, including
4 transition of subscribers to the AIM-Linked Infants Program. The
5 State Department of Health Care Services shall administer the
6 AIM-Linked Infants Program, pursuant to Chapter 2 (commencing
7 with Section 15850) of Part 3.3 of Division 9 of the Welfare and
8 Institutions Code, to address the health care needs of children
9 formerly covered pursuant to this clause.

10 (B) All income over 200 percent of the federal poverty level
11 but less than or equal to 250 percent of the federal poverty level
12 shall be disregarded in calculating annual or monthly household
13 income.

14 (C) In a family with an annual or monthly household income
15 greater than 250 percent of the federal poverty level, any income
16 deduction that is applicable to a child under Medi-Cal shall be
17 applied in determining the annual or monthly household income.
18 If the income deductions reduce the annual or monthly household
19 income to 250 percent or less of the federal poverty level,
20 subparagraph (B) shall be applied.

21 (b) The applicant shall agree to remain in the program for six
22 months, unless other coverage is obtained and proof of the coverage
23 is provided to the program.

24 (c) An applicant shall enroll all of the applicant's eligible
25 children in the program.

26 (d) In filing documentation to meet program eligibility
27 requirements, if the applicant's income documentation cannot be
28 provided, as defined in regulations promulgated by the board, the
29 applicant's signed statement as to the value or amount of income
30 shall be deemed to constitute verification.

31 (e) An applicant shall pay in full any family contributions owed
32 in arrears for any health, dental, or vision coverage provided by
33 the program within the prior 12 months.

34 (f) By January 2008, the board, in consultation with
35 stakeholders, shall implement processes by which applicants for
36 subscribers may certify income at the time of annual eligibility
37 review, including rules concerning which applicants shall be
38 permitted to certify income and the circumstances in which
39 supplemental information or documentation may be required. The
40 board may terminate using these processes not sooner than 90 days

1 after providing notification to the Chair of the Joint Legislative
2 Budget Committee. This notification shall articulate the specific
3 reasons for the termination and shall include all relevant data
4 elements that are applicable to document the reasons for the
5 termination. Upon the request of the Chair of the Joint Legislative
6 Budget Committee, the board shall promptly provide any additional
7 clarifying information regarding implementation of the processes
8 required by this subdivision.

9 SEC. 24. Section 12698 of the Insurance Code is amended to
10 read:

11 12698. To be eligible to participate in the program, a person
12 shall meet all of the following requirements:

13 (a) Be a resident of the state. A person who is a member of a
14 federally recognized California Indian tribe is a resident of the
15 state for these purposes.

16 (b) (1) Until the first day of the second month following the
17 effective date of the amendment made to this subdivision in 1994,
18 have a household income that does not exceed 250 percent of the
19 official federal poverty level unless the board determines that the
20 program funds are adequate to serve households above that level.

21 (2) Upon the first day of the second month following the
22 effective date of the amendment made to this subdivision in 1994,
23 have a household income that is above 200 percent of the official
24 federal poverty level but does not exceed 250 percent of the official
25 federal poverty level unless the board determines that the program
26 funds are adequate to serve households above the 250 percent of
27 the official federal poverty level.

28 (c) Pay an initial subscriber contribution of not more than fifty
29 dollars (\$50), and agree to the payment of the complete subscriber
30 contribution. A federally recognized California Indian tribal
31 government may make the initial and complete subscriber
32 contributions on behalf of a member of the tribe only if a
33 contribution on behalf of members of federally recognized
34 California Indian tribes does not limit or preclude federal financial
35 participation under Title XXI of the Social Security Act. If a
36 federally recognized California Indian tribal government makes a
37 contribution on behalf of a member of the tribe, the tribal
38 government shall ensure that the subscriber is made aware of all
39 the health plan options available in the county where the member
40 resides.

1 (d) Effective January 1, 2014, when determining eligibility for
2 benefits under the program, income shall be determined, counted,
3 and valued in accordance with the requirements of Section
4 1397bb(b)(1)(B) of Title 42 of the United States Code as added
5 by the federal Patient Protection and Affordable Care Act (Public
6 Law 111-148) and as amended by the federal Health Care and
7 Education Reconciliation Act of 2010 (Public Law 111-152) and
8 any subsequent amendments.

9 SEC. 25. Section 12737 of the Insurance Code is amended to
10 read:

11 12737. (a) The board shall establish program contribution
12 amounts for each category of risk for each participating health
13 plan. The program contribution amounts shall be based on the
14 average amount of subsidy funds required for the program as a
15 whole. To determine the average amount of subsidy funds required,
16 the board shall calculate a loss ratio, including all medical costs,
17 administration fees, and risk payments, for the program in the prior
18 calendar year. The loss ratio shall be calculated using 125 percent
19 of the standard average individual rates for comparable coverage
20 as the denominator, and all medical costs, administration fees, and
21 risk payments as the numerator. The average amount of subsidy
22 funds required is calculated by subtracting 100 percent from the
23 program loss ratio. For purposes of calculating the program loss
24 ratio, no participating health plan's loss ratio shall be less than 100
25 percent and participating health plans with fewer than 1,000
26 program members shall be excluded from the calculation.

27 Subscriber contributions shall be established to encourage
28 members to select those health plans requiring subsidy funds at or
29 below the program average subsidy. Subscriber contribution
30 amounts shall be established so that no subscriber receives a
31 subsidy greater than the program average subsidy, except that:

32 (1) In all areas of the state, at least one plan shall be available
33 to program participants at an average subscriber contribution of
34 125 percent of the standard average individual rates for comparable
35 coverage.

36 (2) No subscriber contribution shall be increased by more than
37 10 percent above 125 percent of the standard average individual
38 rates for comparable coverage.

39 (3) Subscriber contributions for participating health plans joining
40 the program after January 1, 1997, shall be established at 125

1 percent of the standard average individual rates for comparable
2 coverage for the first two benefit years the plan participates in the
3 program.

4 (b) The program shall pay program contribution amounts to
5 participating health plans from the Major Risk Medical Insurance
6 Fund.

7 (c) Commencing January 1, 2013, in addition to the amount of
8 subsidy funds required pursuant to subdivision (a), the program
9 may further subsidize subscriber contributions so that the amount
10 paid by each subscriber is below 125 percent of the standard
11 average individual risk rate for comparable coverage but no less
12 than 100 percent of the standard average individual risk rate for
13 comparable coverage. For purposes of calculating premiums for
14 the following products, any reference to, or use of, subscriber
15 contributions, premiums, average premiums, or amounts paid by
16 subscribers in the program shall be construed to mean subscriber
17 contributions as described in subdivision (a) without application
18 of the additional subsidies permitted by this subdivision:

19 (1) Standard benefit plans pursuant to Section 10127.16 and
20 Section 1373.622 of the Health and Safety Code.

21 (2) Health benefit plans and health care service plan contracts
22 for federally eligible defined individuals pursuant to Sections
23 10901.3 and 10901.9 and Sections 1399.805 and 1399.811 of the
24 Health and Safety Code.

25 (3) Conversion coverage pursuant to Section 12682.1 and
26 Section 1373.6 of the Health and Safety Code.

27 SEC. 26. Section 12739.61 of the Insurance Code is amended
28 to read:

29 12739.61. The board shall cease to provide coverage through
30 the program on July 1, 2013, except as required by the contract
31 between the board and the United States Department of Health
32 and Human Services, and at that time shall cease to operate the
33 program except as required to complete payments to, or payment
34 reconciliations with, participating health plans or other contractors,
35 process appeals, or conduct other necessary termination activities.

36 SEC. 27. Section 359 of the Welfare and Institutions Code is
37 amended to read:

38 359. (a) Whenever a minor who appears to be a danger to
39 himself or others as a result of the use of narcotics, as defined in
40 Section 11019 of the Health and Safety Code, or a restricted

1 dangerous drug (as defined in former Section 11901 of the Health
2 and Safety Code), is brought before any judge of the juvenile court,
3 the judge may continue the hearing and proceed pursuant to this
4 section. The court may order the minor taken to a facility
5 designated by the county and approved by the State Department
6 of Health Care Services as a facility for 72-hour treatment and
7 evaluation. Thereupon the provisions of Section 11922 of the
8 Health and Safety Code shall apply, except that the professional
9 person in charge of the facility shall make a written report to the
10 court concerning the results of the evaluation of the minor.

11 (b) If the professional person in charge of the facility for 72-hour
12 evaluation and treatment reports to the juvenile court that the minor
13 is not a danger to himself or others as a result of the use of narcotics
14 or restricted dangerous drugs or that the minor does not require
15 14-day intensive treatment, or if the minor has been certified for
16 not more than 14 days of intensive treatment and the certification
17 is terminated, the minor shall be released if the juvenile court
18 proceedings have been dismissed; referred for further care and
19 treatment on a voluntary basis, subject to the disposition of the
20 juvenile court proceedings; or returned to the juvenile court, in
21 which event the court shall proceed with the case pursuant to this
22 chapter.

23 (c) Any expenditure for the evaluation or intensive treatment
24 of a minor under this section shall be considered an expenditure
25 made under Part 2 (commencing with Section 5600) of Division
26 5, and shall be reimbursed by the state as are other local
27 expenditures pursuant to that part.

28 SEC. 28. Section 708 of the Welfare and Institutions Code is
29 amended to read:

30 708. (a) Whenever a minor who appears to be a danger to
31 himself or herself or others as a result of the use of controlled
32 substances (as defined in Division 10 (commencing with Section
33 11000) of the Health and Safety Code), is brought before any judge
34 of the juvenile court, the judge may continue the hearing and
35 proceed pursuant to this section. The court may order the minor
36 taken to a facility designated by the county and approved by the
37 State Department of Health Care Services as a facility for 72-hour
38 treatment and evaluation. Thereupon the provisions of Section
39 5343 shall apply, except that the professional person in charge of

1 the facility shall make a written report to the court concerning the
2 results of the evaluation of the minor.

3 (b) If the professional person in charge of the facility for 72-hour
4 evaluation and treatment reports to the juvenile court that the minor
5 is not a danger to himself or herself or others as a result of the use
6 of controlled substances or that the minor does not require 14-day
7 intensive treatment, or if the minor has been certified for not more
8 than 14 days of intensive treatment and the certification is
9 terminated, the minor shall be released if the juvenile court
10 proceedings have been dismissed; referred for further care and
11 treatment on a voluntary basis, subject to the disposition of the
12 juvenile court proceedings; or returned to the juvenile court, in
13 which event the court shall proceed with the case pursuant to this
14 chapter.

15 (c) Any expenditure for the evaluation or intensive treatment
16 of a minor under this section shall be considered an expenditure
17 made under Part 2 (commencing with Section 5600) of Division
18 5, and shall be reimbursed by the state as are other local
19 expenditures pursuant to that part.

20 SEC. 29. Section 4005.7 of the Welfare and Institutions Code
21 is amended to read:

22 4005.7. All regulations heretofore adopted by the State
23 Department of Mental Health, and its successor, pursuant to
24 authority vested in the State Department of Health Care Services
25 by Section 4005.1 and in effect immediately preceding the
26 operative date of the act that amended this section in the first year
27 of the 2013–14 Regular Session shall remain in effect and shall
28 be fully enforceable unless and until readopted, amended, or
29 repealed by the Director of Health Care Services.

30 SEC. 30. Section 4080 of the Welfare and Institutions Code is
31 amended to read:

32 4080. (a) Psychiatric health facilities, as defined in Section
33 1250.2 of the Health and Safety Code, shall only be licensed by
34 the State Department of Health Care Services subsequent to
35 application by counties, county contract providers, or other
36 organizations pursuant to this part.

37 (b) (1) For counties or county contract providers that choose
38 to apply, the local mental health director shall first present to the
39 local mental health advisory board for its review an explanation
40 of the need for the facility and a description of the services to be

1 provided. The local mental health director shall then submit to the
2 governing body the explanation and description. The governing
3 body, upon its approval, may submit the application to the State
4 Department of Health Care Services.

5 (2) Other organizations that will be applying for licensure and
6 do not intend to use any Bronzan-McCorquodale funds pursuant
7 to Section 5707 shall submit to the local mental health director
8 and the governing body in the county in which the facility is to be
9 located a written and dated proposal of the services to be provided.
10 The local mental health director and governing body shall have
11 30 days during which to provide any advice and recommendations
12 regarding licensure, as they deem appropriate. At any time after
13 the 30-day period, the organizations may then submit their
14 applications, along with the mental health director's and governing
15 body's advice and recommendations, if any, to the State
16 Department of Health Care Services.

17 (c) The State Fire Marshal and other appropriate state agencies,
18 to the extent required by law, shall cooperate fully with the State
19 Department of Health Care Services to ensure that the State
20 Department of Health Care Services approves or disapproves the
21 licensure applications not later than 90 days after the application
22 submission by a county, county contract provider, or other
23 organization.

24 (d) Every psychiatric health facility and program for which a
25 license has been issued shall be periodically inspected by a
26 multidisciplinary team appointed or designated by the State
27 Department of Health Care Services. The inspection shall be
28 conducted no less than once every two years and as often as
29 necessary to ensure the quality of care provided. During the
30 inspections the review team shall offer such advice and assistance
31 to the psychiatric health facility as it deems appropriate.

32 (e) (1) The program aspects of a psychiatric health facility that
33 shall be reviewed and may be approved by the State Department
34 of Health Care Services shall include, but not be limited to:

- 35 (A) Activities programs.
- 36 (B) Administrative policies and procedures.
- 37 (C) Admissions, including provisions for a mental evaluation.
- 38 (D) Discharge planning.
- 39 (E) Health records content.
- 40 (F) Health records services.

- 1 (G) Interdisciplinary treatment teams.
- 2 (H) Nursing services.
- 3 (I) Patient rights.
- 4 (J) Pharmaceutical services.
- 5 (K) Program space requirements.
- 6 (L) Psychiatrist and clinical psychological services.
- 7 (M) Rehabilitation services.
- 8 (N) Restraint and seclusion.
- 9 (O) Social work services.
- 10 (P) Space, supplies, and equipment.
- 11 (Q) Staffing standards.
- 12 (R) Unusual occurrences.
- 13 (S) Use of outside resources, including agreements with general
- 14 acute care hospitals.
- 15 (T) Linguistic access and cultural competence.
- 16 (U) Structured outpatient services to be provided under special
- 17 permit.
- 18 (2) The State Department of Health Care Services has the sole
- 19 authority to grant program flexibility.
- 20 (f) Commencing July 1, 2013, the State Department of Health
- 21 Care Services may adopt regulations regarding psychiatric health
- 22 facilities that shall include, but not be limited to, all of the
- 23 following:
 - 24 (1) Procedures by which the State Department of Health Care
 - 25 Services shall review and may approve the program and facility
 - 26 requesting licensure as a psychiatric health facility as being in
 - 27 compliance with program standards established by the department.
 - 28 (2) Procedures by which the Director of Health Care Services
 - 29 shall approve, or deny approval of, the program and facility
 - 30 licensed as a psychiatric health facility pursuant to this section.
 - 31 (3) Provisions for site visits by the State Department of Health
 - 32 Care Services for the purpose of reviewing a facility's compliance
 - 33 with program and facility standards.
 - 34 (4) Provisions for the State Department of Health Care Services
 - 35 for any administrative proceeding regarding denial, suspension,
 - 36 or revocation of a psychiatric health facility license.
 - 37 (5) Procedures for the appeal of an administrative finding or
 - 38 action pursuant to paragraph (4) of this subdivision and subdivision
 - 39 (j).

1 (g) Regulations may be adopted by the State Department of
2 Health Care Services that establish standards for pharmaceutical
3 services in psychiatric health facilities. Licensed psychiatric health
4 facilities shall be exempt from requirements to obtain a separate
5 pharmacy license or permit.

6 (h) (1) It is the intent of the Legislature that the State
7 Department of Health Care Services shall license the facility in
8 order to establish innovative and more competitive and specialized
9 acute care services.

10 (2) The State Department of Health Care Services shall review
11 and may approve the program aspects of public or private facilities,
12 with the exception of those facilities that are federally certified or
13 accredited by a nationally recognized commission that accredits
14 health care facilities, only if the average per diem charges or costs
15 of service provided in the facility is approximately 60 percent of
16 the average per diem charges or costs of similar psychiatric services
17 provided in a general hospital.

18 (3) (A) When a private facility is accredited by a nationally
19 recognized commission that accredits health care facilities, the
20 State Department of Health Care Services shall review and may
21 approve the program aspects only if the average per diem charges
22 or costs of service provided in the facility do not exceed
23 approximately 75 percent of the average per diem charges or costs
24 of similar psychiatric service provided in a psychiatric or general
25 hospital.

26 (B) When a private facility serves county patients, the State
27 Department of Health Care Services shall review and may approve
28 the program aspects only if the facility is federally certified by the
29 federal Centers for Medicare and Medicaid Services and serves a
30 population mix that includes a proportion of Medi-Cal patients
31 sufficient to project an overall cost savings to the county, and the
32 average per diem charges or costs of service provided in the facility
33 do not exceed approximately 75 percent of the average per diem
34 charges or costs of similar psychiatric service provided in a
35 psychiatric or general hospital.

36 (4) When a public facility is federally certified by the federal
37 Centers for Medicare and Medicaid Services and serves a
38 population mix that includes a proportion of Medi-Cal patients
39 sufficient to project an overall program cost savings with
40 certification, the State Department of Health Care Services shall

1 approve the program aspects only if the average per diem charges
2 or costs of service provided in the facility do not exceed
3 approximately 75 percent of the average per diem charges or costs
4 of similar psychiatric service provided in a psychiatric or general
5 hospital.

6 (5) (A) The State Department of Health Care Services may set
7 a lower rate for private or public facilities than that required by
8 paragraph (3) or (4), if so required by the federal Centers for
9 Medicare and Medicaid Services as a condition for the receipt of
10 federal matching funds.

11 (B) This section does not impose any obligation on any private
12 facility to contract with a county for the provision of services to
13 Medi-Cal beneficiaries, and any contract for that purpose is subject
14 to the agreement of the participating facility.

15 (6) (A) In using the guidelines specified in this subdivision,
16 the State Department of Health Care Services shall take into
17 account local conditions affecting the costs or charges.

18 (B) In those psychiatric health facilities authorized by special
19 permit to offer structured outpatient services not exceeding 10
20 daytime hours, the following limits on per diem rates shall apply:

21 (i) The per diem charge for patients in both a morning and an
22 afternoon program on the same day shall not exceed 60 percent of
23 the facility's authorized per diem charge for inpatient services.

24 (ii) The per diem charge for patients in either a morning or
25 afternoon program shall not exceed 30 percent of the facility's
26 authorized per diem charge for inpatient services.

27 (i) The licensing fees charged for these facilities shall be credited
28 to the State Department of Health Care Services for its costs
29 incurred in the review of psychiatric health facility programs, in
30 connection with the licensing of these facilities.

31 (j) (1) The State Department of Health Care Services shall
32 establish a system for the imposition of prompt and effective civil
33 sanctions against psychiatric health facilities in violation of the
34 laws and regulations of this state pertaining to psychiatric health
35 facilities. If the State Department of Health Care Services
36 determines that there is or has been a failure, in a substantial
37 manner, on the part of a psychiatric health facility to comply with
38 the laws and regulations, the Director of Health Care Services may
39 impose the following sanctions:

40 (A) Cease and desist orders.

1 (B) Monetary sanctions, which may be imposed in addition to
2 the penalties of suspension, revocation, or cease and desist orders.
3 The amount of monetary sanctions permitted to be imposed
4 pursuant to this subparagraph shall not be less than fifty dollars
5 (\$50) nor more than one hundred dollars (\$100) multiplied by the
6 licensed bed capacity, per day, for each violation. However, the
7 monetary sanction shall not exceed three thousand dollars (\$3,000)
8 per day. A facility that is assessed a monetary sanction under this
9 subparagraph, and that repeats the deficiency, may, in accordance
10 with the regulations adopted pursuant to this subdivision, be subject
11 to immediate suspension of its license until the deficiency is
12 corrected.

13 (2) The State Department of Health Care Services may adopt
14 regulations necessary to implement this subdivision and paragraph
15 (5) of subdivision (f) in accordance with the Administrative
16 Procedure Act (Chapter 3.5 (commencing with Section 11340) of
17 Part 1 of Division 3 of Title 2 of the Government Code).

18 (k) Proposed changes in the standards or regulations affecting
19 health facilities that serve the mentally disordered shall be effected
20 only with the review and coordination of the California Health and
21 Human Services Agency.

22 (l) In psychiatric health facilities where the clinical director is
23 not a physician, a psychiatrist, or if one is temporarily not available,
24 a physician shall be designated who shall direct those medical
25 treatments and services that can only be provided by, or under the
26 direction of, a physician.

27 SEC. 31. Section 5150 of the Welfare and Institutions Code is
28 amended to read:

29 5150. (a) When any person, as a result of mental disorder, is
30 a danger to others, or to himself or herself, or gravely disabled, a
31 peace officer, member of the attending staff, as defined by
32 regulation, of an evaluation facility designated by the county, or
33 other professional person designated by the county may, upon
34 probable cause, take, or cause to be taken, the person into custody
35 and place him or her in a facility designated by the county and
36 approved by the State Department of Health Care Services as a
37 facility for 72-hour treatment and evaluation.

38 (b) The facility shall require an application in writing stating
39 the circumstances under which the person's condition was called
40 to the attention of the officer, member of the attending staff, or

1 professional person, and stating that the officer, member of the
2 attending staff, or professional person has probable cause to believe
3 that the person is, as a result of mental disorder, a danger to others,
4 or to himself or herself, or gravely disabled. If the probable cause
5 is based on the statement of a person other than the officer, member
6 of the attending staff, or professional person, the person shall be
7 liable in a civil action for intentionally giving a statement which
8 he or she knows to be false.

9 SEC. 32. Section 5151 of the Welfare and Institutions Code is
10 amended to read:

11 5151. (a) If the facility for 72-hour treatment and evaluation
12 admits the person, it may detain him or her for evaluation and
13 treatment for a period not to exceed 72 hours. Saturdays, Sundays,
14 and holidays may be excluded from the 72-hour period if the State
15 Department of Health Care Services certifies for each facility that
16 evaluation and treatment services cannot reasonably be made
17 available on those days. The certification by the department is
18 subject to renewal every two years. The department may adopt
19 regulations defining criteria for determining whether a facility can
20 reasonably be expected to make evaluation and treatment services
21 available on Saturdays, Sundays, and holidays.

22 (b) Prior to admitting a person to the facility for 72-hour
23 treatment and evaluation pursuant to Section 5150, the professional
24 person in charge of the facility or his or her designee shall assess
25 the individual in person to determine the appropriateness of the
26 involuntary detention.

27 (c) If in the judgment of the professional person in charge of
28 the facility providing evaluation and treatment, or his or her
29 designee, the person can be properly served without being detained,
30 he or she shall be provided evaluation, crisis intervention, or other
31 inpatient or outpatient services on a voluntary basis.

32 (d) Nothing in this section shall be interpreted to prevent a peace
33 officer from delivering individuals to a designated facility for
34 assessment under Section 5150. Furthermore, the preadmission
35 assessment requirement of this section shall not be interpreted to
36 require peace officers to perform any additional duties other than
37 those specified in Sections 5150.1 and 5150.2.

38 SEC. 33. Section 5157 of the Welfare and Institutions Code is
39 amended to read:

1 5157. (a) Each person, at the time he or she is first taken into
 2 custody under provisions of Section 5150, shall be provided, by
 3 the person who takes such other person into custody, the following
 4 information orally. The information shall be in substantially the
 5 following form:

6
 7 My name is _____ .
 8 I am a _____ .
 9 (peace officer, mental health professional)
 10 with _____ .
 11 (name of agency)

12 You are not under criminal arrest, but I am taking you for examination by
 13 mental health professionals at _____ .
 14 _____
 15 (name of facility)

16 You will be told your rights by the mental health staff.
 17 If taken into custody at his or her residence, the person shall also be told the
 18 following information in substantially the following form:
 19 You may bring a few personal items with you which I will have to approve.
 20 You can make a phone call and/or leave a note to tell your friends and/or family
 21 where you have been taken.

22
 23 (b) The designated facility shall keep, for each patient evaluated,
 24 a record of the advisement given pursuant to subdivision (a) which
 25 shall include:

- 26 (1) Name of person detained for evaluation.
- 27 (2) Name and position of peace officer or mental health
- 28 professional taking person into custody.
- 29 (3) Date.
- 30 (4) Whether advisement was completed.
- 31 (5) If not given or completed, the mental health professional at
- 32 the facility shall either provide the information specified in
- 33 subdivision (a), or include a statement of good cause, as defined
- 34 by regulations of the State Department of Health Care Services,
- 35 which shall be kept with the patient’s medical record.

36 (c) Each person admitted to a designated facility for 72-hour
 37 evaluation and treatment shall be given the following information
 38 by admission staff at the evaluation unit. The information shall be
 39 given orally and in writing and in a language or modality accessible
 40 to the person. The written information shall be available in the

1 person's native language or the language which is the person's
2 principal means of communication. The information shall be in
3 substantially the following form:

4
5 My name is _____.

6 My position here is _____.

7 You are being placed into the psychiatric unit because it is our professional
8 opinion that as a result of mental disorder, you are likely to:

9 (check applicable)

10 harm yourself _____

11 harm someone else _____

12 be unable to take care of your own

13 food, clothing, and housing needs _____

14 We feel this is true because

15 _____

16 (herewith a listing of the facts upon which the allegation of dangerous
17 or gravely disabled due to mental disorder is based, including pertinent
18 facts arising from the admission interview.)

19 You will be held on the ward for a period up to 72 hours.

20 This does not include weekends or holidays.

21 Your 72-hour period will begin _____
22 (day and time.)

23 During these 72 hours you will be evaluated by the hospital staff, and you
24 may be given treatment, including medications. It is possible for you to be
25 released before the end of the 72 hours. But if the staff decides that you need
26 continued treatment you can be held for a longer period of time. If you are
27 held longer than 72 hours you have the right to a lawyer and a qualified
28 interpreter and a hearing before a judge. If you are unable to pay for the lawyer,
29 then one will be provided free.

30
31 (d) For each patient admitted for 72-hour evaluation and
32 treatment, the facility shall keep with the patient's medical record
33 a record of the advisement given pursuant to subdivision (c) which
34 shall include:

35 (1) Name of person performing advisement.

36 (2) Date.

37 (3) Whether advisement was completed.

38 (4) If not completed, a statement of good cause.

39 If the advisement was not completed at admission, the
40 advisement process shall be continued on the ward until completed.

1 A record of the matters prescribed by subdivisions (a), (b), and (c)
2 shall be kept with the patient's medical record.

3 SEC. 34. Section 5202 of the Welfare and Institutions Code is
4 amended to read:

5 5202. The person or agency designated by the county shall
6 prepare the petition and all other forms required in the proceeding,
7 and shall be responsible for filing the petition. Before filing the
8 petition, the person or agency designated by the county shall
9 request the person or agency designated by the county and
10 approved by the State Department of Health Care Services to
11 provide prepetition screening to determine whether there is
12 probable cause to believe the allegations. The person or agency
13 providing prepetition screening shall conduct a reasonable
14 investigation of the allegations and make a reasonable effort to
15 personally interview the subject of the petition. The screening shall
16 also determine whether the person will agree voluntarily to receive
17 crisis intervention services or an evaluation in his own home or in
18 a facility designated by the county and approved by the State
19 Department of Health Care Services. Following prepetition
20 screening, the person or agency designated by the county shall file
21 the petition if satisfied that there is probable cause to believe that
22 the person is, as a result of mental disorder, a danger to others, or
23 to himself or herself, or gravely disabled, and that the person will
24 not voluntarily receive evaluation or crisis intervention.

25 If the petition is filed, it shall be accompanied by a report
26 containing the findings of the person or agency designated by the
27 county to provide prepetition screening. The prepetition screening
28 report submitted to the superior court shall be confidential and
29 shall be subject to the provisions of Section 5328.

30 SEC. 35. Section 5326.9 of the Welfare and Institutions Code
31 is amended to read:

32 5326.9. (a) Any alleged or suspected violation of the rights
33 described in Chapter 2 (commencing with Section 5150) shall be
34 investigated by the local director of mental health, or his or her
35 designee. Violations of Sections 5326.2 to 5326.8, inclusive,
36 concerning patients involuntarily detained for evaluation or
37 treatment under this part, or as a voluntary patient for psychiatric
38 evaluation or treatment to a health facility, as defined in Section
39 1250 of the Health and Safety Code, in which psychiatric
40 evaluation or treatment is offered, shall also be investigated by the

1 Director of Health Care Services, or his or her designee. Violations
2 of Sections 5326.2 to 5326.8, inclusive, concerning persons
3 committed to a state hospital shall also be investigated by the
4 Director of State Hospitals, or his or her designee. If it is
5 determined by the local director of mental health, the Director of
6 Health Care Services, or the Director of State Hospitals that a right
7 has been violated, a formal notice of violation shall be issued.

8 (b) Either the local director of mental health or the Director of
9 Health Care Services, upon issuing a notice of violation, may take
10 any or all of the following action:

11 (1) Assign a specified time period during which the violation
12 shall be corrected.

13 (2) Referral to the Medical Board of California or other
14 professional licensing agency. Such board shall investigate further,
15 if warranted, and shall subject the individual practitioner to any
16 penalty the board finds necessary and is authorized to impose.

17 (3) Revoke a facility's designation and authorization under
18 Section 5404 to evaluate and treat persons detained involuntarily.

19 (4) Refer any violation of law to a local district attorney or the
20 Attorney General for prosecution in any court with jurisdiction.

21 (c) The Director of State Hospitals, upon issuing a notice of
22 violation, may take any or all of the following actions:

23 (1) Assign a specified time period during which the violation
24 shall be corrected.

25 (2) Make a referral to the Medical Board of California or other
26 professional licensing agency. The board or agency shall
27 investigate further, if warranted, and shall subject the individual
28 practitioner to any penalty the board finds necessary and is
29 authorized to impose.

30 (3) Refer any violation of law to a local district attorney or the
31 Attorney General for prosecution in any court with jurisdiction.

32 (d) Any physician who intentionally violates Sections 5326.2
33 to 5326.8, inclusive, shall be subject to a civil penalty of not more
34 than five thousand dollars (\$5,000) for each violation. The penalty
35 may be assessed and collected in a civil action brought by the
36 Attorney General in a superior court. Such intentional violation
37 shall be grounds for revocation of license.

38 (e) Any person or facility found to have knowingly violated the
39 provisions of the first paragraph of Section 5325.1 or to have
40 denied without good cause any of the rights specified in Section

1 5325 shall pay a civil penalty, as determined by the court, of fifty
2 dollars (\$50) per day during the time in which the violation is not
3 corrected, commencing on the day on which a notice of violation
4 was issued, not to exceed one thousand dollars (\$1,000), for each
5 and every violation, except that any liability under this provision
6 shall be offset by an amount equal to a fine or penalty imposed for
7 the same violation under the provisions of Sections 1423 to 1425,
8 inclusive, or 1428 of the Health and Safety Code. These penalties
9 shall be deposited in the general fund of the county in which the
10 violation occurred. The local district attorney or the Attorney
11 General shall enforce this section in any court with jurisdiction.
12 Where the State Department of Public Health, under the provisions
13 of Sections 1423 to 1425, inclusive, of the Health and Safety Code,
14 determines that no violation has occurred, the provisions of
15 paragraph (4) of subdivision (b) shall not apply.

16 (f) The remedies provided by this subdivision shall be in addition
17 to and not in substitution for any other remedies which an
18 individual may have under law.

19 SEC. 36. Section 5358 of the Welfare and Institutions Code is
20 amended to read:

21 5358. (a) (1) When ordered by the court after the hearing
22 required by this section, a conservator appointed pursuant to this
23 chapter shall place his or her conservatee as follows:

24 (A) For a conservatee who is gravely disabled, as defined in
25 subparagraph (A) of paragraph (1) of subdivision (h) of Section
26 5008, in the least restrictive alternative placement, as designated
27 by the court.

28 (B) For a conservatee who is gravely disabled, as defined in
29 subparagraph (B) of paragraph (1) of subdivision (h) of Section
30 5008, in a placement that achieves the purposes of treatment of
31 the conservatee and protection of the public.

32 (2) The placement may include a medical, psychiatric, nursing,
33 or other state-licensed facility, or a state hospital, county hospital,
34 hospital operated by the Regents of the University of California,
35 a United States government hospital, or other nonmedical facility
36 approved by the State Department of Health Care Services or an
37 agency accredited by the State Department of Health Care Services,
38 or in addition to any of the foregoing, in cases of chronic
39 alcoholism, to a county alcoholic treatment center.

1 (b) A conservator shall also have the right, if specified in the
2 court order, to require his or her conservatee to receive treatment
3 related specifically to remedying or preventing the recurrence of
4 the conservatee's being gravely disabled, or to require his or her
5 conservatee to receive routine medical treatment unrelated to
6 remedying or preventing the recurrence of the conservatee's being
7 gravely disabled. Except in emergency cases in which the
8 conservatee faces loss of life or serious bodily injury, no surgery
9 shall be performed upon the conservatee without the conservatee's
10 prior consent or a court order obtained pursuant to Section 5358.2
11 specifically authorizing that surgery.

12 (c) (1) For a conservatee who is gravely disabled, as defined
13 in subparagraph (A) of paragraph (1) of subdivision (h) of Section
14 5008, if the conservatee is not to be placed in his or her own home
15 or the home of a relative, first priority shall be to placement in a
16 suitable facility as close as possible to his or her home or the home
17 of a relative. For the purposes of this section, suitable facility
18 means the least restrictive residential placement available and
19 necessary to achieve the purpose of treatment. At the time that the
20 court considers the report of the officer providing conservatorship
21 investigation specified in Section 5356, the court shall consider
22 available placement alternatives. After considering all the evidence
23 the court shall determine the least restrictive and most appropriate
24 alternative placement for the conservatee. The court shall also
25 determine those persons to be notified of a change of placement.
26 The fact that a person for whom conservatorship is recommended
27 is not an inpatient shall not be construed by the court as an
28 indication that the person does not meet the criteria of grave
29 disability.

30 (2) For a conservatee who is gravely disabled, as defined in
31 subparagraph (B) of paragraph (1) of subdivision (h) of Section
32 5008, first priority shall be placement in a facility that achieves
33 the purposes of treatment of the conservatee and protection of the
34 public. The court shall determine the most appropriate placement
35 for the conservatee. The court shall also determine those persons
36 to be notified of a change of placement, and additionally require
37 the conservator to notify the district attorney or attorney
38 representing the originating county prior to any change of
39 placement.

1 (3) For any conservatee, if requested, the local mental health
2 director shall assist the conservator or the court in selecting a
3 placement facility for the conservatee. When a conservatee who
4 is receiving services from the local mental health program is
5 placed, the conservator shall inform the local mental health director
6 of the facility's location and any movement of the conservatee to
7 another facility.

8 (d) (1) Except for a conservatee who is gravely disabled, as
9 defined in subparagraph (B) of paragraph (1) of subdivision (h)
10 of Section 5008, the conservator may transfer his or her conservatee
11 to a less restrictive alternative placement without a further hearing
12 and court approval. In any case in which a conservator has
13 reasonable cause to believe that his or her conservatee is in need
14 of immediate more restrictive placement because the condition of
15 the conservatee has so changed that the conservatee poses an
16 immediate and substantial danger to himself or herself or others,
17 the conservator shall have the right to place his or her conservatee
18 in a more restrictive facility or hospital. Notwithstanding Section
19 5328, if the change of placement is to a placement more restrictive
20 than the court-determined placement, the conservator shall provide
21 written notice of the change of placement and the reason therefor
22 to the court, the conservatee's attorney, the county patient's rights
23 advocate and any other persons designated by the court pursuant
24 to subdivision (c).

25 (2) For a conservatee who is gravely disabled, as defined in
26 subparagraph (B) of paragraph (1) of subdivision (h) of Section
27 5008, the conservator may not transfer his or her conservatee
28 without providing written notice of the proposed change of
29 placement and the reason therefor to the court, the conservatee's
30 attorney, the county patient's rights advocate, the district attorney
31 of the county that made the commitment, and any other persons
32 designated by the court to receive notice. If any person designated
33 to receive notice objects to the proposed transfer within 10 days
34 after receiving notice, the matter shall be set for a further hearing
35 and court approval. The notification and hearing is not required
36 for the transfer of persons between state hospitals.

37 (3) At a hearing where the conservator is seeking placement to
38 a less restrictive alternative placement pursuant to paragraph (2),
39 the placement shall not be approved where it is determined by a

1 preponderance of the evidence that the placement poses a threat
2 to the safety of the public, the conservatee, or any other individual.

3 (4) A hearing as to placement to a less restrictive alternative
4 placement, whether requested pursuant to paragraph (2) or pursuant
5 to Section 5358.3, shall be granted no more frequently than is
6 provided for in Section 5358.3.

7 SEC. 37. Section 5366.1 of the Welfare and Institutions Code
8 is amended to read:

9 5366.1. (a) Any person detained as of June 30, 1969, under
10 court commitment, in a private institution, a county psychiatric
11 hospital, facility of the Veterans Administration, or other agency
12 of the United States government, community mental health service,
13 or detained in a state hospital or facility of the Veterans
14 Administration upon application of a local health officer, pursuant
15 to former Section 5567 or Sections 6000 to 6019, inclusive, as
16 they read immediately preceding July 1, 1969, may be detained,
17 after January 1, 1972, for a period no longer than 180 days, except
18 as provided in this section.

19 (b) Any person detained pursuant to this section on the effective
20 date of this section shall be evaluated by the facility designated
21 by the county and approved by the State Department of Health
22 Care Services pursuant to Section 5150 as a facility for 72-hour
23 treatment and evaluation. The evaluation shall be made at the
24 request of the person in charge of the institution in which the person
25 is detained. If in the opinion of the professional person in charge
26 of the evaluation and treatment facility or his or her designee, the
27 evaluation of the person can be made by the professional person
28 or his or her designee at the institution in which the person is
29 detained, the person shall not be required to be evaluated at the
30 evaluation and treatment facility, but shall be evaluated at the
31 institution where he or she is detained, or other place to determine
32 if the person is a danger to others, himself or herself, or gravely
33 disabled as a result of mental disorder.

34 (c) Any person evaluated under this section shall be released
35 from the institution in which he or she is detained immediately
36 upon completion of the evaluation if in the opinion of the
37 professional person in charge of the evaluation and treatment
38 facility, or his or her designee, the person evaluated is not a danger
39 to others, or to himself or herself, or gravely disabled as a result

1 of mental disorder, unless the person agrees voluntarily to remain
2 in the institution in which he or she has been detained.

3 (d) If in the opinion of the professional person in charge of the
4 facility or his or her designee, the person evaluated requires
5 intensive treatment or recommendation for conservatorship, the
6 professional person or his or her designee shall proceed under
7 Article 4 (commencing with Section 5250) of Chapter 2, or under
8 Chapter 3 (commencing with Section 5350), of Part 1 of Division
9 5.

10 (e) If it is determined from the evaluation that the person is
11 gravely disabled and a recommendation for conservatorship is
12 made, and if the petition for conservatorship for the person is not
13 filed by June 30, 1972, the court commitment or detention under
14 a local health officer application for the person shall terminate and
15 the patient shall be released unless he or she agrees to accept
16 treatment on a voluntary basis.

17 SEC. 38. Section 5404 of the Welfare and Institutions Code is
18 amended to read:

19 5404. (a) Each county may designate facilities, which are not
20 hospitals or clinics, as 72-hour evaluation and treatment facilities
21 and as 14-day intensive treatment facilities if the facilities meet
22 those requirements as the Director of Health Care Services may
23 establish by regulation. The Director of Health Care Services shall
24 encourage the use by counties of appropriate facilities, which are
25 not hospitals or clinics, for the evaluation and treatment of patients
26 pursuant to this part.

27 (b) All regulations relating to the approval of facilities
28 designated by the county for 72-hour treatment and evaluation and
29 14-day intensive treatment facilities, heretofore adopted by the
30 State Department of Mental Health, or a successor, shall remain
31 in effect and shall be fully enforceable by the State Department of
32 Health Care Services with respect to any facility or program
33 required to be approved as a facility for 72-hour treatment and
34 evaluation and 14-day intensive treatment facilities, unless and
35 until readopted, amended, or repealed by the Director of Health
36 Care Services. The State Department of Health Care Services shall
37 succeed to and be vested with all duties, powers, purposes,
38 functions, responsibilities, and jurisdiction of the State Department
39 of Mental Health, or a successor, as they relate to approval of

1 facilities for 72-hour treatment and evaluation and 14-day intensive
2 treatment facilities.

3 SEC. 39. Section 5405 of the Welfare and Institutions Code is
4 amended to read:

5 5405. (a) This section shall apply to each facility licensed by
6 the State Department of Health Care Services, or its delegated
7 agent, on or after January 1, 2003. For purposes of this section,
8 “facility” means psychiatric health facilities, as defined in Section
9 1250.2 of the Health and Safety Code, licensed pursuant to Chapter
10 9 (commencing with Section 77001) of Division 5 of Title 22 of
11 the California Code of Regulations and mental health rehabilitation
12 centers licensed pursuant to Chapter 3.5 (commencing with Section
13 781.00) of Division 1 of Title 9 of the California Code of
14 Regulations.

15 (b) (1) (A) Prior to the initial licensure or first renewal of a
16 license on or after January 1, 2003, of any person to operate or
17 manage a facility specified in subdivision (a), the applicant or
18 licensee shall submit fingerprint images and related information
19 pertaining to the applicant or licensee to the Department of Justice
20 for purposes of a criminal record check, as specified in paragraph
21 (2), at the expense of the applicant or licensee. The Department
22 of Justice shall provide the results of the criminal record check to
23 the State Department of Health Care Services. The State
24 Department of Health Care Services may take into consideration
25 information obtained from or provided by other government
26 agencies. The State Department of Health Care Services shall
27 determine whether the applicant or licensee has ever been convicted
28 of a crime specified in subdivision (c). The applicant or licensee
29 shall submit fingerprint images and related information each time
30 the position of administrator, manager, program director, or fiscal
31 officer of a facility is filled and prior to actual employment for
32 initial licensure or an individual who is initially hired on or after
33 January 1, 2003. For purposes of this subdivision, “applicant” and
34 “licensee” include the administrator, manager, program director,
35 or fiscal officer of a facility.

36 (B) Commencing July 1, 2013, upon the employment of, or
37 contract with or for, any direct care staff, the direct care staff person
38 or licensee shall submit fingerprint images and related information
39 pertaining to the direct care staff person to the Department of
40 Justice for purposes of a criminal record check, as specified in

1 paragraph (2), at the expense of the direct care staff person or
2 licensee. The Department of Justice shall provide the results of
3 the criminal record check to the State Department of Health Care
4 Services. The State Department of Health Care Services shall
5 determine whether the direct care staff person has ever been
6 convicted of a crime specified in subdivision (c). The State
7 Department of Health Care Services shall notify the licensee of
8 these results. No direct client contact by the trainee or newly hired
9 staff, or by any direct care contractor shall occur prior to clearance
10 by the State Department of Health Care Services unless the trainee,
11 newly hired employee, contractor, or employee of the contractor
12 is constantly supervised.

13 (C) Commencing July 1, 2013, any contract for services
14 provided directly to patients or residents shall contain provisions
15 to ensure that the direct services contractor submits to the
16 Department of Justice fingerprint images and related information
17 pertaining to the direct services contractor for submission to the
18 State Department of Health Care Services for purposes of a
19 criminal record check, as specified in paragraph (2), at the expense
20 of the direct services contractor or licensee. The Department of
21 Justice shall provide the results of the criminal record check to the
22 State Department of Health Care Services. The State Department
23 of Health Care Services shall determine whether the direct services
24 contractor has ever been convicted of a crime specified in
25 subdivision (c). The State Department of Health Care Services
26 shall notify the licensee of these results.

27 (2) If the applicant, licensee, direct care staff person, or direct
28 services contractor specified in paragraph (1) has resided in
29 California for at least the previous seven years, the applicant,
30 licensee, direct care staff person, or direct services contractor shall
31 only submit one set of fingerprint images and related information
32 to the Department of Justice. The Department of Justice shall
33 charge a fee sufficient to cover the reasonable cost of processing
34 the fingerprint submission. Fingerprints and related information
35 submitted pursuant to this subdivision include fingerprint images
36 captured and transmitted electronically. When requested, the
37 Department of Justice shall forward one set of fingerprint images
38 to the Federal Bureau of Investigation for the purpose of obtaining
39 any record of previous convictions or arrests pending adjudication
40 of the applicant, licensee, direct care staff person, or direct services

1 contractor. The results of a criminal record check provided by the
2 Department of Justice shall contain every conviction rendered
3 against an applicant, licensee, direct care staff person, or direct
4 services contractor, and every offense for which the applicant,
5 licensee, direct care staff person, or direct services contractor is
6 presently awaiting trial, whether the person is incarcerated or has
7 been released on bail or on his or her own recognizance pending
8 trial. The State Department of the Health Care Services shall
9 request subsequent arrest notification from the Department of
10 Justice pursuant to Section 11105.2 of the Penal Code.

11 (3) An applicant and any other person specified in this
12 subdivision, as part of the background clearance process, shall
13 provide information as to whether or not the person has any prior
14 criminal convictions, has had any arrests within the past 12-month
15 period, or has any active arrests, and shall certify that, to the best
16 of his or her knowledge, the information provided is true. This
17 requirement is not intended to duplicate existing requirements for
18 individuals who are required to submit fingerprint images as part
19 of a criminal background clearance process. Every applicant shall
20 provide information on any prior administrative action taken
21 against him or her by any federal, state, or local government agency
22 and shall certify that, to the best of his or her knowledge, the
23 information provided is true. An applicant or other person required
24 to provide information pursuant to this section that knowingly or
25 willfully makes false statements, representations, or omissions
26 may be subject to administrative action, including, but not limited
27 to, denial of his or her application or exemption or revocation of
28 any exemption previously granted.

29 (c) (1) The State Department of Health Care Services shall
30 deny any application for any license, suspend or revoke any
31 existing license, and disapprove or revoke any employment or
32 contract for direct services, if the applicant, licensee, employee,
33 or direct services contractor has been convicted of, or incarcerated
34 for, a felony defined in subdivision (c) of Section 667.5 of, or
35 subdivision (c) of Section 1192.7 of, the Penal Code, within the
36 preceding 10 years.

37 (2) The application for licensure or renewal of any license shall
38 be denied, and any employment or contract to provide direct
39 services shall be disapproved or revoked, if the criminal record of
40 the person includes a conviction in another jurisdiction for an

1 offense that, if committed or attempted in this state, would have
2 been punishable as one or more of the offenses referred to in
3 paragraph (1).

4 (d) (1) The State Department of Health Care Services may
5 approve an application for, or renewal of, a license, or continue
6 any employment or contract for direct services, if the person has
7 been convicted of a misdemeanor offense that is not a crime upon
8 the person of another, the nature of which has no bearing upon the
9 duties for which the person will perform as a licensee, direct care
10 staff person, or direct services contractor. In determining whether
11 to approve the application, employment, or contract for direct
12 services, the department shall take into consideration the factors
13 enumerated in paragraph (2).

14 (2) Notwithstanding subdivision (c), if the criminal record of a
15 person indicates any conviction other than a minor traffic violation,
16 the State Department of Health Care Services may deny the
17 application for license or renewal, and may disapprove or revoke
18 any employment or contract for direct services. In determining
19 whether or not to deny the application for licensure or renewal, or
20 to disapprove or revoke any employment or contract for direct
21 services, the department shall take into consideration the following
22 factors:

23 (A) The nature and seriousness of the offense under
24 consideration and its relationship to the person's employment,
25 duties, and responsibilities.

26 (B) Activities since conviction, including employment or
27 participation in therapy or education, that would indicate changed
28 behavior.

29 (C) The time that has elapsed since the commission of the
30 conduct or offense and the number of offenses.

31 (D) The extent to which the person has complied with any terms
32 of parole, probation, restitution, or any other sanction lawfully
33 imposed against the person.

34 (E) Any rehabilitation evidence, including character references,
35 submitted by the person.

36 (F) Employment history and current employer recommendations.

37 (G) Circumstances surrounding the commission of the offense
38 that would demonstrate the unlikelihood of repetition.

39 (H) The granting by the Governor of a full and unconditional
40 pardon.

1 (I) A certificate of rehabilitation from a superior court.

2 (e) Denial, suspension, or revocation of a license, or disapproval
3 or revocation of any employment or contract for direct services
4 specified in subdivision (c) and paragraph (2) of subdivision (d)
5 are not subject to appeal, except as provided in subdivision (f).

6 (f) After a review of the record, the director may grant an
7 exemption from denial, suspension, or revocation of any license,
8 or disapproval of any employment or contract for direct services,
9 if the crime for which the person was convicted was a property
10 crime that did not involve injury to any person and the director
11 has substantial and convincing evidence to support a reasonable
12 belief that the person is of such good character as to justify issuance
13 or renewal of the license or approval of the employment or contract.

14 (g) A plea or verdict of guilty, or a conviction following a plea
15 of nolo contendere shall be deemed a conviction within the
16 meaning of this section. The State Department of Health Care
17 Services may deny any application, or deny, suspend, or revoke a
18 license, or disapprove or revoke any employment or contract for
19 direct services based on a conviction specified in subdivision (c)
20 when the judgment of conviction is entered or when an order
21 granting probation is made suspending the imposition of sentence.

22 (h) (1) For purposes of this section, “direct care staff” means
23 any person who is an employee, contractor, or volunteer who has
24 contact with other patients or residents in the provision of services.
25 Administrative and licensed personnel shall be considered direct
26 care staff when directly providing program services to participants.

27 (2) An additional background check shall not be required
28 pursuant to this section if the direct care staff or licensee has
29 received a prior criminal history background check while working
30 in a mental health rehabilitation center or psychiatric health facility
31 licensed by the State Department of Health Care Services, and
32 provided the department has maintained continuous subsequent
33 arrest notification on the individual from the Department of Justice
34 since the prior criminal background check was initiated.

35 (3) When an application is denied on the basis of a conviction
36 pursuant to this section, the State Department of Health Care
37 Services shall provide the individual whose application was denied
38 with notice, in writing, of the specific grounds for the proposed
39 denial.

1 SEC. 40. Section 5585.21 of the Welfare and Institutions Code
2 is amended to read:

3 5585.21. The Director of Health Care Services may promulgate
4 regulations as necessary to implement and clarify the provisions
5 of this part as they relate to minors.

6 SEC. 41. Section 5585.50 of the Welfare and Institutions Code
7 is amended to read:

8 5585.50. (a) When any minor, as a result of mental disorder,
9 is a danger to others, or to himself or herself, or gravely disabled
10 and authorization for voluntary treatment is not available, a peace
11 officer, member of the attending staff, as defined by regulation,
12 of an evaluation facility designated by the county, or other
13 professional person designated by the county may, upon probable
14 cause, take, or cause to be taken, the minor into custody and place
15 him or her in a facility designated by the county and approved by
16 the State Department of Health Care Services as a facility for
17 72-hour treatment and evaluation of minors. The facility shall
18 make every effort to notify the minor's parent or legal guardian
19 as soon as possible after the minor is detained.

20 (b) The facility shall require an application in writing stating
21 the circumstances under which the minor's condition was called
22 to the attention of the officer, member of the attending staff, or
23 professional person, and stating that the officer, member of the
24 attending staff, or professional person has probable cause to believe
25 that the minor is, as a result of mental disorder, a danger to others,
26 or to himself or herself, or gravely disabled and authorization for
27 voluntary treatment is not available. If the probable cause is based
28 on the statement of a person other than the officer, member of the
29 attending staff, or professional person, the person shall be liable
30 in a civil action for intentionally giving a statement which he or
31 she knows to be false.

32 SEC. 42. Section 5585.55 of the Welfare and Institutions Code
33 is amended to read:

34 5585.55. The minor committed for involuntary treatment under
35 this part shall be placed in a mental health facility designated by
36 the county and approved by the State Department of Health Care
37 Services as a facility for 72-hour evaluation and treatment. Except
38 as provided for in Section 5751.7, each county shall ensure that
39 minors under 16 years of age are not held with adults receiving
40 psychiatric treatment under the provisions of the

1 Lanterman-Petris-Short Act (Part 1 (commencing with Section
2 5000)).

3 SEC. 43. Section 5675 of the Welfare and Institutions Code is
4 amended to read:

5 5675. (a) Mental health rehabilitation centers shall only be
6 licensed by the State Department of Health Care Services
7 subsequent to application by counties, county contract providers,
8 or other organizations. In the application for a mental health
9 rehabilitation center, program evaluation measures shall include,
10 but not be limited to:

11 (1) That the clients placed in the facilities show improved global
12 assessment scores, as measured by preadmission and postadmission
13 tests.

14 (2) That the clients placed in the facilities demonstrate improved
15 functional behavior as measured by preadmission and
16 postadmission tests.

17 (3) That the clients placed in the facilities have reduced
18 medication levels as determined by comparison of preadmission
19 and postadmission records.

20 (b) The State Department of Health Care Services shall conduct
21 annual licensing inspections of mental health rehabilitation centers.

22 (c) All regulations relating to the licensing of mental health
23 rehabilitation centers, heretofore adopted by the State Department
24 of Mental Health, or its successor, shall remain in effect and shall
25 be fully enforceable by the State Department of Health Care
26 Services with respect to any facility or program required to be
27 licensed as a mental health rehabilitation center, unless and until
28 readopted, amended, or repealed by the Director of Health Care
29 Services. The State Department of Health Care Services shall
30 succeed to and be vested with all duties, powers, purposes,
31 functions, responsibilities, and jurisdiction of the State Department
32 of Mental Health, and its successor, if any, as they relate to
33 licensing mental health rehabilitation centers.

34 SEC. 44. Section 5675.1 of the Welfare and Institutions Code
35 is amended to read:

36 5675.1. (a) In accordance with subdivision (b), the State
37 Department of Health Care Services may establish a system for
38 the imposition of prompt and effective civil sanctions for long-term
39 care facilities licensed or certified by the department, including
40 facilities licensed under the provisions of Sections 5675 and 5768,

1 and including facilities certified as providing a special treatment
2 program under Sections 72443 to 72475, inclusive, of Title 22 of
3 the California Code of Regulations.

4 (b) If the department determines that there is or has been a
5 failure, in a substantial manner, on the part of any such facility to
6 comply with the applicable laws and regulations, the director may
7 impose the following sanctions:

8 (1) A plan of corrective action that addresses all failure identified
9 by the department and includes timelines for correction.

10 (2) A facility that is issued a plan of corrective action, and that
11 fails to comply with the plan and repeats the deficiency, may be
12 subject to immediate suspension of its license or certification, until
13 the deficiency is corrected, when failure to comply with the plan
14 of correction may cause a health or safety risk to residents.

15 (c) The department may also establish procedures for the appeal
16 of an administrative action taken pursuant to this section, including
17 a plan of corrective action or a suspension of license or
18 certification.

19 SEC. 45. Section 5675.2 of the Welfare and Institutions Code
20 is amended to read:

21 5675.2. (a) There is hereby created in the State Treasury the
22 Mental Health Facility Licensing Fund, from which money, upon
23 appropriation by the Legislature in the Budget Act, shall be
24 expended by the State Department of Health Care Services to fund
25 administrative and other activities in support of the mental health
26 licensing and certification functions of the State Department of
27 Health Care Services. The Mental Health Facility Licensing Fund
28 is the successor to the Licensing and Certification Fund, Mental
29 Health, which fund is hereby abolished. All references in any law
30 to the Licensing and Certification Fund, Mental Health shall be
31 deemed to refer to the Mental Health Facility Licensing Fund.

32 (b) Commencing January 1, 2005, each new and renewal
33 application for a license to operate a mental health rehabilitation
34 center shall be accompanied by an application or renewal fee.

35 (c) The amount of the fees shall be determined and collected
36 by the State Department of Health Care Services, but the total
37 amount of the fees collected shall not exceed the actual costs of
38 licensure and regulation of the centers, including, but not limited
39 to, the costs of processing the application, inspection costs, and
40 other related costs.

1 (d) Each license or renewal issued pursuant to this chapter shall
2 expire 12 months from the date of issuance. Application for
3 renewal of the license shall be accompanied by the necessary fee
4 and shall be filed with the department at least 30 days prior to the
5 expiration date. Failure to file a timely renewal may result in
6 expiration of the license.

7 (e) License and renewal fees collected pursuant to this section
8 shall be deposited into the Mental Health Facility Licensing Fund.

9 (f) Fees collected by the State Department of Health Care
10 Services pursuant to this section shall be expended by the State
11 Department of Health Care Services for the purpose of ensuring
12 the health and safety of all individuals providing care and
13 supervision by licensees and to support activities of the department,
14 including, but not limited to, monitoring facilities for compliance
15 with applicable laws and regulations.

16 (g) The State Department of Health Care Services may make
17 additional charges to the facilities if additional visits are required
18 to ensure that corrective action is taken by the licensee.

19 SEC. 46. Section 5751.7 of the Welfare and Institutions Code
20 is amended to read:

21 5751.7. (a) For the purposes of this part and the
22 Lanterman-Petris-Short Act (Part 1 (commencing with Section
23 5000)), the State Department of Health Care Services and the State
24 Department of State Hospitals shall ensure that, whenever feasible,
25 minors shall not be admitted into psychiatric treatment with adults
26 if the health facility has no specific separate housing arrangements,
27 treatment staff, and treatment programs designed to serve children
28 or adolescents. The Director of Health Care Services shall provide
29 waivers to counties, upon their request, if this policy creates undue
30 hardship in any county due to inadequate or unavailable alternative
31 resources. In granting the waivers, the Director of Health Care
32 Services shall require the county to establish specific treatment
33 protocols and administrative procedures for identifying and
34 providing appropriate treatment to minors admitted with adults.

35 (b) However, notwithstanding any other provision of law, no
36 minor may be admitted for psychiatric treatment into the same
37 treatment ward as any adult receiving treatment who is in the
38 custody of any jailor for a violent crime, is a known registered sex
39 offender, or has a known history of, or exhibits inappropriate,

1 sexual, or other violent behavior which would present a threat to
2 the physical safety of minors.

3 SEC. 47. Section 5768 of the Welfare and Institutions Code is
4 amended to read:

5 5768. (a) Notwithstanding any other provision of law, except
6 as to requirements relating to fire and life safety of persons with
7 mental illness, the State Department of Health Care Services, in
8 its discretion, may permit new programs to be developed and
9 implemented without complying with licensure requirements
10 established pursuant to existing state law.

11 (b) Any program developed and implemented pursuant to
12 subdivision (a) shall be reviewed at least once each six months,
13 as determined by the State Department of Health Care Services.

14 (c) The State Department of Health Care Services may establish
15 appropriate licensing requirements for these new programs upon
16 a determination that the programs should be continued.

17 (d) Within six years, any program shall require a licensure
18 category if it is to be continued. However, in the event that any
19 agency other than the State Department of Health Care Services
20 is responsible for developing a licensure category and fails to do
21 so within the six years, the program may continue to be developed
22 and implemented pursuant to subdivisions (a) and (b) until such
23 time that the licensure category is established.

24 (e) (1) A nongovernmental entity proposing a program shall
25 submit a program application and plan to the local mental health
26 director that describes at least the following components: clinical
27 treatment programs, activity programs, administrative policies and
28 procedures, admissions, discharge planning, health records content,
29 health records service, interdisciplinary treatment teams, client
30 empowerment, patient rights, pharmaceutical services, program
31 space requirements, psychiatric and psychological services,
32 rehabilitation services, restraint and seclusion, space, supplies,
33 equipment, and staffing standards. If the local mental health
34 director determines that the application and plan are consistent
35 with local needs and satisfactorily address the above components,
36 he or she may approve the application and plan and forward them
37 to the department.

38 (2) Upon the State Department of Health Care Services'
39 approval, the local mental health director shall implement the
40 program and shall be responsible for regular program oversight

1 and monitoring. The department shall be notified in writing of the
2 outcome of each review of the program by the local mental health
3 director, or his or her designee, for compliance with program
4 requirements. The department shall retain ultimate responsibility
5 for approving the method for review of each program, and the
6 authority for determining the appropriateness of the local program's
7 oversight and monitoring activities.

8 (f) Governmental entities proposing a program shall submit a
9 program application and plan to the State Department of Health
10 Care Services that describes at least the components described in
11 subdivision (e). Upon approval, the department shall be responsible
12 for program oversight and monitoring.

13 (g) Implementation of a program shall be contingent upon the
14 State Department of Health Care Services' approval, and the
15 department may reject applications or require modifications as it
16 deems necessary. The department shall respond to each proposal
17 within 90 days of receipt.

18 (h) The State Department of Health Care Services shall submit
19 an evaluation to the Legislature of all pilot projects authorized
20 pursuant to this section within five years of the commencement
21 of operation of the pilot project, determining the effectiveness of
22 that program or facility, or both, based on, but not limited to,
23 changes in clinical indicators with respect to client functions.

24 SEC. 48. Section 5840 of the Welfare and Institutions Code is
25 amended to read:

26 5840. (a) The State Department of Health Care Services, in
27 coordination with counties, shall establish a program designed to
28 prevent mental illnesses from becoming severe and disabling. The
29 program shall emphasize improving timely access to services for
30 underserved populations.

31 (b) The program shall include the following components:

32 (1) Outreach to families, employers, primary care health care
33 providers, and others to recognize the early signs of potentially
34 severe and disabling mental illnesses.

35 (2) Access and linkage to medically necessary care provided
36 by county mental health programs for children with severe mental
37 illness, as defined in Section 5600.3, and for adults and seniors
38 with severe mental illness, as defined in Section 5600.3, as early
39 in the onset of these conditions as practicable.

1 (3) Reduction in stigma associated with either being diagnosed
2 with a mental illness or seeking mental health services.

3 (4) Reduction in discrimination against people with mental
4 illness.

5 (c) The program shall include mental health services similar to
6 those provided under other programs effective in preventing mental
7 illnesses from becoming severe, and shall also include components
8 similar to programs that have been successful in reducing the
9 duration of untreated severe mental illnesses and assisting people
10 in quickly regaining productive lives.

11 (d) The program shall emphasize strategies to reduce the
12 following negative outcomes that may result from untreated mental
13 illness:

14 (1) Suicide.

15 (2) Incarcerations.

16 (3) School failure or dropout.

17 (4) Unemployment.

18 (5) Prolonged suffering.

19 (6) Homelessness.

20 (7) Removal of children from their homes.

21 (e) Prevention and early intervention funds may be used to
22 broaden the provision of community-based mental health services
23 by adding prevention and early intervention services or activities
24 to these services.

25 (f) In consultation with mental health stakeholders, and
26 consistent with regulations from the Mental Health Services
27 Oversight and Accountability Commission, pursuant to Section
28 5846, the department shall revise the program elements in Section
29 5840 applicable to all county mental health programs in future
30 years to reflect what is learned about the most effective prevention
31 and intervention programs for children, adults, and seniors.

32 SEC. 49. Section 5845 of the Welfare and Institutions Code is
33 amended to read:

34 5845. (a) The Mental Health Services Oversight and
35 Accountability Commission is hereby established to oversee Part
36 3 (commencing with Section 5800), the Adult and Older Adult
37 Mental Health System of Care Act; Part 3.1 (commencing with
38 Section 5820), Human Resources, Education, and Training
39 Programs; Part 3.2 (commencing with Section 5830), Innovative
40 Programs; Part 3.6 (commencing with Section 5840), Prevention

1 and Early Intervention Programs; and Part 4 (commencing with
2 Section 5850), the Children’s Mental Health Services Act. The
3 commission shall replace the advisory committee established
4 pursuant to Section 5814. The commission shall consist of 16
5 voting members as follows:

6 (1) The Attorney General or his or her designee.

7 (2) The Superintendent of Public Instruction or his or her
8 designee.

9 (3) The Chairperson of the Senate Health and Human Services
10 Committee or another member of the Senate selected by the
11 President pro Tempore of the Senate.

12 (4) The Chairperson of the Assembly Health Committee or
13 another member of the Assembly selected by the Speaker of the
14 Assembly.

15 (5) Two persons with a severe mental illness, a family member
16 of an adult or senior with a severe mental illness, a family member
17 of a child who has or has had a severe mental illness, a physician
18 specializing in alcohol and drug treatment, a mental health
19 professional, a county sheriff, a superintendent of a school district,
20 a representative of a labor organization, a representative of an
21 employer with less than 500 employees and a representative of an
22 employer with more than 500 employees, and a representative of
23 a health care services plan or insurer, all appointed by the
24 Governor. In making appointments, the Governor shall seek
25 individuals who have had personal or family experience with
26 mental illness.

27 (b) Members shall serve without compensation, but shall be
28 reimbursed for all actual and necessary expenses incurred in the
29 performance of their duties.

30 (c) The term of each member shall be three years, to be
31 staggered so that approximately one-third of the appointments
32 expire in each year.

33 (d) In carrying out its duties and responsibilities, the commission
34 may do all of the following:

35 (1) Meet at least once each quarter at any time and location
36 convenient to the public as it may deem appropriate. All meetings
37 of the commission shall be open to the public.

38 (2) Within the limit of funds allocated for these purposes,
39 pursuant to the laws and regulations governing state civil service,
40 employ staff, including any clerical, legal, and technical assistance

1 as may appear necessary. The commission shall administer its
2 operations separate and apart from the State Department of Health
3 Care Services and the California Health and Human Services
4 Agency.

5 (3) Establish technical advisory committees such as a committee
6 of consumers and family members.

7 (4) Employ all other appropriate strategies necessary or
8 convenient to enable it to fully and adequately perform its duties
9 and exercise the powers expressly granted, notwithstanding any
10 authority expressly granted to any officer or employee of state
11 government.

12 (5) Enter into contracts.

13 (6) Obtain data and information from the State Department of
14 Health Care Services, the Office of Statewide Health Planning and
15 Development, or other state or local entities that receive Mental
16 Health Services Act funds, for the commission to utilize in its
17 oversight, review, training and technical assistance, accountability,
18 and evaluation capacity regarding projects and programs supported
19 with Mental Health Services Act funds.

20 (7) Participate in the joint state-county decisionmaking process,
21 as contained in Section 4061, for training, technical assistance,
22 and regulatory resources to meet the mission and goals of the
23 state's mental health system.

24 (8) Develop strategies to overcome stigma and discrimination,
25 and accomplish all other objectives of Part 3.2 (commencing with
26 Section 5830), 3.6 (commencing with Section 5840), and the other
27 provisions of the act establishing this commission.

28 (9) At any time, advise the Governor or the Legislature regarding
29 actions the state may take to improve care and services for people
30 with mental illness.

31 (10) If the commission identifies a critical issue related to the
32 performance of a county mental health program, it may refer the
33 issue to the State Department of Health Care Services pursuant to
34 Section 5655.

35 (11) Assist in providing technical assistance to accomplish the
36 purposes of the Mental Health Services Act, Part 3 (commencing
37 with Section 5800), and Part 4 (commencing with Section 5850)
38 in collaboration with the State Department of Health Care Services
39 and in consultation with the California Mental Health Directors
40 Association.

1 (12) Work in collaboration with the State Department of Health
2 Care Services and the California Mental Health Planning Council,
3 and in consultation with the California Mental Health Directors
4 Association, in designing a comprehensive joint plan for a
5 coordinated evaluation of client outcomes in the community-based
6 mental health system, including, but not limited to, parts listed in
7 subdivision (a). The California Health and Human Services Agency
8 shall lead this comprehensive joint plan effort.

9 SEC. 50. Section 5846 of the Welfare and Institutions Code is
10 amended to read:

11 5846. (a) The commission shall adopt regulations for programs
12 and expenditures pursuant to Part 3.2 (commencing with Section
13 5830), for innovative programs, and Part 3.6 (commencing with
14 Section 5840), for prevention and early intervention.

15 (b) Any regulations adopted by the department pursuant to
16 Section 5898 shall be consistent with the commission's regulations.

17 (c) The commission may provide technical assistance to any
18 county mental health plan as needed to address concerns or
19 recommendations of the commission or when local programs could
20 benefit from technical assistance for improvement of their plans.

21 (d) The commission shall ensure that the perspective and
22 participation of diverse community members reflective of
23 California populations and others suffering from severe mental
24 illness and their family members is a significant factor in all of its
25 decisions and recommendations.

26 SEC. 51. Section 5909 of the Welfare and Institutions Code is
27 amended to read:

28 5909. (a) The Director of Health Care Services shall retain the
29 authority and responsibility to monitor and approve special
30 treatment programs in skilled nursing facilities in accordance with
31 Sections 72443 to 72475, inclusive, of Title 22 of the California
32 Code of Regulations.

33 (b) The State Department of Health Care Services shall conduct
34 annual certification inspections of special treatment programs for
35 the mentally disordered for the purpose of approving the special
36 treatment programs that are located in skilled nursing facilities
37 licensed pursuant to Section 1265 of the Health and Safety Code.

38 SEC. 52. Section 6007 of the Welfare and Institutions Code is
39 amended to read:

1 6007. (a) Any person detained pursuant to this section shall
2 be evaluated by the facility designated by the county and approved
3 by the State Department of Health Care Services pursuant to
4 Section 5150 as a facility for 72-hour treatment and evaluation.
5 The evaluation shall be made at the request of the person in charge
6 of the private institution in which the person is detained or by one
7 of the physicians who signed the certificate. If in the opinion of
8 the professional person in charge of the evaluation and treatment
9 facility or his or her designee, the evaluation of the person can be
10 made by the professional person or his or her designee at the private
11 institution in which the person is detained, the person shall not be
12 required to be evaluated at the evaluation and treatment facility,
13 but shall be evaluated at the private institution to determine if the
14 person is a danger to others, himself or herself, or gravely disabled
15 as a result of mental disorder.

16 (b) Any person evaluated under this section shall be released
17 from the private institution immediately upon completion of the
18 evaluation if in the opinion of the professional person in charge
19 of the evaluation and treatment facility, or his or her designee, the
20 person evaluated is not a danger to others, or to himself or herself,
21 or gravely disabled as a result of mental disorder, unless the person
22 agrees voluntarily to remain in the private institution.

23 (c) If in the opinion of the professional person in charge of the
24 facility or his or her designee, the person evaluated requires
25 intensive treatment or recommendation for conservatorship, the
26 professional person or his or her designee shall proceed under
27 Article 4 (commencing with Section 5250) of Chapter 2, or under
28 Chapter 3 (commencing with Section 5350), of Part 1 of Division
29 5.

30 SEC. 53. Section 6551 of the Welfare and Institutions Code is
31 amended to read:

32 6551. (a) If the court is in doubt as to whether the person is
33 mentally disordered or intellectually disabled, the court shall order
34 the person to be taken to a facility designated by the county and
35 approved by the State Department of Health Care Services as a
36 facility for 72-hour treatment and evaluation. Thereupon, Article
37 1 (commencing with Section 5150) of Chapter 2 of Part 1 of
38 Division 5 applies, except that the professional person in charge
39 of the facility shall make a written report to the court concerning
40 the results of the evaluation of the person's mental condition. If

1 the professional person in charge of the facility finds the person
2 is, as a result of mental disorder, in need of intensive treatment,
3 the person may be certified for not more than 14 days of
4 involuntary intensive treatment if the conditions set forth in
5 subdivision (c) of Section 5250 and subdivision (b) of Section
6 5260 are complied with. Thereupon, Article 4 (commencing with
7 Section 5250) of Chapter 2 of Part 1 of Division 5 shall apply to
8 the person. The person may be detained pursuant to Article 4.5
9 (commencing with Section 5260), or Article 4.7 (commencing
10 with Section 5270.10), or Article 6 (commencing with Section
11 5300) of Part 1 of Division 5 if that article applies.

12 (b) If the professional person in charge of the facility finds that
13 the person is intellectually disabled, the juvenile court may direct
14 the filing in any other court of a petition for the commitment of a
15 minor as an intellectually disabled person to the State Department
16 of Developmental Services for placement in a state hospital. In
17 such case, the juvenile court shall transmit to the court in which
18 the petition is filed a copy of the report of the professional person
19 in charge of the facility in which the minor was placed for
20 observation. The court in which the petition for commitment is
21 filed may accept the report of the professional person in lieu of
22 the appointment, or subpoenaing, and testimony of other expert
23 witnesses appointed by the court, if the laws applicable to such
24 commitment proceedings provide for the appointment by court of
25 medical or other expert witnesses or may consider the report as
26 evidence in addition to the testimony of medical or other expert
27 witnesses.

28 (c) If the professional person in charge of the facility for 72-hour
29 evaluation and treatment reports to the juvenile court that the minor
30 is not affected with any mental disorder requiring intensive
31 treatment or intellectual disability, the professional person in charge
32 of the facility shall return the minor to the juvenile court on or
33 before the expiration of the 72-hour period and the court shall
34 proceed with the case in accordance with the Juvenile Court Law.

35 (d) Any expenditure for the evaluation or intensive treatment
36 of a minor under this section shall be considered an expenditure
37 made under Part 2 (commencing with Section 5600) of Division
38 5 and shall be reimbursed by the state as are other local
39 expenditures pursuant to that part.

1 (e) The jurisdiction of the juvenile court over the minor shall
 2 be suspended during the time that the minor is subject to the
 3 jurisdiction of the court in which the petition for postcertification
 4 treatment of an imminently dangerous person or the petition for
 5 commitment of an intellectually disabled person is filed or under
 6 remand for 90 days for intensive treatment or commitment ordered
 7 by the court.

8 SEC. 54. Section 7100 of the Welfare and Institutions Code is
 9 amended to read:

10 7100. (a) The board of supervisors of each county may
 11 maintain in the county hospital or in any other hospital situated
 12 within or without the county or in any other psychiatric health
 13 facility situated within or without the county, suitable facilities
 14 and nonhospital or hospital service for the detention, supervision,
 15 care, and treatment of persons who are mentally disordered or
 16 developmentally disabled, or who are alleged to be such.

17 (b) The county may contract with public or private hospitals for
 18 those facilities and hospital service when they are not suitably
 19 available in any institution, psychiatric facility, or establishment
 20 maintained or operated by the county.

21 (c) The facilities and services for the mentally disordered and
 22 allegedly mentally disordered shall be subject to the approval of
 23 the State Department of Health Care Services, and the facilities
 24 and services for the developmentally disabled and allegedly
 25 developmentally disabled shall be subject to the approval of the
 26 State Department of Developmental Services. The professional
 27 person having charge and control of the hospital or psychiatric
 28 health facility shall allow the department whose approval is
 29 required to make investigations thereof as it deems necessary at
 30 any time.

31 (d) Nothing in this chapter means that mentally disordered or
 32 developmentally disabled persons may not be detained, supervised,
 33 cared for, or treated, subject to the right of inquiry or investigation
 34 by the department, in their own homes, or the homes of their
 35 relatives or friends, or in a licensed establishment.

36 SEC. 55. Section 14005.281 is added to the Welfare and
 37 Institutions Code, immediately following Section 14005.28, to
 38 read:

39 14005.281. (a) The department shall maintain eligibility for
 40 all former independent foster care adolescents who were receiving

1 services pursuant to Section 14005.28 on or after July 1, 2013, but
2 no later than December 31, 2013, and lost Medi-Cal coverage as
3 a result of attaining 21 years of age.

4 (b) Subdivision (a) shall be implemented using state general
5 funds to the extent federal financial participation is not available.

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

9 SEC. 56. Section 14100.3 is added to the Welfare and
10 Institutions Code, to read:

11 14100.3. (a) The State Department of Health Care Services
12 shall post on its Internet Web site all submitted state plan
13 amendments and all federal waiver applications and requests for
14 new waivers, waiver amendments, and waiver renewals and
15 extensions, within 10 business days from the date the department
16 submits these documents for approval to the federal Centers for
17 Medicare and Medicaid Services (CMS).

18 (b) The department shall post on its Internet Web site final
19 approval or denial letters and accompanying documents for all
20 submitted state plan amendments and federal waiver applications
21 and requests within 10 business days from the date the department
22 receives notification of final approval or denial from CMS.

23 (c) If the department notifies CMS of the withdrawal of a
24 submitted state plan amendment or federal waiver application or
25 request, as described in subdivisions (a) and (b), the department
26 shall post on its Internet Web site the withdrawal notification within
27 10 business days from the date the department notifies CMS of
28 the withdrawal.

29 (d) Unless already posted on the Internet Web site pursuant to
30 subdivisions (a) to (c), inclusive, the department shall post on its
31 Internet Web site all pending submitted state plan amendments
32 and federal waiver applications and requests, that the department
33 submitted to CMS in 2009 and every year thereafter.

34 SEC. 57. Section 14100.51 is added to the Welfare and
35 Institutions Code, immediately following Section 14100.5, to read:

36 14100.51. (a) Each year, by no later than January 10 and
37 concurrently with the release of the May Revision, the State
38 Department of Health Care Services shall provide to the fiscal
39 committees of the Legislature supplemental fiscal information for
40 the Medi-Cal Specialty Mental Health Services Program. This

1 supplemental fiscal information shall include service-type
2 descriptions, children's and adults' caseload and fiscal forecast by
3 service type, a detailed explanation of changes to these forecasts,
4 fiscal charts containing children's and adults' claim costs and
5 unduplicated client counts, and summary fiscal charts with
6 current-year and budget-year proposals.

7 (b) For purposes of making the information described in
8 subdivision (a) available to the public, the department shall post
9 this information on its Internet Web site.

10 SEC. 58. Section 14100.52 is added to the Welfare and
11 Institutions Code, immediately following Section 14100.51, to
12 read:

13 14100.52. (a) Each year, by no later than January 10 and
14 concurrently with the release of the May Revision, the State
15 Department of Health Care Services shall provide to the fiscal
16 committees of the Legislature supplemental fiscal information for
17 the Drug Medi-Cal Program. This supplemental fiscal information
18 shall include adult, minor-consent, child, and perinatal unique
19 client counts and summary fiscal charts with current-year and
20 budget-year proposals.

21 (b) For purposes of making the information described in
22 subdivision (a) available to the public, the department shall post
23 this information on its Internet Web site.

24 SEC. 59. Section 14105.22 of the Welfare and Institutions
25 Code is amended to read:

26 14105.22. (a) (1) Reimbursement for clinical laboratory or
27 laboratory services, as defined in Section 51137.2 of Title 22 of
28 the California Code of Regulations, shall not exceed 80 percent
29 of the lowest maximum allowance established by the federal
30 Medicare Program for the same or similar services.

31 (2) This subdivision shall be implemented only until the new
32 rate methodology under subdivision (b) is approved by the federal
33 Centers for Medicare and Medicaid Services (CMS).

34 (b) (1) It is the intent of the Legislature that the department
35 develop reimbursement rates for clinical laboratory or laboratory
36 services that are comparable to the payment amounts received
37 from other payers for clinical laboratory or laboratory services.
38 Development of these rates will enable the department to reimburse
39 clinical laboratory or laboratory service providers in compliance
40 with state and federal law.

1 (2) (A) The provisions of Section 51501(a) of Title 22 of the
2 California Code of Regulations shall not apply to laboratory
3 providers reimbursed under the new rate methodology developed
4 for clinical laboratories or laboratory services pursuant to this
5 subdivision.

6 (B) In addition to subparagraph (A), laboratory providers
7 reimbursed under any payment reductions implemented pursuant
8 to this section shall not be subject to the provisions of Section
9 51501(a) of Title 22 of the California Code of Regulations for 21
10 months following the date of implementation of this reduction.

11 (3) Reimbursement to providers for clinical laboratory or
12 laboratory services shall not exceed the lowest of the following:

13 (A) The amount billed.

14 (B) The charge to the general public.

15 (C) Eighty percent of the lowest maximum allowance established
16 by the federal Medicare Program for the same or similar services.

17 (D) A reimbursement rate based on an average of the lowest
18 amount that other payers and other state Medicaid programs are
19 paying for similar clinical laboratory or laboratory services.

20 (4) (A) In addition to the payment reductions implemented
21 pursuant to Section 14105.192, payments shall be reduced by up
22 to 10 percent for clinical laboratory or laboratory services, as
23 defined in Section 51137.2 of Title 22 of the California Code of
24 Regulations, for dates of service on and after July 1, 2012. The
25 payment reductions pursuant to this paragraph shall continue until
26 the new rate methodology under this subdivision has been approved
27 by CMS.

28 (B) Notwithstanding subparagraph (A), the Family Planning,
29 Access, Care, and Treatment (Family PACT) Program pursuant
30 to subdivision (aa) of Section 14132 shall be exempt from the
31 payment reduction specified in this section.

32 (5) (A) For purposes of establishing reimbursement rates for
33 clinical laboratory or laboratory services based on the lowest
34 amounts other payers are paying providers for similar clinical
35 laboratory or laboratory services, laboratory service providers shall
36 submit data reports within 11 months of the date the act that added
37 this paragraph becomes effective and annually thereafter. The data
38 initially provided shall be for the 2011 calendar year, and for each
39 subsequent year, shall be based on the previous calendar year and
40 shall specify the provider's lowest amounts other payers are paying,

1 including other state Medicaid programs and private insurance,
2 minus discounts and rebates. The specific data required for
3 submission under this subparagraph and the format for the data
4 submission shall be determined and specified by the department
5 after receiving stakeholder input pursuant to paragraph (7).

6 (B) The data submitted pursuant to subparagraph (A) may be
7 used to determine reimbursement rates by procedure code based
8 on an average of the lowest amount other payers are paying
9 providers for similar clinical laboratory or laboratory services,
10 excluding significant deviations of cost or volume factors and with
11 consideration to geographical areas. The department shall have
12 the discretion to determine the specific methodology and factors
13 used in the development of the lowest average amount under this
14 subparagraph to ensure compliance with federal Medicaid law and
15 regulations as specified in paragraph (10).

16 (C) For purposes of subparagraph (B), the department may
17 contract with a vendor for the purposes of collecting payment data
18 reports from clinical laboratories, analyzing payment information,
19 and calculating a proposed rate.

20 (D) The proposed rates calculated by the vendor described in
21 subparagraph (C) may be used in determining the lowest
22 reimbursement rate for clinical laboratories or laboratory services
23 in accordance with paragraph (3).

24 (E) Data reports submitted to the department shall be certified
25 by the provider's certified financial officer or an authorized
26 individual.

27 (F) Clinical laboratory providers that fail to submit data reports
28 within 30 working days from the time requested by the department
29 shall be subject to the suspension provisions of subdivisions (a)
30 and (c) of Section 14123.

31 (6) Data reports provided to the department pursuant to this
32 section shall be confidential and shall be exempt from disclosure
33 under the California Public Records Act (Chapter 3.5 (commencing
34 with Section 6250) of Division 7 of Title 1 of the Government
35 Code).

36 (7) The department shall seek stakeholder input on the
37 ratesetting methodology.

38 (8) (A) Notwithstanding Chapter 3.5 (commencing with Section
39 11340) of Part 1 of Division 3 of Title 2 of the Government Code,
40 the department shall, without taking any further regulatory action,

1 implement, interpret, or make specific this section by means of
2 provider bulletins or similar instructions until regulations are
3 adopted. It is the intent of the Legislature that the department have
4 temporary authority as necessary to implement program changes
5 until completion of the regulatory process.

6 (B) The department shall adopt emergency regulations no later
7 than July 1, 2014. The department may readopt any emergency
8 regulation authorized by this section that is the same as or
9 substantially equivalent to an emergency regulation previously
10 adopted pursuant to this section. The initial adoption of emergency
11 regulations implementing the amendments to this section and the
12 one readoption of emergency regulations authorized by this section
13 shall be deemed an emergency and necessary for the immediate
14 preservation of the public peace, health, safety, or general welfare.
15 Initial emergency regulations and the one readoption of emergency
16 regulations authorized by this section shall be exempt from review
17 by the Office of Administrative Law.

18 (C) The initial emergency regulations and the one readoption
19 of emergency regulations authorized by this section shall be
20 submitted to the Office of Administrative Law for filing with the
21 Secretary of State and each shall remain in effect for no more than
22 180 days, by which time final regulations may be adopted.

23 (9) To the extent that the director determines that the new
24 methodology or payment reductions are not consistent with the
25 requirements of Section 1396a(a)(30)(A) of Title 42 of the United
26 States Code, the department may revert to the methodology under
27 subdivision (a) to ensure access to care is not compromised.

28 (10) (A) The department shall implement this section in a
29 manner that is consistent with federal Medicaid law and
30 regulations. The director shall seek any necessary federal approvals
31 for the implementation of this section. This section shall be
32 implemented only to the extent that federal approval is obtained.

33 (B) In determining whether federal financial participation is
34 available, the director shall determine whether the rates and
35 payments comply with applicable federal Medicaid requirements,
36 including those set forth in Section 1396a(a)(30)(A) of Title 42 of
37 the United States Code.

38 (C) To the extent that the director determines that the rates and
39 payments do not comply with applicable federal Medicaid
40 requirements or that federal financial participation is not available

1 with respect to any reimbursement rate, the director retains the
2 discretion not to implement that rate or payment and may revise
3 the rate or payment as necessary to comply with federal Medicaid
4 requirements. The department shall notify the Joint Legislative
5 Budget Committee 10 days prior to revising the rate or payment
6 to comply with federal Medicaid requirements.

7 SEC. 60. Section 14105.3 of the Welfare and Institutions Code
8 is amended to read:

9 14105.3. (a) The department is considered to be the purchaser,
10 but not the dispenser or distributor, of prescribed drugs under the
11 Medi-Cal program for the purpose of enabling the department to
12 obtain from manufacturers of prescribed drugs the most favorable
13 price for those drugs furnished by one or more manufacturers,
14 based upon the large quantity of the drugs purchased under the
15 Medi-Cal program, and to enable the department, notwithstanding
16 any other provision of state law, to obtain from the manufacturers
17 discounts, rebates, or refunds based on the quantities purchased
18 under the program, insofar as may be permissible under federal
19 law. Nothing in this section shall interfere with usual and
20 customary distribution practices in the drug industry.

21 (b) The department may enter into exclusive or nonexclusive
22 contracts on a bid or negotiated basis with manufacturers,
23 distributors, dispensers, or suppliers of appliances, durable medical
24 equipment, medical supplies, and other product-type health care
25 services and with laboratories for clinical laboratory services for
26 the purpose of obtaining the most favorable prices to the state and
27 to assure adequate quality of the product or service. Except as
28 provided in subdivision (f), this subdivision shall not apply to
29 prescribed drugs dispensed by pharmacies licensed pursuant to
30 Article 7 (commencing with Section 4110) of Chapter 9 of Division
31 2 of the Business and Professions Code.

32 (c) Notwithstanding subdivision (b), the department may not
33 enter into a contract with a clinical laboratory unless the clinical
34 laboratory operates in conformity with Chapter 3 (commencing
35 with Section 1200) of Division 2 of the Business and Professions
36 Code and the regulations adopted thereunder, and Section 263a of
37 Title 42 of the United States Code and the regulations adopted
38 thereunder.

1 (d) The department shall contract with manufacturers of
2 single-source drugs on a negotiated basis, and with manufacturers
3 of multisource drugs on a bid or negotiated basis.

4 (e) In order to ensure and improve access by Medi-Cal
5 beneficiaries to both hearing aid appliances and provider services,
6 and to ensure that the state obtains the most favorable prices, the
7 department, by June 30, 2008, shall enter into exclusive or
8 nonexclusive contracts, on a bid or negotiated basis, for purchasing
9 hearing aid appliances.

10 (f) In order to provide specialized care in the distribution of
11 specialized drugs, as identified by the department and that include,
12 but are not limited to, blood factors and immunizations, the
13 department may enter into contracts with providers licensed to
14 dispense dangerous drugs or devices pursuant to Chapter 9
15 (commencing with Section 4000) of Division 2 of the Business
16 and Professions Code, for programs that qualify for federal funding
17 pursuant to the Medicaid state plan, or waivers, and the programs
18 authorized by Article 5 (commencing with Section 123800) of
19 Chapter 3 of Part 2 of, and Article 1 (commencing with Section
20 125125) of Chapter 2 of Part 5 of, Division 106 of the Health and
21 Safety Code, in accordance with this subdivision.

22 (1) The department shall, for purposes of ensuring proper patient
23 care, consult current standards of practice when executing a
24 provider contract.

25 (2) The department shall, for purposes of ensuring quality of
26 care to people with unique conditions requiring specialty drugs,
27 contract with a nonexclusive number of providers that meet the
28 needs of the affected population, covers all geographic regions in
29 California, and reflects the distribution of the specialty drug in the
30 community. The department may use a single provider in the event
31 the product manufacturer designates a sole-source delivery
32 mechanism. The department shall consult with interested parties
33 and appropriate stakeholders in implementing this section with
34 respect to all of the following:

35 (A) Notifying stakeholder representatives of the potential
36 inclusion or exclusion of drugs in the specialty pharmacy program.

37 (B) Allowing for written input regarding the potential inclusion
38 or exclusion of drugs into the specialty pharmacy program.

1 (C) Scheduling at least one public meeting regarding the
2 potential inclusion or exclusion of drugs into the specialty
3 pharmacy program.

4 (D) Obtaining a recommendation from the Medi-Cal Drug
5 Utilization Review Advisory Committee, established pursuant to
6 Section 1927 of the federal Social Security Act (42 U.S.C. Sec.
7 1396r-8), on the inclusion or exclusion of drugs into the specialty
8 pharmacy program distribution based on clinical best practices
9 related to each drug considered.

10 (3) For purposes of this subdivision, the definition of “blood
11 factors” has the same meaning as that term is defined in Section
12 14105.86.

13 (4) The department shall make every reasonable effort to ensure
14 all medically necessary clotting factor therapies are available for
15 the treatment of people with bleeding disorders.

16 (g) The department may contract with an intermediary to
17 establish provider contracts pursuant to this section for programs
18 that qualify for federal funding pursuant to the Medicaid state plan,
19 or waivers, and the programs authorized by Article 5 (commencing
20 with Section 123800) of Chapter 3 of Part 2 of, and Article 1
21 (commencing with Section 125125) of Chapter 2 of Part 5 of,
22 Division 106 of the Health and Safety Code.

23 (h) In carrying out contracting activity for this or any section
24 associated with the Medi-Cal list of contract drugs, notwithstanding
25 Section 19130 of the Government Code, the department may
26 contract, either directly or through the fiscal intermediary, for
27 pharmacy consultant staff necessary to accomplish the contracting
28 process or treatment authorization request reviews. The fiscal
29 intermediary contract, including any contract amendment, system
30 change pursuant to a change order, and project or systems
31 development notice shall be exempt from Part 2 (commencing
32 with Section 10100) of Division 2 of the Public Contract Code
33 and any policies, procedures, or regulations authorized by these
34 provisions.

35 (i) In order to achieve maximum cost savings, the Legislature
36 hereby determines that an expedited contract process for contracts
37 under this section is necessary. Therefore, contracts under this
38 section shall be exempt from Chapter 2 (commencing with Section
39 10290) of Part 2 of Division 2 of the Public Contract Code.

1 (j) For purposes of implementing the contracting provisions
2 specified in this section, the department shall do all of the
3 following:

4 (1) Ensure adequate access for Medi-Cal patients to quality
5 laboratory testing services in the geographic regions of the state
6 where contracting occurs.

7 (2) Consult with the statewide association of clinical laboratories
8 and other appropriate stakeholders on the implementation of the
9 contracting provisions specified in this section to ensure maximum
10 access for Medi-Cal patients consistent with the savings targets
11 projected by the 2002–03 budget conference committee for clinical
12 laboratory services provided under the Medi-Cal program.

13 (3) Consider which types of laboratories are appropriate for
14 implementing the contracting provisions specified in this section,
15 including independent laboratories, outreach laboratory programs
16 of hospital-based laboratories, clinic laboratories, physician office
17 laboratories, and group practice laboratories.

18 SEC. 61. Section 14131.07 of the Welfare and Institutions
19 Code is repealed.

20 SEC. 62. Section 14131.10 of the Welfare and Institutions
21 Code is amended to read:

22 14131.10. (a) Notwithstanding any other provision of this
23 chapter, Chapter 8 (commencing with Section 14200), or Chapter
24 8.75 (commencing with Section 14591), in order to implement
25 changes in the level of funding for health care services, specific
26 optional benefits are excluded from coverage under the Medi-Cal
27 program.

28 (b) (1) The following optional benefits are excluded from
29 coverage under the Medi-Cal program:

30 (A) Adult dental services, except as specified in paragraph (2).

31 (B) Acupuncture services.

32 (C) Audiology services and speech therapy services.

33 (D) Chiropractic services.

34 (E) Optometric and optician services, including services
35 provided by a fabricating optical laboratory.

36 (F) Podiatric services.

37 (G) Psychology services.

38 (H) Incontinence creams and washes.

39 (2) (A) Medical and surgical services provided by a doctor of
40 dental medicine or dental surgery, which, if provided by a

1 physician, would be considered physician services, and which
2 services may be provided by either a physician or a dentist in this
3 state, are covered.

4 (B) Emergency procedures are also covered in the categories
5 of service specified in subparagraph (A). The director may adopt
6 regulations for any of the services specified in subparagraph (A).

7 (C) Effective May 1, 2014, or the effective date of any necessary
8 federal approvals as required by subdivision (f), whichever is later,
9 for persons 21 years of age or older, adult dental benefits, subject
10 to utilization controls, are limited to all the following medically
11 necessary services:

12 ~~(i)~~
13 (i) *Examinations, radiographs/photographic images,*
14 *prophylaxis, and fluoride treatments.*

15 (ii) Amalgam and composite restorations.

16 ~~(ii)~~

17 (iii) Stainless steel, resin, and resin window crowns.

18 (iv) *Anterior root canal therapy.*

19 ~~(iii)~~

20 (v) Complete dentures, including immediate dentures.

21 ~~(iv)~~

22 (vi) Complete denture adjustments, repairs, and relines.

23 (D) Services specified in this paragraph shall be included as a
24 covered medical benefit under the Medi-Cal program pursuant to
25 Section 14132.89.

26 (3) Pregnancy-related services and services for the treatment of
27 other conditions that might complicate the pregnancy are not
28 excluded from coverage under this section.

29 (c) The optional benefit exclusions do not apply to either of the
30 following:

31 (1) Beneficiaries under the Early and Periodic Screening
32 Diagnosis and Treatment Program.

33 (2) Beneficiaries receiving long-term care in a nursing facility
34 that is both:

35 (A) A skilled nursing facility or intermediate care facility as
36 defined in subdivisions (c) and (d) of Section 1250 of the Health
37 and Safety Code.

38 (B) Licensed pursuant to subdivision (k) of Section 1250 of the
39 Health and Safety Code.

1 (d) This section shall only be implemented to the extent
2 permitted by federal law.

3 (e) Notwithstanding Chapter 3.5 (commencing with Section
4 11340) of Part 1 of Division 3 of Title 2 of the Government Code,
5 the department may implement the provisions of this section by
6 means of all-county letters, provider bulletins, or similar
7 instructions, without taking further regulatory action.

8 (f) The department shall seek approval for federal financial
9 participation and coverage of services specified in *subparagraph*
10 *(C)* of paragraph (2) of subdivision (b) under the Medi-Cal
11 program.

12 (g) This section, except as specified in subparagraph (C) of
13 paragraph (2) of subdivision (b), shall be implemented on the first
14 day of the month following 90 days after the operative date of this
15 section.

16 SEC. 63. Section 14132.86 is added to the Welfare and
17 Institutions Code, to read:

18 14132.86. (a) Notwithstanding subdivision (ab) of Section
19 14132, effective May 1, 2014, purchase of prescribed enteral
20 nutrition products is covered, subject to the Medi-Cal list of enteral
21 nutrition products pursuant to Section 14105.8 and utilization
22 controls pursuant to Section 14105.395.

23 (b) Notwithstanding Chapter 3.5 (commencing with Section
24 11340) of Part 1 of Division 3 of Title 2 of the Government Code,
25 the department shall implement this section by means of a provider
26 bulletin or similar instruction, without taking regulatory action.

27 (c) This section shall only be implemented to the extent
28 permitted by federal law.

29 (d) The department shall seek approval for federal financial
30 participation and coverage of the service specified in subdivision
31 (a) under the Medi-Cal program.

32 SEC. 64. Section 14132.89 is added to the Welfare and
33 Institutions Code, to read:

34 14132.89. (a) Notwithstanding subdivision (h) of Section
35 14132, effective May 1, 2014, or the effective date of any necessary
36 federal approvals as required by subdivision (d), all of the
37 following are covered benefits for persons 21 years of age or older,
38 subject to utilization controls and medically necessary services:

39 (1) *Examinations, radiographs/photographic images,*
40 *prophylaxis, and fluoride treatments.*

- 1 ~~(1)~~
- 2 (2) Amalgam and composite restorations.
- 3 ~~(2)~~
- 4 (3) Stainless steel, resin, and resin window crowns.
- 5 (4) *Anterior root canal therapy*.
- 6 ~~(3)~~
- 7 (5) Complete dentures, including immediate dentures.
- 8 ~~(4)~~
- 9 (6) Complete denture adjustments, repairs, and relines.
- 10 ~~(5)~~
- 11 (7) Emergency procedures are also covered in the above
- 12 categories of service.

13 (b) This section shall only be implemented to the extent
 14 permitted by federal law.

15 (c) Notwithstanding Chapter 3.5 (commencing with Section
 16 11340) of Part 1 of Division 3 of Title 2 of the Government Code,
 17 the department shall implement this section by means of a provider
 18 bulletin or similar instruction, without taking regulatory action.

19 (d) The department shall seek approval for federal financial
 20 participation and coverage of services specified in subdivision (a)
 21 under the Medi-Cal program.

22 SEC. 65. Section 14134 of the Welfare and Institutions Code,
 23 as amended by Section 84 of Chapter 23 of the Statutes of 2012,
 24 is amended to read:

25 14134. (a) Except for any prescription, refill, visit, service,
 26 device, or item for which the program’s payment is ten dollars
 27 (\$10) or less, in which case no copayment shall be required, a
 28 recipient of services under this chapter shall be required to make
 29 copayments not to exceed the maximum permitted under federal
 30 regulations or federal waivers as follows:

31 (1) Copayment of five dollars (\$5) shall be made for
 32 nonemergency services received in an emergency department or
 33 emergency room when the services do not result in the treatment
 34 of an emergency medical condition or inpatient admittance. For
 35 the purposes of this section, “nonemergency services” means
 36 services not required to, as appropriate, medically screen, examine,
 37 evaluate, or stabilize an emergency medical condition that
 38 manifests itself by acute symptoms of sufficient severity, including
 39 severe pain, such that the absence of immediate medical attention
 40 could reasonably be expected to result in any of the following:

1 (A) Placing the individual's health, or, with respect to a pregnant
2 woman, the health of the woman or her unborn child, in serious
3 jeopardy.

4 (B) Serious impairment to bodily functions.

5 (C) Serious dysfunction of any bodily organ or part.

6 (2) Copayment of one dollar (\$1) shall be made for each drug
7 prescription or refill.

8 (3) Copayment of one dollar (\$1) shall be made for each visit
9 for services under subdivisions (a) and (h) of Section 14132.

10 (4) The copayment amounts set forth in paragraphs (1), (2), and
11 (3) may be collected and retained or waived by the provider.

12 (5) The department shall not reduce the reimbursement otherwise
13 due to providers as a result of the copayment. The copayment
14 amounts shall be in addition to any reimbursement otherwise due
15 the provider for services rendered under this program.

16 (6) This section does not apply to emergency services, family
17 planning services, or to any services received by:

18 (A) Any child in AFDC-Foster Care, as defined in Section
19 11400.

20 (B) Any person who is an inpatient in a health facility, as defined
21 in Section 1250 of the Health and Safety Code.

22 (C) Any person 18 years of age or under.

23 (D) Any woman receiving perinatal care.

24 (7) Paragraph (2) does not apply to any person 65 years of age
25 or over.

26 (8) A provider of service shall not deny care or services to an
27 individual solely because of that person's inability to copay under
28 this section. An individual shall, however, remain liable to the
29 provider for any copayment amount owed.

30 (9) This section shall not apply to any preventive services that
31 are assigned a grade of A or B by the United States Preventive
32 Services Task Force provided by a physician or other licensed
33 practitioner of the healing arts, or any approved adult vaccines and
34 their administration recommended by the Advisory Committee on
35 Immunization Practices. Pursuant to Section 1905(b) of the federal
36 Social Security Act (42 U.S.C. Sec. 1396d(b)), these services shall
37 be provided without any cost sharing by the beneficiary in order
38 for the state to receive an increased federal medical assistance
39 percentage for these services.

1 (10) The department shall seek any federal waivers necessary
2 to implement this section. The provisions for which appropriate
3 federal waivers cannot be obtained shall not be implemented, but
4 provisions for which waivers are either obtained or found to be
5 unnecessary shall be unaffected by the inability to obtain federal
6 waivers for the other provisions.

7 (11) The director shall adopt any regulations necessary to
8 implement this section as emergency regulations in accordance
9 with Chapter 3.5 (commencing with Section 11340) of Part 1 of
10 Division 3 of Title 2 of the Government Code. The adoption of
11 the regulations shall be deemed to be an emergency and necessary
12 for the immediate preservation of the public peace, health and
13 safety, or general welfare. The director shall transmit these
14 emergency regulations directly to the Secretary of State for filing
15 and the regulations shall become effective immediately upon filing.
16 Upon completion of the formal regulation adoption process and
17 prior to the expiration of the 120 day duration period of emergency
18 regulations, the director shall transmit directly to the Secretary of
19 State for filing the adopted regulations, the rulemaking file, and
20 the certification of compliance as required by subdivision (e) of
21 Section 11346.1 of the Government Code.

22 (b) This section, or subdivisions thereof, if applicable, shall
23 become inoperative on the implementation date for copayments
24 stated in the declaration executed by the director pursuant to
25 Section 14134 as added by Section 101.5 of Chapter 3 of the
26 Statutes of 2011.

27 SEC. 66. Section 14134 of the Welfare and Institutions Code,
28 as amended by Section 85 of Chapter 23 of the Statutes of 2012,
29 is amended to read:

30 14134. (a) The Legislature finds and declares all of the
31 following:

32 (1) Costs within the Medi-Cal program continue to grow due
33 to the rising cost of providing health care throughout the state and
34 also due to increases in enrollment, which are more pronounced
35 during difficult economic times.

36 (2) In order to minimize the need for drastically cutting
37 enrollment standards or benefits or imposing further reductions
38 on Medi-Cal providers during times of economic crisis, it is crucial
39 to find areas within the program where beneficiaries can share
40 responsibility for utilization of health care, whether they are

1 participating in the fee-for-service or the managed care model of
2 service delivery.

3 (3) The establishment of cost-sharing obligations within the
4 Medi-Cal program is complex and is subject to close supervision
5 by the United States Department of Health and Human Services.

6 (4) As the single state agency for Medicaid in California, the
7 State Department of Health Care Services has unique expertise
8 that can inform decisions that set or adjust cost-sharing
9 responsibilities for Medi-Cal beneficiaries receiving health care
10 services.

11 (b) Therefore, it is the intent of the Legislature for the
12 department to obtain federal approval to implement cost-sharing
13 for Medi-Cal beneficiaries and permit providers to require that
14 individuals meet their cost-sharing obligation prior to receiving
15 care or services.

16 (c) A Medi-Cal beneficiary shall be required to make
17 copayments as described in this section. These copayments
18 represent a contribution toward the rate of payment made to
19 providers of Medi-Cal services and shall be as follows:

20 (1) Copayment of up to fifty dollars (\$50) shall be made for
21 nonemergency services received in an emergency department or
22 emergency room when the services do not result in the treatment
23 of an emergency condition or inpatient admittance. For the
24 purposes of this section, “nonemergency services” means services
25 not required to, as appropriate, medically screen, examine, evaluate,
26 or stabilize an emergency medical condition that manifests itself
27 by acute symptoms of sufficient severity, including severe pain,
28 such that the absence of immediate medical attention could
29 reasonably be expected to result in any of the following:

30 (A) Placing the individual’s health, or, with respect to a pregnant
31 woman, the health of the woman or her unborn child, in serious
32 jeopardy.

33 (B) Serious impairment to bodily functions.

34 (C) Serious dysfunction of any bodily organ or part.

35 (2) Copayment of up to fifty dollars (\$50) shall be made for
36 emergency services received in an emergency department or
37 emergency room when the services result in the treatment of an
38 emergency medical condition or inpatient admittance. For purposes
39 of this section, “emergency services” means services required to,
40 as appropriate, medically screen, examine, evaluate, or stabilize

1 an emergency medical condition that manifests itself by acute
2 symptoms of sufficient severity, including severe pain, such that
3 the absence of immediate medical attention could reasonably be
4 expected to result in any of the following:

5 (A) Placing the individual's health, or, with respect to a pregnant
6 woman, the health of the woman or her unborn child, in serious
7 jeopardy.

8 (B) Serious impairment to bodily functions.

9 (C) Serious dysfunction of any bodily organ or part.

10 (3) Copayment of up to one hundred dollars (\$100) shall be
11 made for each hospital inpatient day, up to a maximum of two
12 hundred dollars (\$200) per admission.

13 (4) Copayment of up to three dollars (\$3) shall be made for each
14 preferred drug prescription or refill. A copayment of up to five
15 dollars (\$5) shall be made for each nonpreferred drug prescription
16 or refill. Except as provided in subdivision (g), "preferred drug"
17 shall have the same meaning as in Section 1916A of the Social
18 Security Act (42 U.S.C. Sec. 1396o-1).

19 (5) Copayment of up to five dollars (\$5) shall be made for each
20 visit for services under subdivision (a) of Section 14132 and for
21 dental services received on an outpatient basis provided as a
22 Medi-Cal benefit pursuant to this chapter or Chapter 8
23 (commencing with Section 14200), as applicable.

24 (6) This section does not apply to services provided pursuant
25 to subdivision (aa) of Section 14132.

26 (d) The copayments established pursuant to subdivision (c) shall
27 be set by the department, at the maximum amount provided for in
28 the applicable paragraph, except that each copayment amount shall
29 not exceed the maximum amount allowable pursuant to the state
30 plan amendments or other federal approvals.

31 (e) The copayment amounts set forth in subdivision (c) may be
32 collected and retained or waived by the provider. The department
33 shall deduct the amount of the copayment from the payment the
34 department makes to the provider whether retained, waived, or not
35 collected by the provider.

36 (f) Notwithstanding any other provision of law, and only to the
37 extent allowed pursuant to federal law, a provider of service has
38 no obligation to provide services to a Medi-Cal beneficiary who
39 does not, at the point of service, pay the copayment assessed
40 pursuant to this section. If the provider provides services without

1 collecting the copayment, and has not waived the copayment, the
2 provider may hold the beneficiary liable for the copayment amount
3 owed.

4 (g) (1) Notwithstanding any other provision of law, except as
5 described in paragraph (2), this section shall apply to Medi-Cal
6 beneficiaries enrolled in a health plan contracting with the
7 department pursuant to this chapter or Chapter 8 (commencing
8 with Section 14200), except for the Senior Care Action Network
9 or AIDS Healthcare Foundation. To the extent permitted by federal
10 law and pursuant to any federal waivers or state plan adjustments
11 obtained, a managed care health plan may establish a lower
12 copayment or no copayment.

13 (2) For the purpose of paragraph (4) of subdivision (c),
14 copayments assessed against a beneficiary who receives Medi-Cal
15 services through a health plan described in paragraph (1) shall be
16 based on the plan's designation of a drug as preferred or
17 nonpreferred.

18 (3) To the extent provided by federal law, capitation payments
19 shall be calculated on an actuarial basis as if copayments described
20 in this section were collected.

21 (h) This section shall not apply to any preventive services that
22 are assigned a grade of A or B by the United States Preventive
23 Services Task Force provided by a physician or other licensed
24 practitioner of the healing arts, or any approved adult vaccines and
25 their administration recommended by the Advisory Committee on
26 Immunization Practices. Pursuant to Section 1905(b) of the federal
27 Social Security Act (42 U.S.C. Sec. 1396d(b)), these services shall
28 be provided without any cost sharing by the beneficiary in order
29 for the state to receive an increased federal medical assistance
30 percentage for these services.

31 (i) This section shall be implemented only to the extent that
32 federal financial participation is available. The department shall
33 seek and obtain any federal waivers or state plan amendments
34 necessary to implement this section. The provisions for which
35 appropriate federal waivers or state plan amendments cannot be
36 obtained shall not be implemented, but provisions for which
37 waivers or state plan amendments are either obtained or found to
38 be unnecessary shall be unaffected by the inability to obtain federal
39 waivers or state plan amendments for the other provisions.

1 (j) Notwithstanding Chapter 3.5 (commencing with Section
2 11340) of Part 1 of Division 3 of Title 2 of the Government Code,
3 the department may implement, interpret, or make specific this
4 section by means of all-county letters, all-plan letters, provider
5 bulletins, or similar instructions, without taking further regulatory
6 actions.

7 (k) (1) This section shall become operative on the date that the
8 act adding this section is effective, but shall not be implemented
9 until the date in the declaration executed by the director pursuant
10 to paragraph (2). In no event shall the director set an
11 implementation date prior to the date federal approval is received.

12 (2) The director shall execute a declaration that states the date
13 that implementation of the copayments described in this section
14 or subdivisions thereof, if applicable, will commence and shall
15 post the declaration on the department's Internet Web site and
16 provide a copy of the declaration to the Chair of the Joint
17 Legislative Budget Committee, the Chief Clerk of the Assembly,
18 the Secretary of the Senate, the Office of the Legislative Counsel,
19 and the Secretary of State.

20 SEC. 67. Section 14707.5 of the Welfare and Institutions Code
21 is amended to read:

22 14707.5. (a) It is the intent of the Legislature to develop a
23 performance outcome system for Early and Periodic Screening,
24 Diagnosis, and Treatment (EPSDT) mental health services that
25 will improve outcomes at the individual and system levels and will
26 inform fiscal decision making related to the purchase of services.

27 (b) The State Department of Health Care Services, in
28 collaboration with the California Health and Human Services
29 Agency, and in consultation with the Mental Health Services
30 Oversight and Accountability Commission, shall create a plan for
31 a performance outcome system for EPSDT mental health services
32 provided to eligible Medi-Cal beneficiaries under the age of 21
33 pursuant to 42 U.S.C. Section 1396d(a)(4)(B).

34 (1) Commencing no later than September 1, 2012, the
35 department shall convene a stakeholder advisory committee
36 comprised of representatives of child and youth clients, family
37 members, providers, counties, and the Legislature. This
38 consultation shall inform the creation of a plan for a performance
39 outcome system for EPSDT mental health services.

1 (2) In developing a plan for a performance outcomes system
2 for EPSDT mental health services, the department shall consider
3 the following objectives, among others:

4 (A) High quality and accessible EPSDT mental health services
5 for eligible children and youth, consistent with federal law.

6 (B) Information that improves practice at the individual,
7 program, and system levels.

8 (C) Minimization of costs by building upon existing resources
9 to the fullest extent possible.

10 (D) Reliable data that are collected and analyzed in a timely
11 fashion.

12 (3) At a minimum, the plan for a performance outcome system
13 for EPSDT mental health services shall consider evidence-based
14 models for performance outcome systems, such as the Child and
15 Adolescent Needs and Strengths (CANS), federal requirements,
16 including the review by the External Quality Review Organization
17 (EQRO), and, timelines for implementation at the provider, county,
18 and state levels.

19 (c) The State Department of Health Care Services shall provide
20 the performance outcomes system plan, including milestones and
21 timelines, for EPSDT mental health services described in
22 subdivision (a) to all fiscal committees and appropriate policy
23 committees of the Legislature no later than October 1, 2013.

24 (d) The State Department of Health Care Services shall propose
25 how to implement the performance outcomes system plan for
26 EPSDT mental health services described in subdivision (a) no later
27 than January 10, 2014.

28 (e) Commencing no later than February 1, 2014, the department
29 shall convene a stakeholder advisory committee comprised of
30 advocates for and representatives of, child and youth clients, family
31 members, managed care health plans, providers, counties, and the
32 Legislature. The committee shall develop methods to routinely
33 measure, assess, and communicate program information regarding
34 informing, identifying, screening, assessing, referring, and linking
35 Medi-Cal eligible beneficiaries to mental health services and
36 supports. The committee shall also review health plan screenings
37 for mental health illness, health plan referrals to Medi-Cal
38 fee-for-service providers, and health plan referrals to county mental
39 health plans, among others. The committee shall make
40 recommendations to the department regarding performance and

1 outcome measures that will contribute to improving timely access
 2 to appropriate care for Medi-Cal eligible beneficiaries.

3 (1) The department shall incorporate into the performance
 4 outcomes system established pursuant to this section the screenings
 5 and referrals described in this subdivision, including milestones
 6 and timelines, and shall provide an updated performance outcomes
 7 system plan to all fiscal committees and the appropriate policy
 8 committees of the Legislature no later than October 1, 2014.

9 (2) The department shall propose how to implement the updated
 10 performance systems outcome plan described in paragraph (1) no
 11 later than January 10, 2015.

12 SEC. 68. Part 3.3 (commencing with Section 15800) is added
 13 to Division 9 of the Welfare and Institutions Code, to read:

14
 15 PART 3.3. HEALTH CARE COVERAGE ASSISTANCE

16
 17 CHAPTER 1. GENERAL PROVISIONS

18
 19 15800. (a) (1) Commencing October 1, 2013, the State
 20 Department of Health Care Services shall administer the
 21 AIM-Linked Infants Program to address the health care needs of
 22 children formerly covered pursuant to clause (ii) of subparagraph
 23 (A) of paragraph (6) of subdivision (a) of Section 12693.70 of the
 24 Insurance Code. The department is vested with the same powers,
 25 purposes, responsibilities, and jurisdiction exercised by the
 26 Managed Risk Medical Insurance Board as they relate to those
 27 children. Nothing in this paragraph shall be construed to alter,
 28 diminish, or supersede the authority of the Managed Risk Medical
 29 Insurance Board to exercise the same powers, purposes,
 30 responsibilities, and jurisdiction within the Healthy Families
 31 Program established under Part 6.2 (commencing with Section
 32 12693) of Division 2 of the Insurance Code.

33 (2) The department may, before October 1, 2013, conduct
 34 transition activities necessary to ensure the efficient transfer of the
 35 program identified in subdivision (a) and populations served by
 36 that program.

37 (b) The department shall seek any federal waivers, approvals,
 38 and state plan amendments necessary to implement this part. This
 39 part shall only be implemented to the extent that necessary federal

1 approvals are obtained and federal financial participation is
2 available for eligible programs and services.

3 15801. The terms of all regulations and orders adopted by the
4 Managed Risk Medical Insurance Board in effect immediately
5 preceding October 1, 2013, that relate to the operation of the
6 program and to the children transferred by the act that added this
7 section and are not rendered legally unenforceable by the act that
8 added this section shall be fully enforceable by the State
9 Department of Health Care Services within the AIM-Linked Infants
10 Program unless and until the department adopts regulations for
11 the AIM-Linked Infants Program. Nothing in this section shall be
12 construed to alter, diminish, or supersede the authority of the
13 Managed Risk Medical Insurance Board to interpret, enforce,
14 maintain, or amend the same regulations for purposes of the
15 Healthy Families Program established under Part 6.2 (commencing
16 with Section 12693) of Division 2 of the Insurance Code.

17 15802. (a) The State Department of Health Care Services may
18 issue rules and regulations to carry out the purposes of this part.

19 (b) Notwithstanding subdivision (a) or Chapter 3.5 (commencing
20 with Section 11340) of Part 1 of Division 3 of Title 2 of the
21 Government Code, the department, without taking any further
22 regulatory actions, may implement, interpret, or make specific this
23 part and amend or repeal regulations and orders adopted by the
24 Managed Risk Medical Insurance Board as provided in Section
25 15801 by means of all-county letters, plan letters, plan or provider
26 bulletins, or similar instructions, without taking regulatory action
27 during the transition of the programs to the department. Thereafter,
28 the adoption and readoption of regulations to implement, interpret,
29 or make specific this part shall be deemed to be an emergency that
30 calls for immediate action to avoid serious harm to the public
31 peace, health, safety, or general welfare for purposes of Sections
32 11346.1 and 11349.6 of the Government Code, and the department
33 is exempted from the requirement that it describe facts showing
34 the need for immediate action. The regulations shall become
35 effective immediately upon filing with the Secretary of State.

36 15803. (a) To implement this part and clause (ii) of
37 subparagraph (A) of paragraph (6) of subdivision (a) of Section
38 12693.70 of the Insurance Code, the State Department of Health
39 Care Services may contract with public or private entities, including
40 the Managed Risk Medical Insurance Board, which administers

1 the Access for Infants and Mothers Program pursuant to Part 6.3
2 (commencing with Section 12695) of Division 2 of the Insurance
3 Code. Contracts entered into under this part may be on a
4 noncompetitive bid basis and shall be exempt from the following:

5 (1) Part 2 (commencing with Section 10100) of Division 2 of
6 the Public Contract Code and any policies, procedures, or
7 regulations authorized by that part.

8 (2) Article 4 (commencing with Section 19130) of Chapter 5
9 of Part 2 of Division 5 of Title 2 of the Government Code.

10 (3) Review or approval of contracts by the Department of
11 General Services.

12 (b) During the transition of the programs to the department, the
13 department shall also be exempt from the review or approval of
14 feasibility study reports and the requirements of Sections 4819.35
15 to 4819.37, inclusive, and 4920 to 4928, inclusive, of the State
16 Administrative Manual.

17 15804. On October 1, 2013, or when the State Department of
18 Health Care Services has implemented Chapter 2 (commencing
19 with Section 15850), whichever occurs later, the Managed Risk
20 Medical Insurance Board shall cease to provide coverage to the
21 children transferred to the AIM-Linked Infants Program, pursuant
22 to Section 15800.

23 15805. (a) The Managed Risk Medical Insurance Board shall
24 provide the State Department of Health Care Services any data,
25 information, or record concerning the Healthy Families Program
26 or the Access for Infants and Mothers Program as are necessary
27 to implement this part and clause (ii) of subparagraph (A) of
28 paragraph (6) of subdivision (a) of Section 12693.70 of the
29 Insurance Code.

30 (b) Notwithstanding any other law, all of the following shall
31 apply:

32 (1) The term “data, information, or record” shall include, but is
33 not limited to, personal information as defined in Section 1798.3
34 of the Civil Code.

35 (2) Any data, information, or record shall be exempt from
36 disclosure under the California Public Records Act (Chapter 3.5
37 (commencing with Section 6250) of Division 7 of the Government
38 Code) and any other law, to the same extent that it was exempt
39 from disclosure or privileged prior to the provision of the data,
40 information, or record to the department.

1 (3) The provision of any data, information, or record to the
2 department shall not constitute a waiver of any evidentiary
3 privilege or exemption from disclosure.

4 (4) The department shall keep all data, information, or records
5 provided by the Managed Risk Medical Insurance Board
6 confidential to the full extent permitted by law, including, but not
7 limited to, the California Public Records Act (Chapter 3.5
8 (commencing with Section 6250) of Division 7 of the Government
9 Code), and consistent with the Managed Risk Medical Insurance
10 Board's contractual obligations to keep data, information, or
11 records confidential.

12
13 CHAPTER 2. AIM-LINKED INFANTS PROGRAM

14
15 15810. This chapter shall be known, and may be cited, as the
16 AIM-Linked Infants Program.

17 15811. The definitions contained in this section govern the
18 construction of this chapter, unless the context requires otherwise.

19 (a) "AIM-linked infant" means any infant born to a woman
20 whose enrollment in the Access for Infants and Mothers Program
21 under Part 6.3 (commencing with Section 12695) of Division 2 of
22 the Insurance Code begins after June 30, 2004.

23 (b) "Department" means the State Department of Health Care
24 Services.

25 (c) "Program" means the AIM-Linked Infants Program.

26 (d) "Subscriber" means an individual who is eligible for and
27 enrolled in the program.

28 (e) "Subscriber contribution" means the cost to the subscriber
29 to participate in the program.

30 15822. Health care services under the program shall include,
31 but are not limited to, all of the following:

32 (a) Preventive, screening, diagnostic, and treatment services
33 furnished directly by a licensed clinic, either onsite or by formal
34 written contract, on a case-managed basis, to patients who remain
35 less than 24 hours at the clinic for an illness or injury, advice,
36 counseling, outreach, and translation as needed.

37 (b) Physician services.

38 (c) Emergency first aid, perinatal, obstetric, radiology,
39 laboratory, and nutrition services.

1 (d) Services of advanced practice nurses or mid-level
2 practitioners who are authorized to perform any of the services
3 listed in this section within the scope of their licensure.

4 (e) All services and benefits set forth in Chapter 7 (commencing
5 with Section 14000) of Part 3.

6 15824. To the extent permitted by federal law, services for
7 individuals eligible under this chapter shall be provided, at the
8 department's discretion and to the extent the department determines
9 the selected delivery system is cost effective, through the Medi-Cal
10 fee-for-service or managed care delivery system, or both.

11 15826. The department shall administer the program and may
12 do all of the following:

13 (a) Determine eligibility criteria for the program. These criteria
14 shall include the requirements set forth in Section 15832.

15 (b) Determine the eligibility of AIM-linked infants.

16 (c) Determine when subscribers are covered and the extent and
17 scope of coverage.

18 (d) Determine subscriber contribution amounts schedules.
19 Subscriber contributions shall not be greater than those applicable
20 on March 23, 2010, for infants enrolled pursuant to clause (ii) of
21 subparagraph (A) of paragraph (6) of subdivision (a) of Section
22 12693.70 of the Insurance Code.

23 (e) Provide coverage through Medi-Cal delivery systems and
24 contract for the administration of the program and the enrollment
25 of subscribers. Any contract entered into pursuant to this chapter
26 shall be exempt from any provision of law relating to competitive
27 bidding, and shall be exempt from the review or approval of any
28 division of the Department of General Services. The department
29 shall not be required to specify the amounts encumbered for each
30 contract, but may allocate funds to each contract based on projected
31 and actual subscriber enrollments in a total amount not to exceed
32 the amount appropriated for the program.

33 (f) Authorize expenditures to pay program expenses that exceed
34 subscriber contributions, and to administer the program as
35 necessary.

36 (g) Develop a promotional component of the program to make
37 Californians aware of the program and the opportunity that it
38 presents.

39 (h) (1) Issue rules and regulations as necessary to administer
40 the program.

1 (2) During the 2011–12 to 2014–15 fiscal years, inclusive, the
2 adoption and readoption of regulations pursuant to this chapter
3 shall be deemed to be an emergency that calls for immediate action
4 to avoid serious harm to the public peace, health, safety, or general
5 welfare for purposes of Sections 11346.1 and 11349.6 of the
6 Government Code, and the department is hereby exempted from
7 the requirement that the department describe facts showing the
8 need for immediate action.

9 (i) Exercise all powers reasonably necessary to carry out the
10 powers and responsibilities expressly granted or imposed by this
11 chapter.

12 15828. The department shall coordinate with other state
13 agencies, as appropriate, to help ensure continuity of health care
14 services.

15 15830. (a) The department may contract with a variety of
16 health plans and types of health care service delivery systems in
17 order to offer subscribers a choice of plans, providers, and types
18 of service delivery.

19 (b) Participating health plans contracting with the department
20 pursuant to this chapter shall provide benefits or coverage to
21 subscribers only as determined by the department pursuant to
22 subdivision (b) of Section 15826.

23 15832. To be eligible to participate in the program, a person
24 shall meet all of the following requirements:

25 (a) (1) Be a child under two years of age who is delivered by
26 a mother enrolled in the program under Part 6.3 (commencing with
27 Section 12695) of Division 2 of the Insurance Code. Except as
28 stated in this section, these infants shall be automatically enrolled
29 in the program.

30 (2) For the applicable month, not be enrolled in
31 employer-sponsored health care coverage, or have been enrolled
32 in that health care coverage in the prior three months or enrolled
33 in full-scope Medi-Cal without a share of cost. Exceptions may
34 be identified in regulations or other guidance and shall, at
35 minimum, include all exceptions applicable to the Healthy Families
36 Program on and after March 23, 2010.

37 (3) Be subject to subscriber contributions as determined by the
38 department. The subscriber contributions shall not be greater than
39 those applicable on March 23, 2010, for infants enrolled in the
40 Healthy Families Program pursuant to clause (ii) of subparagraph

1 (A) of paragraph (6) of subdivision (a) of Section 12693.70 of the
2 Insurance Code.

3 (b) For AIM-linked infants identified in subdivision (a), all of
4 the following shall apply:

5 (1) Enrollment shall cover the first 12 months of the infant's
6 life unless he or she is eligible for Medi-Cal benefits under Section
7 14005.26. If the infant is eligible under Section 14005.26, he or
8 she shall be automatically enrolled in the Medi-Cal program on
9 that basis.

10 (2) (A) At the end of the 12 months, as a condition of continued
11 eligibility, the subscriber shall provide income information. The
12 infant shall be disenrolled from the program if the annual household
13 income exceeds 300 percent of the federal poverty level, or if the
14 infant is eligible for full-scope Medi-Cal with no share of cost.

15 (B) Effective January 1, 2014, when determining eligibility for
16 benefits under the program, income shall be determined, counted,
17 and valued in accordance with the requirements of Section
18 1397bb(b)(1)(B) of Title 42 of the United States Code as added
19 by the federal Patient Protection and Affordable Care Act (Public
20 Law 111-148) and as amended by the federal Health Care and
21 Education Reconciliation Act of 2010 (Public Law 111-152) and
22 any subsequent amendments.

23 (3) At the end of their first and second year in the program,
24 infants shall be screened for eligibility for the Medi-Cal program.

25 (c) If at any time the director determines that the eligibility
26 criteria established under this chapter for the program may
27 jeopardize the state's ability to receive federal financial
28 participation under the federal Patient Protection and Affordable
29 Care Act (Public Law 111-148), or any amendment or extension
30 of that act, the director may alter the eligibility criteria to the extent
31 necessary for the state to receive that federal financial participation.

32 15834. A person shall not be eligible for covered services under
33 the program if those services are covered through private health
34 care coverage arrangements at the time of eligibility.

35 15836. (a) If a subscriber is dissatisfied with any action, or
36 failure to act, that has occurred in connection with eligibility or
37 covered services under this chapter, the subscriber may appeal to
38 the department and shall be accorded an opportunity for a fair
39 hearing. Hearings may be conducted pursuant to the provisions of

1 Chapter 5 (commencing with Section 11500) of Part 1 of Division
2 3 of Title 2 of the Government Code.

3 (b) The department may place a lien on compensation or benefits
4 that are recovered or recoverable by a subscriber for whom benefits
5 have been provided under a policy or plan issued under this chapter
6 from any party or parties responsible for the compensation or
7 benefits.

8 15838. (a) A provider who is furnished documentation of a
9 subscriber's enrollment in the program shall not seek
10 reimbursement or attempt to obtain payment for any covered
11 services provided to that subscriber other than from the
12 participating health plan or insurer covering the subscriber or from
13 the department.

14 (b) Subdivision (a) shall not apply to any copayment required
15 by the department under this chapter for the covered services
16 provided to the subscriber.

17 (c) For purposes of this chapter, "provider" means any
18 professional person, organization, health facility, or other person
19 or institution licensed by the state to deliver or furnish health care
20 services and includes as that term is defined in subdivision (o) of
21 Section 14043.1.

22 15840. (a) At a minimum, coverage provided pursuant to this
23 chapter shall be provided to eligible AIM-linked infants less than
24 two years of age.

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

30 (c) Medically necessary prescription drugs shall be a required
31 benefit in the coverage provided pursuant to this chapter.

32 15842. Notwithstanding any other law, for a subscriber who
33 is determined by the California Children's Services Program to be
34 eligible for benefits under the program pursuant to Article 5
35 (commencing with Section 123800) of Chapter 3 of Part 2 of
36 Division 106 of the Health and Safety Code, a provider shall not
37 be responsible for the provision of, or payment for, the particular
38 services authorized by the California Children's Services Program
39 for the particular subscriber for the treatment of a California
40 Children's Services Program eligible medical condition. Providers

1 shall refer a child whom they reasonably suspect of having a
2 medical condition that is eligible for services under the California
3 Children's Services Program to the California Children's Services
4 Program. The California Children's Services Program shall provide
5 case management and authorization of services if the child is found
6 to be medically eligible for the California Children's Services
7 Program. Diagnosis and treatment services that are authorized by
8 the California Children's Services Program shall be performed by
9 paneled providers for that program and approved special care
10 centers of that program in accordance with treatment plans
11 approved by the California Children's Services Program. All other
12 services provided under this chapter shall be available to the
13 subscriber.

14 15844. A child enrolled in the program under this chapter who
15 has a medical condition that is eligible for services pursuant to the
16 California Children's Services Program, and whose family is not
17 financially eligible for the California Children's Services Program,
18 shall have the medically necessary treatment services for his or
19 her California Children's Services Program eligible medical
20 condition authorized and paid for by the California Children's
21 Services Program. County expenditures for the payment of services
22 for the child shall be waived and these expenditures shall be paid
23 for by the state from Title XXI of the federal Social Security Act
24 (42 U.S.C. Sec. 1397aa et seq.) funds and state general funds.

25 15846. The department shall encourage all providers who
26 provide services under the program to have viable protocols for
27 screening and referring children needing supplemental services
28 outside of the scope of the screening, preventive, and medically
29 necessary and therapeutic services covered by the contract to public
30 programs providing such supplemental services for which they
31 may be eligible, as well as for coordination of care between the
32 provider and the public programs. The public programs for which
33 providers may be required to develop screening, referral, and care
34 coordination protocols may include the California Children's
35 Services Program, the regional centers, county mental health
36 programs, programs administered by the Department of Alcohol
37 and Drug Programs or its successor agency or agencies, and
38 programs administered by local education agencies.

39 SEC. 69. Section 15911 of the Welfare and Institutions Code
40 is amended to read:

1 15911. (a) Funding for each LIHP shall be based on all of the
2 following:

3 (1) The amount of funding that the participating entity
4 voluntarily provides for the nonfederal share of LIHP expenditures.

5 (2) For a LIHP that had in operation a Health Care Coverage
6 Initiative program under Part 3.5 (commencing with Section 15900)
7 as of November 1, 2010, and elects to continue funding the
8 program, the amount of funds requested to ensure that eligible
9 enrollees continue to receive health care services for persons
10 enrolled in the Health Care Coverage Initiative program as of
11 November 1, 2010.

12 (3) Any limitations imposed by the Special Terms and
13 Conditions of the demonstration project.

14 (4) The total allocations requested by participating entities for
15 Health Care Coverage Initiative eligible individuals.

16 (5) Whether funding under this part would result in the reduction
17 of other payments under the demonstration project.

18 (b) Nothing in this part shall be construed to require a political
19 subdivision of the state to participate in a LIHP as set forth in this
20 part, and those local funds expended or transferred for the
21 nonfederal share of LIHP expenditures under this part shall be
22 considered voluntary contributions for purposes of the federal
23 Patient Protection and Affordable Care Act (Public Law 111-148),
24 as amended by the federal Health Care and Education
25 Reconciliation Act of 2010 (Public Law 111-152), and the federal
26 American Recovery and Reinvestment Act of 2009 (Public Law
27 111-5), as amended by the federal Patient Protection and
28 Affordable Care Act.

29 (c) No state General Fund moneys shall be used to fund LIHP
30 services, nor to fund any related administrative costs incurred by
31 counties or any other political subdivision of the state.

32 (d) Subject to the Special Terms and Conditions of the
33 demonstration project, if a participating entity elects to fund the
34 nonfederal share of a LIHP, the nonfederal funding and payments
35 to the LIHP shall be provided through one of the following
36 mechanisms, at the options of the participating entity:

37 (1) On a quarterly basis, the participating entity shall transfer
38 to the department for deposit in the LIHP Fund established for the
39 participating counties and pursuant to subparagraph (A), the
40 amount necessary to meet the nonfederal share of estimated

1 payments to the LIHP for the next quarter under subdivision (g)
2 Section 15910.3.

3 (A) The LIHP Fund is hereby created in the State Treasury.
4 Notwithstanding Section 13340 of the Government Code, all
5 moneys in the fund shall be continuously appropriated to the
6 department for the purposes specified in this part. The fund shall
7 contain all moneys deposited into the fund in accordance with this
8 paragraph.

9 (B) The department shall obtain the related federal financial
10 participation and pay the rates established under Section 15910.3,
11 provided that the intergovernmental transfer is transferred in
12 accordance with the deadlines imposed under the Medi-Cal
13 Checkwrite Schedule, no later than the next available warrant
14 release date. This payment shall be a nondiscretionary obligation
15 of the department, enforceable under a writ of mandate pursuant
16 to Section 1085 of the Code of Civil Procedure. Participating
17 entities may request expedited processing within seven business
18 days of the transfer as made available by the Controller's office,
19 provided that the participating entity prepay the department for
20 the additional administrative costs associated with the expedited
21 processing.

22 (C) Total quarterly payment amounts shall be determined in
23 accordance with estimates of the number of enrollees in each rate
24 category, subject to annual reconciliation to final enrollment data.

25 (2) If a participating entity operates its LIHP through a contract
26 with another entity, the participating entity may pay the operating
27 entity based on the per enrollee rates established under Section
28 15910.3 on a quarterly basis in accordance with estimates of the
29 number of enrollees in each rate category, subject to annual
30 reconciliation to final enrollment data.

31 (A) (i) On a quarterly basis, the participating entity shall certify
32 the expenditures made under this paragraph and submit the report
33 of certified public expenditures to the department.

34 (ii) The department shall report the certified public expenditures
35 of a participating entity under this paragraph on the next available
36 quarterly report as necessary to obtain federal financial
37 participation for the expenditures. The total amount of federal
38 financial participation associated with the participating entity's
39 expenditures under this paragraph shall be reimbursed to the
40 participating entity.

1 (B) At the option of the participating entity, the LIHP may be
2 reimbursed on a cost basis in accordance with the methodology
3 applied to Health Care Coverage Initiative programs established
4 under Part 3.5 (commencing with Section 15900) including interim
5 quarterly payments.

6 (e) Notwithstanding Section 15910.3 and subdivision (d) of this
7 section, if the participating entity cannot reach an agreement with
8 the department as to the appropriate rate to be paid under Section
9 15910.3, at the option of the participating entity, the LIHP shall
10 be reimbursed on a cost basis in accordance with the methodology
11 applied to Health Care Coverage Initiative programs established
12 under Part 3.5 (commencing with Section 15900), including interim
13 quarterly payments. If the participating entity and the department
14 reach an agreement as to the appropriate rate, the rate shall be
15 applied no earlier than the first day of the LIHP year in which the
16 parties agree to the rate.

17 (f) If authorized under the Special Terms and Conditions of the
18 demonstration project, pending the department's development of
19 rates in accordance with Section 15910.3, the department shall
20 make interim quarterly payments to approved LIHPs for
21 expenditures based on estimated costs submitted for rate setting.

22 (g) Participating entities that operate a LIHP directly or through
23 contract with another entity shall be entitled to any federal financial
24 participation available for administrative expenditures incurred in
25 the operation of the Medi-Cal program or the demonstration
26 project, including, but not limited to, outreach, screening and
27 enrollment, program development, data collection, reporting and
28 quality monitoring, and contract administration, but only to the
29 extent that the expenditures are allowable under federal law and
30 only to the extent the expenditures are not taken into account in
31 the determination of the per enrollee rates under Section 15910.3.

32 (h) On and after January 1, 2014, the state shall implement
33 comprehensive health care reform for the populations targeted by
34 the LIHP in compliance with federal health care reform law,
35 regulation, and policy, including the federal Patient Protection and
36 Affordable Care Act (Public Law 111-148), as amended by the
37 federal Health Care and Education Reconciliation Act of 2010
38 (Public Law 111-152), and subsequent amendments.

39 (i) Subject to the Special Terms and Conditions of the
40 demonstration project, a participating entity may elect to include,

1 in collaboration with the department, as the nonfederal share of
2 LIHP expenditures, voluntary intergovernmental transfers or
3 certified public expenditures of another governmental entity, as
4 long as the intergovernmental transfer or certified public
5 expenditure is consistent with federal law.

6 (j) Participation in the LIHP under this part is voluntary on the
7 part of the eligible entity for purposes of all applicable federal
8 laws. As part of its voluntary participation under this article, the
9 participating entity shall agree to reimburse the state for the
10 nonfederal share of state staffing and administrative costs directly
11 attributable to the cost of administering that LIHP, including, but
12 not limited to, the state administrative costs related to certified
13 public expenditures and intergovernmental transfers. This section
14 shall be implemented only to the extent federal financial
15 participation is not jeopardized.

16 SEC. 70. (a) The State Department of Health Care Services
17 shall accept contributions by private foundations in the amount of
18 at least fourteen million dollars (\$14,000,000) for the purpose of
19 this section and shall immediately seek an equal amount of federal
20 matching funds.

21 (b) Entities and persons that are eligible for Medi-Cal in-person
22 enrollment assistance payments of fifty-eight dollars (\$58) per
23 approved Medi-Cal application and payment processing costs shall
24 be those trained and eligible for in-person enrollment assistance
25 payments by the California Health Benefit Exchange. The
26 payments may be made by the State Department of Health Care
27 Services or through the California Health Benefit Exchange
28 in-person assistance payment system.

29 (c) Enrollment assistance payments shall be made only for
30 Medi-Cal applicants newly eligible for coverage pursuant to the
31 federal Patient Protection and Affordable Care Act (Public Law
32 111-148), as amended by the Health Care and Education
33 Reconciliation Act of 2010 (Public Law 111-152), or those who
34 have not been enrolled in the Medi-Cal program during the
35 previous 12 months prior to making the application.

36 (d) The commencement of enrollment assistance payments shall
37 be consistent with those of the California Health Benefit Exchange.

38 (e) The State Department of Health Care Services or the
39 California Health Benefit Exchange shall provide monthly and

1 cumulative payment updates and number of persons enrolled
2 through in-person assistance payments on its Internet Web site.

3 SEC. 71. (a) (1) The State Department of Health Care Services
4 shall accept funding from private foundations in the amount of at
5 least \$12.5 million to provide allocations for the management and
6 funding of Medi-Cal outreach and enrollment plans specific to the
7 provisions contained in this section.

8 (2) The department shall seek necessary federal approval for
9 purposes of obtaining federal funding for activities conducted
10 under this section.

11 (3) Notwithstanding any other law, and in a manner that the
12 Director of Health Care Services shall provide, the department
13 may make allocations to fund Medi-Cal outreach and enrollment
14 activities as described in this section.

15 (b) (1) Funds appropriated by the Legislature to the department
16 for the purposes of this section shall be made available to selected
17 counties, counties acting jointly, and the County Medical Services
18 Program Governing Board pursuant to Section 16809 of the
19 Welfare and Institutions Code.

20 (2) Selected counties, counties acting jointly, and the County
21 Medical Services Program Governing Board may partner with
22 community-based organizations as applicable to conduct outreach
23 and enrollment to the target population as contained in subdivision
24 (d).

25 (3) The director may, at his or her discretion, also give
26 consideration to community-based organizations in an area or
27 region of the state if a county, or counties acting jointly do not
28 seek an allocation or funds are made available.

29 (4) For purposes of this section only, “county” shall be defined
30 as county, city and county, a consortium of counties serving a
31 region consisting of more than one county, the County Medical
32 Services Program Governing Board, or a health authority.

33 (c) (1) The allocations shall be apportioned geographically, by
34 the entities identified in subdivision (b), according to the estimated
35 number of persons who are eligible but not enrolled in Medi-Cal
36 and who will be newly Medi-Cal eligible as of January 1, 2014.

37 (2) The department may determine the number of allocations
38 and the application process. The director may consult or obtain
39 technical assistance from private foundations in implementation
40 of the application and allocation process.

1 (3) The department shall coordinate and partner with the
2 California Health Benefit Exchange on certified application assister
3 and outreach, enrollment, and marketing activities related to the
4 federal Patient Protection and Affordable Care Act.

5 (d) Notwithstanding any other law, the department shall develop
6 selection criteria to allocate funds for the Medi-Cal outreach and
7 enrollment activities with special emphasis targeting all of the
8 following populations:

9 (1) Persons with mental health disorder needs.

10 (2) Persons with substance use disorder needs.

11 (3) Persons who are homeless.

12 (4) Young men of color.

13 (5) Persons who are in county jail, in state prison, on state
14 parole, on county probation, or under postrelease community
15 supervision.

16 (6) Families of mixed-immigration status.

17 (7) Persons with limited English proficiency.

18 (e) (1) The funds allocated under this section shall be used only
19 for the Medi-Cal outreach and enrollment activities and may
20 supplement, but shall not supplant, existing local, state, and
21 foundation funding of county outreach and enrollment activities.

22 (2) Notwithstanding Section 10744 of the Welfare and
23 Institutions Code, the department may recoup or withhold all or
24 part of an allocation for failure to comply with any requirements
25 or standards set forth by the department for the purposes of this
26 section.

27 (f) The department shall begin the payment for the outreach and
28 enrollment allocation program no later than February 1, 2014.

29 (g) Under the terms of the approved allocation for the outreach
30 and enrollment program, funded entities under this section shall
31 not receive payment for in-person assister payments for assisting
32 potential Medi-Cal enrollees.

33 (h) The department shall require progress reports, in a manner
34 as determined by the department, from those receiving allocations
35 under this section.

36 (i) To the extent federal funding is received for the services
37 specified in this section, reimbursements for costs incurred under
38 the approved allocations shall be made in compliance with federal
39 law.

1 (j) Notwithstanding Chapter 3.5 (commencing with Section
2 11340) of Part 1 of Division 3 of Title 2 of the Government Code,
3 the department may implement, interpret, or make specific this
4 section by means of all-county letters, provider bulletins, or similar
5 instructions.

6 (k) The department may use a portion of the private foundation
7 funding pursuant to paragraph (a) to carry out the activities under
8 this section.

9 SEC. 72. Commencing no later than August 1, 2013, the State
10 Department of Health Care Services shall convene a series of
11 stakeholder meetings to receive input from clients, family members,
12 providers, counties, and representatives of the Legislature
13 concerning the development of the Behavioral Health Services
14 Plan, as required by paragraph 25.d of the Special Terms and
15 Conditions of California’s Bridge to Reform Section 1115(a)
16 Medicaid Demonstration.

17 SEC. 73. Given the uncertainty within which persons diagnosed
18 with HIV/AIDS from federal Ryan White HIV/AIDS Treatment
19 Extension Act of 2009 funded programs may transition to Medi-Cal
20 or other health insurance coverage, the State Department of Public
21 Health shall report to the Joint Legislative Budget Committee by
22 October 1, 2013, on whether any of the projections or assumptions
23 used to develop the AIDS Drug Assistance Program (ADAP)
24 estimated budget for the Budget Act of 2013 may result in an
25 inability of ADAP to provide services to ADAP eligible clients.
26 If the State Department of Public Health determines, before
27 October 1, 2013, that ADAP is unable to provide services to ADAP
28 eligible clients, the State Department of Public Health shall provide
29 notification to the Joint Legislative Budget Committee within 15
30 calendar days of making this determination.

31 SEC. 74. By October 1, 2013, the State Department of Public
32 Health shall submit to the fiscal and appropriate policy committees
33 of the Legislature a report describing how it plans to address the
34 findings and recommendations described in its “Zero-Based
35 Budgeting Review” report dated May 14, 2013, regarding the
36 Infant Botulism Treatment and Prevention Program (BabyBIG
37 program).

38 SEC. 75. As part of the Governor’s annual budget release to
39 the Legislature in January and May, the State Department of Health
40 Care Services shall identify as a separate policy change within the

1 Medi-Cal Local Assistance Estimate, the projected General Fund
2 savings attributable to the receipt of enhanced federal funding for
3 Medi-Cal eligibles, subject to the use of Modified Adjusted Gross
4 Income as the basis for their income eligibility, who were
5 previously calculated as being currently eligible and for whom the
6 state received only a 50 percent federal matching assistant payment.
7 The identified savings shall be attributed to the receipt of enhanced
8 federal funding under Title XIX of the federal Social Security Act.
9 The State Department of Health Care Services shall confer with
10 applicable fiscal and policy staff of the Legislature by no later than
11 October 1, 2013, regarding the potential content and attributes of
12 the information provided in this policy change. This separate policy
13 change format shall be provided through 2019–20.

14 SEC. 76. Notwithstanding any other law, the balance of Item
15 4150-001-0890 of the Budget Act of 2012 is reappropriated to the
16 Department of Managed Health Care for the purposes of continuing
17 operation of consumer assistance programs to help uninsured
18 individuals obtain health care coverage pursuant to the terms of
19 the federal Consumer Assistance Program Grant. These funds shall
20 be available for encumbrance and expenditure until June 30, 2014.

21 SEC. 77. The adoption and readoption of regulations
22 implementing portions of this act by the Managed Risk Medical
23 Insurance Board shall be deemed an emergency and necessary to
24 avoid serious harm to the public peace, health, safety, or general
25 welfare for purposes of Sections 11346.1 and 11349.6 of the
26 Government Code, and the board is hereby exempted from the
27 requirement that it describe facts showing the need for immediate
28 action and from review by the Office of Administrative Law.

29 SEC. 78. The Legislature finds and declares that Section 2 of
30 this act, which amends Section 6254 to the Government Code, and
31 Section 68 of this act, which adds Part 3.3 (commencing with
32 Section 15800) to Division 9 of the Welfare and Institution Code,
33 impose a limitation on the public's right of access to the meetings
34 of public bodies or the writings of public officials and agencies
35 within the meaning of Section 3 of Article I of the California
36 Constitution. Pursuant to that constitutional provision, the
37 Legislature makes the following findings to demonstrate the interest
38 protected by this limitation and the need for protecting that interest:

39 (a) In order to ensure that the State Department of Health Care
40 Services is not constrained in exercising its fiduciary powers and

1 obligations to negotiate on behalf of the public as it implements
2 the provisions of Part 3.3 (commencing with Section 15800) of
3 Division 9 of the Welfare and Institutions Code, the limitations
4 on the public's right of access imposed by Section 2 of this act are
5 necessary.

6 (b) To ensure the continued confidentiality of otherwise
7 privileged or confidential information, the limitations on the
8 public's right of access imposed by Section 68 of this act are
9 necessary.

10 SEC. 79. This act is a bill providing for appropriations related
11 to the Budget Bill within the meaning of subdivision (e) of Section
12 12 of Article IV of the California Constitution, has been identified
13 as related to the budget in the Budget Bill, and shall take effect
14 immediately.

O