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/lega/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/billinfo.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/leg/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
Studies
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
## 2005 Chaptered Bills Impact Summary

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<th>DHS CONTRACT MONITORING ACTIVITIES</th>
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<td></td>
<td><strong>Main Focus of Bill</strong></td>
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<tr>
<td>2005</td>
<td><strong>AB 65</strong></td>
<td><strong>Medi-Cal: Health Care Benefits</strong></td>
<td>6/9/2005 Effective Immediately</td>
<td>Cal Optima, Central Coast Alliance for Health, and Partnership Health Plan of California</td>
<td>Y</td>
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<tr>
<td></td>
<td><strong>AB 77</strong></td>
<td><strong>Medi-Cal: Clinics: Reimbursement</strong></td>
<td>1/1/2006</td>
<td>Family PACT Waiver Program</td>
<td>Y</td>
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<tr>
<td></td>
<td><strong>AB 258</strong></td>
<td><strong>Medi-Cal: durable medical equipment</strong></td>
<td>1/1/2006 &amp; 7/1/2006</td>
<td>All</td>
<td>Y</td>
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<tr>
<td></td>
<td><strong>AB 341</strong></td>
<td><strong>County health care delivery systems</strong></td>
<td>6/9/2005 Effective Immediately</td>
<td>Cal Optima, Central Coast Alliance for Health, Partnership Health Plan of California</td>
<td>N</td>
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<td></td>
<td><strong>AB 512</strong></td>
<td><strong>Clinical laboratories.</strong></td>
<td>1/1/2006</td>
<td>All</td>
<td>Y</td>
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* 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](http://www.leginfo.ca.gov/billinfo)
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<td>AB 522</td>
<td>469</td>
<td>Automated drug delivery system: Medi-Cal coverage: drugs or other therapies: registered sex offenders</td>
<td>10/4/2005</td>
<td>All</td>
<td>Y</td>
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<tr>
<td>AB 794</td>
<td>23</td>
<td>Health Care Funding: Aliens: Access for Infants and Mothers (AIM) Program</td>
<td>1/1/2006</td>
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<td>AB 800</td>
<td>313</td>
<td>Medical Records: Patient's Spoken Language</td>
<td>1/1/2006</td>
<td>All</td>
<td>Y</td>
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<td>AB 847</td>
<td>315</td>
<td>Program for All-Inclusive Care for the Elderly</td>
<td>1/1/2006</td>
<td>PACE</td>
<td>Y</td>
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<td>AB 1075</td>
<td>29</td>
<td>County organized health systems: Santa Barbara Regional Health Authority</td>
<td>1/1/2006</td>
<td>Santa Barbara Regional Health Authority</td>
<td>Y</td>
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<td>AB 1349</td>
<td>616</td>
<td>Narcotic Treatment Programs</td>
<td>10/6/2005</td>
<td>All</td>
<td>Y</td>
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<td>AB 1438</td>
<td>540</td>
<td>Local agencies: open meetings</td>
<td>10/5/2005</td>
<td>All</td>
<td>Y</td>
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<td>AB 1507</td>
<td>431</td>
<td>Cardiac health: automatic external defibrillators: health studios</td>
<td>7/1/2007-7/1/2012</td>
<td>All</td>
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<td>AB 1735</td>
<td>719</td>
<td>Medi-Cal: provider reimbursement: reductions.</td>
<td>1/1/2004-10/31/2005 Effective Immediately</td>
<td>All</td>
<td>Y</td>
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<tr>
<td>SB 88</td>
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<td>Fiscal Affairs: Health Care Funding: Proposition 99</td>
<td>7/17/2005</td>
<td>All</td>
<td>Y</td>
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<td>SB 375</td>
<td>206</td>
<td>Medicare supplement coverage.</td>
<td>1/1/2006</td>
<td>All</td>
<td>Y</td>
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<tr>
<td>SB 377</td>
<td>643</td>
<td>Medi-Cal: dental services</td>
<td>10/7/2005 Effective Immediately</td>
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<td>SB 1100</td>
<td>560</td>
<td>Hospital funding</td>
<td>7/5/2005 Effective Immediately</td>
<td>All</td>
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