DHCS

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Department of Health Care Services

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DATE: FEBRUARY 5, 2008

MMCD All Plan Letter 08-001

TO: ALL MEDI-CAL MANAGED CARE HEALTH PLANS

SUBJECT: SUMMARY OF 2007 CHAPTERED LEGISLATION AFFECTING, OR OF INTEREST TO MEDI-CAL MANAGED CARE PLANS

This letter provides summary information on bills that were chaptered in 2007 and affect or may be of interest to Medi-Cal managed care plans that contract with the Department of Health Care Services (DHCS). We have enclosed the following:

- A list of chaptered bills. You can view a brief summary of each bill in the Department's 2007 Legislative Summary, which is on the DHCS website at: http://www.dhcs.ca.gov/formsandpubs/publications/Pages/LegSummary.aspx You can view complete copies of the bills on the California State Legislature's website at: http://www.leginfo.ca.gov/

- 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.

Assembly Bill 203 (Chapter 188, Statutes of 2007) was the health budget trailer bill for FY 2008-08. The budget trailer bill contained several provisions that directly affect the Medi-Cal managed care program as follows:

- Provides for the reimbursement to Med-Cal managed care health plans to meet the special health needs of the members who transitioned from the Agnews Developmental Center to regional centers in Alameda, Santa Clara and/or San Mateo counties. (Section 23)

- Allows DHCS to initiate a pilot project in Sacramento and Los Angeles counties to provide Medi-Cal managed care enrollees a Personalized Provider Directory. (Section 52 and Section 57)

- Moves the authority for the negotiation of County Organization Health Systems contracts from the California Medical Assistance Commission to the DHCS. (Section 53)

- Provides direction for setting rates for Medi-Cal managed care health plans. (Section 90)

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 managed care plans.

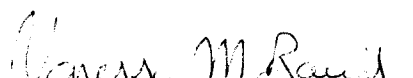
Each managed care plan is responsible for reviewing and analyzing the impact of chaptered legislation on its operations. Contracted managed care plans must implement statutory changes as required by the effective date of each chaptered bill and should not delay any required operational changes while the Medi-Cal Managed Care Division (MMCD) processes related contract amendments. In addition, managed care plans are responsible for compliance with any regulatory requirements that are enforced by other state or federal entities. Please see "General Terms and Conditions" of your contract.

The DHCS reminds managed care plans that, due to these legislative actions, it may amend your contracts to require the following changes: new or revised reports and data submissions, policies and procedures, provider directories, member informing materials, or subcontracts. Your contract may require DHCS review and approval of these changes. 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 DHCS to promulgate new regulations as part of the implementation process.

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

Sincerely,



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

Enclosures (2)

Enclosure 1

CHAPTERED BILLS DURING THE 2007 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.dhcs.ca.gov/formsandpubs/publications/Pages/LegSummary.aspx

AB 417 **Blakeslee and Nava (Chapter 266)**
Medi-Cal: Regional Health Authority
Page 6 of the Department of Health Care Services Legislative Summary 2007

AB 910 **Karnette (Chapter 617)**
Disabled persons: Support and health care coverage
Page 6 of the Department of Health Care Services Legislative Summary 2007

AB 915 **Hernandez (Chapter 500)**
Medi-Cal: Non-Monetary Incentives
Page 6 of the Department of Health Care Services Legislative Summary 2007

AB 1324 **De La Torre (Chapter 702)**
Health Care Coverage: Treatment Authorization
Page 6 of the Department of Health Care Services Legislative Summary 2007

AB 1512 **Torrico (Chapter 467)**
Medi-Cal: Foster Children
Page 7 of the Department of Health Care Services Legislative Summary 2007

SB 94 **Kuel (Chapter 636)**
Medi-Cal: Family Planning Services
Page 4 of the Department of Health Care Services Legislative Summary 2007

Enclosure 2

SUMMARY OF 2007 CHAPTERED BILLS RELATED TO MEDI-CAL MANAGED CARE

BILL INFO		SUBJECT	EFFECTIVE DATE	PLANS AFFECTED	PLAN ACTIVITIES CONTRACT MONITORING		DHCS CONTRACT MONITORING ACTIVITIES
Bill No.	Chap				New/Revised Policy and/or Procedure	Member Notice*	
AB 417	266	Medi-Cal: Regional Health Authority: Counties.	01/01/2008	Santa Barbara Regional Health Authority	Y	Y	Y
AB 910	617	Disabled persons: Support and health care coverage.	01/01/2008	All	N	N	N
AB 915	500	Medi-Cal: Non-Monetary Incentives	01/01/2008	All	Y	N	Y
AB 1324	702	Health Care Coverage: Treatment Authorization	01/01/2008	All	N	N	N
AB 1512	467	Medi-Cal: Foster Children	01/01/2008	COHS	N	N	Y
SB 94	636	Medi-Cal: Family Planning Services	01/01/2008	All	Y	N	Y

*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/