

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



California  
Department of  
Health Services

**SANDRA SHEWRY**  
Director



**ARNOLD SCHWARZENEGGER**  
Governor

Date February 13, 2007

MMCD All Plan Letter 07004

TO: ALL MEDI-CAL MANAGED CARE HEALTH PLANS

SUBJECT: SUMMARY OF 2006 CHAPTERED LEGISLATION AFFECTING,  
OR OF INTEREST TO, MEDI-CAL MANAGED CARE PLANS

This letter provides summary information on bills that were chaptered in 2006 that affect or may be of interest to Medi-Cal managed care plans that contract with the California Department of Health Services (CDHS). We have enclosed the following:

- A list of chaptered bills. You can view a brief summary of each bill in the Department's 2006 Legislative Summary, which is on the CDHS website at: <http://www.dhs.ca.gov/lga/pdf/2006%20Leg%20Summary.pdf>

You can view complete copies of the bills on the California State Legislature's website at:

<http://www.leginfo.ca.gov/bilinfo.html>.

- 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 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.

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The CDHS reminds managed care plans that, due to these legislative actions, it may amend your contracts to require the following changes: new or revised reports, policies and procedures, provider directories, member informing materials, or subcontracts. Your contract may require CDHS review and approval before you implement 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 CDHS 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,

A handwritten signature in black ink that reads "Vanessa M. Baird". The signature is written in a cursive style with a large initial "V".

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

Enclosures (2)

## 2006 CHAPTERED BILLS RELATED TO MEDI-CAL MANAGED CARE PLANS

A summary of each bill is on the referenced page of the California Department of Health Services (CDHS) 2006 Legislative Summary report at: <http://www.dhs.ca.gov/lga/pdf/2006%20Leg%20Summary.pdf>

- |                |   |
|----------------|---|
| <b>AB 132</b>  | <b>Nunez (Chapter 2)</b><br><b>Medi-Cal: Prescription Drug Benefit</b><br>Page 12                       |
| <b>AB 813</b>  | <b>Nunez (Chapter 24)</b><br><b>Medi-Cal: Emergency Drug Benefits</b><br>Page 13                        |
| <b>AB 1920</b> | <b>Chan (Chapter 270)</b><br><b>Medi-Cal: Hospital Funding</b><br>Page 11                               |
| <b>AB 2379</b> | <b>Chan (Chapter 333)</b><br><b>Medi-Cal: Managed Care</b><br>Page 10                                   |
| <b>AB 2667</b> | <b>Baca (Chapter 758)</b><br><b>Health Care Providers and Insurers: Considerations</b><br>Page 10       |
| <b>AB 2918</b> | <b>Wolk (Chapter 905)</b><br><b>Medi-Cal: County Organized Health Systems</b><br>Page 10                |
| <b>SB 458</b>  | <b>Speier (Chapter 906)</b><br><b>Health Care: County Organized Health Systems</b><br>Page 11           |
| <b>SB 1233</b> | <b>Perata (Chapter 7)</b><br><b>Medi-Cal: Prescription Drug Benefit</b><br>Page 16                      |
| <b>SB 1245</b> | <b>Figueroa (Chapter 482)</b><br><b>Health Care Coverage: Cervical Cancer Screening Test</b><br>Page 11 |
| <b>SB 1448</b> | <b>Kuehl (Chapter 76)</b><br><b>Health Care: Medi-Cal: Uninsured Persons</b><br>Page 12                 |

**SUMMARY OF 2006 CHAPTERED BILLS RELATED TO MEDI-CAL MANAGED CARE**

BILL INFO		SUBJECT	EFFECTIVE DATE	PLANS AFFECTED	PLAN ACTIVITIES CONTRACT MONITORING		DHS CONTRACT MONITORING ACTIVITIES
Bill No.	Chap				New/Revised Policy and/or Procedure	Member Notice	
AB 132	2	Medi-Cal: Prescription Drug Benefit	01/20/2006	All	Y	N	Y
AB 813	24	Medi-Cal: Emergency Drug Benefits	05/15/2006	All	Y	N	N
AB 1920	270	Medi-Cal: Hospital Funding	01/01/2007	All	N	N	N
AB 2379	333	Medi-Cal: Managed Care	01/01/2007	GMC 2 Plan Model	N	N	N
AB 2667	758	Health Care Providers and Insurers: Considerations	01/01/2007	All	Y	N	Y
AB 2918	905	Medi-Cal County Organized Health Systems	01/01/2007	COHS	Y	N	Y
SB 458	906	Health Care: County Organized Health Systems	01/01/2007	COHS	Y	Y	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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Bill No.	Chap				New/Revised Policy and/or Procedure	Member Notice	
SB 1233	7	Medi-Cal: Prescription Drug Benefit	02/09/2006	All	Y	N	N
SB 1245	482	Health Care Coverage: Cervical Cancer Screening Test	01/01/2007	All	Y	Y	Y
SB 1448	76	Health Care: Medi-Cal: Uninsured Persons	07/18/2006	County, City and County, Consortium of more than one County, or Health Authority  All	Y	N	N

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