

14985

01/14/19 05:21 PM  
RN 19 03422 PAGE 1

An act to add Section 14104.36 to the Welfare and Institutions Code,  
relating to Medi-Cal.



190342214985BILL

## THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. Section 14104.36 is added to the Welfare and Institutions Code, to read:

14104.36. (a) The following definitions apply for purposes of this section:

(1) "Identified provider" means either a fee-for-service Medi-Cal provider or any other provider participating in a program administered by the department, in good standing, identified by the department for an identified service period.

(2) "Identified service period" means the service dates involving a Medi-Cal Checkwrite contingency as identified by the department.

(3) "Medi-Cal Checkwrite contingency" means any situation involving a delay, nonfunctionality, or system error in the Medi-Cal Checkwrite Schedule provider claims processing system as identified by the department.

(b) (1) Notwithstanding any other law, if there is a Medi-Cal Checkwrite contingency, the department may make a contingency payment to an identified provider during an identified service period to ensure continued access to healthcare services, subject to approval of the Department of Finance.

(2) The department shall calculate a contingency payment based upon the previous payment claims history of the identified provider as identified in departmental records.

(c) The department shall reconcile the contingency payment for an identified provider against the actual claims for service dates during the identified service period. The department shall subsequently make payment adjustments to the identified provider in accordance with the departmental standards for provider claims processing.

(d) Any provider grievance or complaint arising from either a contingency payment or the reconciliation of a contingency payment shall be governed by Section 14104.5.

(e) This section does not alter the amount of reimbursement due to an identified provider for eligible claims or otherwise change any billing requirement or condition of program participation for a provider subject to this section.

(f) Notwithstanding Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, the department may implement this section by provider manual, provider bulletins or notices, policy letters, or other similar instructions, without taking regulatory action.

(g) The department shall seek any necessary approvals from the federal Centers for Medicare and Medicaid Services to implement this section. The department shall implement this section only in a manner that is consistent with federal Medicaid law and regulations, and only to the extent that the necessary approvals are obtained and federal financial participation is not jeopardized.



## LEGISLATIVE COUNSEL'S DIGEST

Bill No.  
as introduced, \_\_\_\_\_.  
General Subject: Medi-Cal: payments.

Existing law provides for the Medi-Cal program, which is administered by the State Department of Health Care Services, under which qualified low-income individuals receive healthcare services. The Medi-Cal program is, in part, governed and funded by federal Medicaid program provisions. Existing law requires the Director of Health Care Services to develop and implement standards for the timely processing and payment of each claim type. Existing law authorizes the department to enter into various contracts with fiscal intermediaries to provide claims processing services.

This bill would authorize the department to make a contingency payment, as part of the claims processing services, which is also referred to as the Medi-Cal Checkwrite Schedule, to an identified provider during an identified service period to ensure continued access to healthcare services, subject to approval of the Department of Finance. The bill would authorize the department to implement these provisions without taking regulatory action, and would require the department to implement these provisions only to the extent that necessary federal approvals are obtained and federal financial participation is not jeopardized.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

