

State of California—Health and Human Services Agency  
**Department of Health Services**



ARNOLD SCHWARZENEGGER  
Governor



California  
Department of  
Health Services

SANDRA SHEWRY  
Director

**Date:** December 30, 2005

MMCD All Plan Letter 05014

**TO:** All Medi-Cal Managed Care Health Plans

**SUBJECT:** SUMMARY OF 2005 CHAPTERED LEGISLATION IMPACTING  
OR OF INTEREST TO MEDI-CAL MANAGED CARE PLANS

The purpose of this letter is to provide summary information about bills chaptered during the 2005 Legislative session, that impact, or may be of interest to Medi-Cal managed care plans (MCPs). We have enclosed the following:

- List of chaptered bills. You can review a brief summary of each bill on the Department's website: <http://www.dhs.ca.gov/lga/pdf/Legislative%20Summary-2005.pdf>. You may also access complete copies of the bills through the California State Legislature's website: <http://www.leginfo.ca.gov/bilinfo.html>.
- Impact summary table indicating the effective date for each bill, affected entities, and plan submissions and contract changes that will be required as a result of the legislation.

Please be advised that the chaptered legislation summarized does not reflect all changes in State law that may affect the business practices or daily operations of contracting MCPs.

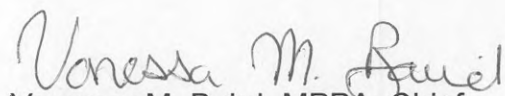
Each MCP is responsible for reviewing and analyzing the impact of chaptered legislation on their operations. Contractors are expected to implement statutory changes as required by the effective date of each chaptered bill and should not delay any required operational changes while the Medi-Cal Managed Care Division (MMCD) processes related contract amendments. In addition, MCPs are responsible for compliance with any regulatory requirements that are enforced by other state or federal entities. (See General Terms and Conditions of your contract.)

MCPs are reminded that, due to these legislative actions, your contracts may be amended to require the following changes: new or revised reports, policies and procedures, provider directories, member informing materials, or subcontracts. California Department of Health Services (CDHS) review and approval may be required before these changes are implemented. Please refer to your specific contract for approval requirements and time frames.

When necessary, MMCD will issue policy letters to clarify the application of some new laws to the Medi-Cal Managed Care Program. Laws that contain provisions specific to Medi-Cal may require CDHS to promulgate new regulations as part of the implementation process. Future policy letters and proposed regulations related to new legislation will be distributed to contracting MCPs as they become available.

If you have questions about how a specific chaptered bill affects your Medi-Cal MCP contract, please contact your CDHS contract manager.

Sincerely,

  
Vanessa M. Baird, MPPA, Chief  
Medi-Cal Managed Care Division

Enclosures (2)

**CHAPTERED BILLS DURING THE 2005 LEGISLATIVE SESSION  
IMPACTING, OR OF INTEREST TO, MEDI-CAL MANAGED CARE DIVISION  
(MMCD) AND CONTRACTED PLANS**

A brief summary of each bill can be reviewed on the Department's website:  
<http://www.dhs.ca.gov/lqa/pdf/Legislative%20Summary-2005.pdf>.

- AB 65**      **Daucher (Chapter 13)**  
**Medi-Cal: Health Care Benefits**  
Page 8 of the Department of Health Services Legislative Summary
- AB 77**      **Frommer (Chapter 503)**  
**Medi-Cal: Clinics: Reimbursement**  
Page 10 of the Department of Health Services Legislative Summary
- AB 258**      **Matthews (Chapter 523)**  
**Medi-Cal: Durable Medical Equipment**  
Page 10 of the Department of Health Services Legislative Summary
- AB 341**      **Daucher (Chapter 156)**  
**County Health Care Delivery Systems**  
Page 8 of the Department of Health Services Legislative Summary
- AB 354**      **Cogdill (Chapter 449)**  
**Telemedicine**  
Pages 10-11 of the Department of Health Services Legislative Summary
- AB 512**      **Richman (Chapter 219)**  
**Clinical Laboratories**  
Page 21 of the Department of Health Services Legislative Summary
- AB 522**      **Plescia (Chapter 469)**  
**Automated Drug Delivery System: Medi-Cal Coverage: Drugs  
or Other Therapies: Registered Sex Offenders**  
Page 11 of the Department of Health Services Legislative Summary
- AB 794**      **Chu (Chapter 23)**  
**Health Care Funding: Aliens: Access for Infants and Mothers  
(AIM) Program**  
Page 12 of the Department of Health Services Legislative Summary
- AB 800**      **Yee (Chapter 313)**  
**Medical Records: Patient's Spoken Language**  
Page 6 of the Department of Health Services Legislative Summary

- AB 847**      **Berg (Chapter 315)**  
**Program for All-Inclusive Care for the Elderly (PACE)**  
Page 6 of the Department of Health Services Legislative Summary
- AB 1075**     **Blakeslee (Chapter 29)**  
**County Organized Health Systems: Santa Barbara Regional Health Authority**  
Page 9 of the Department of Health Services Legislative Summary
- AB 1349**     **Goldberg (Chapter 616)**  
**Narcotic Treatment Programs**  
Page 12 of the Department of Health Services Legislative Summary
- AB 1438**     **Salinas (Chapter 540)**  
**Local Agencies: Open Meetings**  
Page 9 of the Department of Health Services Legislative Summary
- AB 1507**     **Pavley (Chapter 431)**  
**Cardiac Health: Automatic External Defibrillators: Health Studios**  
Page 16 of the Department of Health Services Legislative Summary
- AB 1735**     **De La Torre (Chapter 719)**  
**Medi-Cal: Provider Reimbursement: Reductions**  
Pages 12-13 of the Department of Health Services Legislative Summary
- SB 88**        **Ducheny (Chapter 14)**  
**Fiscal Affairs: Health Care Funding: Proposition 99**  
Page 1 of the Department of Health Services Legislative Summary
- SB 131**       **Chesbro (Chapter 548)**  
**Medi-Cal: Federally Qualified Health Centers: Rates**  
Page 13 of the Department of Health Services Legislative Summary
- SB 375**       **Speier (Chapter 206)**  
**Medicare Supplemental Coverage**  
Page 13 of the Department of Health Services Legislative Summary
- SB 377**       **Ortiz (Chapter 643)**  
**Medi-Cal Dental Services**  
Page 14 of the Department of Health Services Legislative Summary
- SB 643**       **Chesbro (Chapter 551)**  
**Nursing Facilities**  
Page 13 of the Department of Health Services Legislative Summary

**SB 1100**

**Perata (Chapter 560)  
Hospital Funding**

Page 9 of the Department of Health Services Legislative Summary



**2005 CHAPTERED BILLS IMPACT SUMMARY**

BILL INFO		SUBJECT	EFFECTIVE DATE	PLANS AFFECTED	PLAN ACTIVITIES CONTRACT MONITORING		DHS CONTRACT MONITORING ACTIVITIES
Bill No.	Chap	Main Focus of Bill			New/Revised Policy and/or Procedure	Member Notice	
<b>2005</b>							
AB 65	13	Medi-Cal: Health Care Benefits	6/9/2005 Effective Immediately	Cal Optima Central Coast Alliance for Health, and Partnership Health Plan of California	Y	N	N
AB 77	503	Medi-Cal: Clinics: Reimbursement	1/1/2006	Family PACT Waiver Program	Y	Y	Y
AB 258	523	Medi-Cal: durable medical equipment	1/1/2006 & 7/1/2006	All	Y	N	Y
AB 341	156	County health care delivery systems	6/9/2005 Effective Immediately	Cal Optima, Central Coast Alliance for Health, Partnership Health Plan of California	N	N	N
AB 512	219	Clinical laboratories.	1/1/2006	All	Y	N	Y

<sup>a</sup> Member notice may involve changes to member informing materials, form changes and/or special mailings. See specific bill for member notice requirements.

*Note:* Complete text of chaptered bills available through the California State Legislature's website: <http://www.leginfo.ca.gov/billinfo>

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AB 522	469	Automated drug delivery system: Medi-Cal coverage: drugs or other therapies: registered sex offenders	10/4/2005 Effective Immediately	All	Y	N	Y
AB 794	23	Health Care Funding: Aliens: Access for Infants and Mothers (AIM) Program	1/1/2006	All	Y	Y	Y
AB 800	313	Medical Records: Patient's Spoken Language	1/1/2006	All	Y	N	N
AB 847	315	Program for All-Inclusive Care for the Elderly	1/1/2006	PACE	Y	N	Y
AB 1075	29	County organized health systems: Santa Barbara Regional Health Authority.	1/1/2006	Santa Barbara Regional Health Authority	Y	Y	Y
AB 1349	616	Narcotic Treatment Programs	10/6/2005	All	Y	N	N
AB 1438	540	Local agencies: open meetings	10/5/2005 1/1/2009	All	Y	N	N
AB 1507	431	Cardiac health: automatic external defibrillators: health studios	7/1/2007- 7/1/2012	All	Y	N	Y

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AB 1735	719	Medi-Cal: provider reimbursement: reductions.	1/1/2004-10/31/2005 Effective Immediately	All	Y	N	N
SB 88	14	Fiscal Affairs: Health Care Funding: Proposition 99	7/17/2005	All	Y	N	N
SB 131	548	Medi-Cal: federally qualified health centers and rural health clinics: reimbursement rates.	6/30/2005	SCAN, Alta Med, Aids Healthcare Foundation, Heath Net Community Solutions, Inc., L.A. Care	Y	N	Y
SB 375	206	Medicare supplement coverage.	1/1/2006	All	Y	Y	Y
SB 377	643	Medi-Cal: dental services	10/7/2005 Effective Immediately	All	Y	Y	Y

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SB 643	551	Nursing facilities	2006-2007 Fiscal Year and each subsequent year after.	Blue Cross of California Partnership Plan, Inc., Family Mosaic Project, On Lok Senior Health, San Francisco Health Plan of California, Central Coast Alliance for Health, KP Cal, Health Plan of San Mateo, Alameda Alliance for Health, Centers for Elders Independence, Contra Costa Health Plan	Y	N	Y
SB 1100	560	Hospital funding		7/5/2005 Effective Immediately	All	Y	N

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