

AMENDED IN SENATE JUNE 25, 2013

AMENDED IN ASSEMBLY MAY 24, 2013

AMENDED IN ASSEMBLY APRIL 19, 2013

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

ASSEMBLY BILL

No. 900

Introduced by Assembly Member Alejo

(Principal coauthor: Senator Nielsen)

(Coauthors: Assembly Members Ammiano, Chesbro, and Perea)

(Coauthor: Senator Anderson)

February 22, 2013

An act to add Section 14105.194 to the Welfare and Institutions Code, relating to Medi-Cal, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

AB 900, as amended, Alejo. Medi-Cal: reimbursement: distinct part nursing facilities.

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. The Medi-Cal program is, in part, governed and funded by federal Medicaid Program provisions. Existing law requires, except as otherwise provided, Medi-Cal provider payments to be reduced by 1% or 5%, and provider payments for specified non-Medi-Cal programs to be reduced by 1%, for dates of service on and after March 1, 2009, and until June 1, 2011. Existing law requires, except as otherwise provided, Medi-Cal provider payments and payments for specified non-Medi-Cal programs to be reduced by 10% for dates of service on and after June 1, 2011.

This bill would instead require that this payment reduction not apply to skilled nursing facilities that are a distinct part of a general acute care hospital, for dates of service on or after July 1, 2013, *subject to necessary federal approvals*.

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

Vote: $\frac{2}{3}$. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

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

1 SECTION 1. Section 14105.194 is added to the Welfare and
2 Institutions Code, to read:
3 14105.194. (a) Notwithstanding Sections 14105.191 and
4 14105.192, reimbursement for services provided by skilled nursing
5 facilities that are distinct parts of general acute care hospitals shall
6 be determined, for dates of service on or after July 1, 2013, without
7 application of the reductions *and limitations* set forth in Sections
8 14105.191 and 14105.192.
9 ~~(b) The director shall do all of the following in the event that~~
10 ~~he or she is prevented from implementing subdivision (a) for any~~
11 ~~dates of service on or after July 1, 2013:~~
12 ~~(1) Implement subdivision (a) to the maximum extent permitted~~
13 ~~by law.~~
14 ~~(2) Increase payments to facilities described in subdivision (a)~~
15 ~~for services provided on or after July 1, 2013, or on or after the~~
16 ~~first date of service permitted by law and for which federal financial~~
17 ~~participation is available.~~
18 ~~(e)~~
19 (b) The director shall promptly seek all necessary federal
20 approvals to implement this section.
21 ~~(d)~~
22 (c) Notwithstanding Chapter 3.5 (commencing with Section
23 11340) of Part 1 of Division 3 of Title 2 of the Government Code,
24 the department may implement this section by means of provider
25 bulletins or notices, policy letters, or other similar instructions,
26 without taking regulatory action.
27 SEC. 2. This act is an urgency statute necessary for the
28 immediate preservation of the public peace, health, or safety within

1 the meaning of Article IV of the Constitution and shall go into
2 immediate effect. The facts constituting the necessity are:
3 In order to ensure and maintain access to medically necessary
4 care for the patients and residents needing skilled nursing services,
5 it is necessary that this act take effect immediately.

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