

METHOD OF INDICATING CHANGES

This Accessible PDF version of the proposed regulation text includes the phrase [begin underline] at the beginning of each addition, [end underline] at the end of each addition, [begin strikeout] at the beginning of each deletion, and [end strikeout] at the end of each deletion.

A standard PDF version of this proposed regulation text is also available on the Department's Office of Regulations Internet site.

(1) Amend Section 50778 as follows:

Section 50778. Other Health Coverage Premium Payment.

[begin strikeout](a)[end strikeout] The Department [begin underline], [end underline] in accordance with the period of eligibility as stipulated within the policyholder's contract, or in accordance with the period of eligibility as stipulated for continuation of coverage under federal law, shall pay the premiums to provide other health care coverage for a beneficiary with entitlement to such coverage when [begin strikeout] the annual cost of the premium is less than half the estimated cost of Medi-Cal benefits [end strikeout] [begin underline] the estimated savings to the Medi-Cal program is 110% or greater than the premium costs [end underline]. The estimated [begin strikeout] cost of Medical benefits [end strikeout] [begin underline] savings [end underline] shall be determined by the Department by the review of either:

([begin strikeout]4[end strikeout])[begin underline]a[end underline]) Costs of covered medical services received by the beneficiary during the preceding year, irrespective of the payment source; or

([begin strikeout]2[end strikeout])[begin underline]b[end underline]) Estimated annual cost of medical services for the treatment of the beneficiary's pre-existing medical condition.

Note: Authority cited: [begin underline]Section 20, Health and Safety Code; and [end underline] Sections 10725 and 14124.5, Welfare and Institutions Code. Reference: Sections 14124.91, Welfare and Institutions Code [begin strikeout]:[end strikeout][begin underline]; [end underline] and 42 USC 1396-b[begin strikeout](A)[end strikeout][begin underline](a)[end underline](1).