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**WELFARE AND INSTITUTIONS CODE - WIC**

**DIVISION 9. PUBLIC SOCIAL SERVICES [10000 - 18999.98]** ( *Division 9 added by Stats. 1965, Ch. 1784.* )

**PART 4.7. HEALTH CARE FOR INDIGENTS [16900 - 16996.2]** ( *Heading for Part 4.7 added by Stats. 1990, Ch. 50, Sec. 10.5.* )

**CHAPTER 4. Rural Health Services [16930 - 16939]** ( *Chapter 4 repealed and added by Stats. 1990, Ch. 51, Sec. 30.* )

**16930.** (a) (1) There is in the County Health Services Fund, created pursuant to Section 16803, the Rural Health Services Account.  
(2) For purposes of this chapter, "account" means the account created by paragraph (1).

(b) All money appropriated for the purposes of this chapter shall be deposited in the account.

(c) The department shall administer moneys deposited in the account on an accrual basis, and notwithstanding any other provision of law, except as provided in this chapter, those moneys shall not be transferred to any other fund or account except for purposes of investment, as provided in Article 4 (commencing with Section 16470) of Chapter 3 of Part 2 of Division 4 of Title 2 of the Government Code.

(Amended by Stats. 1994, Ch. 195, Sec. 33. Effective July 12, 1994.)

**16931.** (a) Funds appropriated for the purposes of this chapter shall be used to enhance and maintain rural health services provided by counties, hospitals, physicians, and other providers of services to patients who cannot afford to pay for those services, and for whom payment will not be made through any private coverage or by any program funded in whole or in part by the federal government.

(b) The requirements of Sections 16804.1 and 16818 apply to services supported by funds appropriated for the purposes of this chapter.

(c) Except as specifically provided in this chapter, the authority of each county established pursuant to Section 16817 shall remain unaffected.

(Amended by Stats. 1994, Ch. 195, Sec. 34. Effective July 12, 1994.)

**16931.5.** The county may reimburse for emergency services provided by a physician in a standby emergency room in a hospital specified in Section 124840 of the Health and Safety Code.

(Amended by Stats. 1996, Ch. 1023, Sec. 491. Effective September 29, 1996.)

**16932.** The department shall allocate money derived from the Hospital Services Account in the fund to each county that is eligible to participate in the CMSP pursuant to Section 16809 in the following manner:

(a) The combined total of hospital uncompensated care costs for all county and noncounty hospitals in each county that is eligible to participate in the CMSP pursuant to Section 16809 shall be calculated by using the definitions, procedures, and data elements specified in Section 16945.

(b) (1) The office shall determine each county's 1989–90 fiscal year share by using the 1988 calendar year data, as adjusted by the office, existing on the statewide file on September 1, 1989.

(2) The office shall determine each county's share for the fiscal years after the 1989–90 fiscal year by using the data from the quarterly reports for the calendar year preceding the fiscal year, as adjusted by the office and existing on the statewide file on April 15 immediately preceding the fiscal year.

(3) The office shall determine each county's share based on that county's total hospital uncompensated care costs, divided by the total hospital uncompensated care costs for all counties that are eligible to participate in the CMSP pursuant to Section 16809,

and by multiplying that product by the amount appropriated from the Hospital Services Account in the fund for purposes of this chapter.

(4) The amounts calculated pursuant to paragraphs (2) and (3) shall be each county's allocation from the total amount available for allocation to the counties under this chapter.

(c) The amounts calculated pursuant to paragraph (4) of subdivision (b) shall be divided and allocated in accordance with Section 16946. Sections 16946, 16947, 16948, and 16949 shall be applicable to counties and hospitals receiving these funds.

*(Amended by Stats. 2007, Ch. 577, Sec. 21. Effective October 13, 2007.)*

**16933.** (a) The department shall distribute those moneys appropriated from the Physician Services Account and the Unallocated Account in the fund to counties that are eligible to participate in the CMSP pursuant to Section 16809 on the basis of the percentages obtained by dividing the population of each county that is eligible to participate in the CMSP pursuant to Section 16809 by the total population of all counties that are eligible to participate in the CMSP pursuant to Section 16809, as reported in the most recent annual Department of Finance Research Unit report E-1.

(b) Each county shall use moneys allocated from the Unallocated Account in the fund pursuant to, and for the purposes specified in, Article 4 (commencing with Section 16960) of Chapter 5, and to expand emergency medical transportation services.

(c) Counties shall use moneys allocated from the Physician Services Account in the fund the following ways to provide medically necessary emergency, obstetric, or pediatric services, or all of them, to patients who cannot afford to pay for those services, and for whom payment will not be made through any private coverage or by any program funded in whole or in part by the federal government:

(1) Establishment and administration of a Physician Services Account in the county emergency medical services fund in accordance with Article 3.5 (commencing with Section 16951) of Chapter 5.

(2) Contracting with the department for the administration of all Physician Services Account moneys specified in this subdivision pursuant to subdivision (c) of Section 16952.

(3) The reimbursement or support of services, either directly or by contract, which are provided by physicians or groups of physicians.

(d) Moneys allocated from the Physician Services Account in the fund shall be used to provide reimbursement for services provided on or after July 1, 1989.

*(Amended by Stats. 2007, Ch. 577, Sec. 22. Effective October 13, 2007.)*

**16933.1.** Any physician who receives funds pursuant to subdivision (c) of Section 16933 shall comply with the requirements of subdivision (d) of Section 16955.

*(Added by renumbering Section 16931.1 (as added by Stats. 1990, Ch. 51) by Stats. 1990, Ch. 430, Sec. 5. Effective July 26, 1990.)*

**16934.** (a) As a condition of receiving funds under this chapter, a county shall provide, or arrange and pay for, medically necessary followup treatment, including necessary followup dental services and prescription drugs, for any condition detected as part of a child health and disability prevention screen for a child eligible for services under Section 104395 of the Health and Safety Code, if the child was screened by the county, or upon referral by a child health and disability prevention program provider. This section shall not apply to any child eligible to receive care with no share of cost under the Medi-Cal program or who is covered by another publicly funded program or for whom these services are covered or will be paid by any other responsible party. A county may require that hospitals that contract with the county pursuant to paragraph (2) of subdivision (b) of Section 16946, physicians who contract with the county pursuant to paragraph (3) of subdivision (c) of Section 16933 or dentists or any provider that contracts with the county pursuant to subdivision (b) of Section 16933 and receives funds appropriated for the purposes of this chapter to participate in complying with this section. A county shall not require that hospitals receiving an allocation pursuant to paragraph (1) of subdivision (b) of Section 16946 or physicians who receive payment from a physician services account established pursuant to paragraph (1) of subdivision (c) of Section 16933 participate in complying with this section.

(b) Dental services provided pursuant to this section shall be at least equal in scope and frequency to dental services available to Medi-Cal eligible children of the same age.

(c) Counties shall implement this section in consultation and coordination with their child health and disability prevention programs.

*(Amended by Stats. 1996, Ch. 1023, Sec. 492. Effective September 29, 1996.)*

**16934.2.** (a) For the 1989–90 fiscal year, a county shall not have the option to contract with the department for payment for treatment of children required pursuant to Section 16934. However, a county may elect to limit its liability for payment of that

treatment to 15 percent of the amount the county actually received under this chapter for the 1989–90 fiscal year. Any county which elects to establish a 15 percent reserve shall notify the department within 45 days of the effective date of this section of its intention. A county electing to limit its liability pursuant to this section shall reserve 15 percent of the amount it received, if the county contracts with the department for administration of its physician services account pursuant to Section 16935. If the county does not contract with the department to administer its physician services account, the county's liability shall be 15 percent of the total allocation it received under this chapter. Payment for service provided between July 1, 1989 and June 30, 1990, pursuant to Section 16934 which exceeds the amount reserved shall be the responsibility of the state, provided that the county provides documentation that it established a 15 percent reserve and met its applicable 15 percent obligation for services provided pursuant to Section 16934. The state shall recoup any funds remaining in the 15 percent reserve which were not expended and shall use the funds to pay for treatment services required under Section 16934 in future years.

(1) A county which elects not to establish a 15 percent reserve pursuant to subdivision (a), or fails to notify the department of its intention to participate, shall retain full liability for the payment of treatment of children required pursuant to Section 16934.

(2) In addition to contractual and other arrangements with providers, the county, or the department under this subdivision, pursuant to the obligation under Section 16934, may refer a child in need of inpatient care to children's hospitals which have received funding under Chapter 6 (commencing with Section 16996), if the child meets the hospital's specific criteria for inpatient care. The county or the department shall be under no obligation to reimburse the children's hospital for these services.

(b) For the 1989–90 fiscal year, the department shall establish a separate Rural Health Services Reinsurance Account within the County Health Services Fund. For purposes of this chapter "reinsurance account" means the account established pursuant to this section.

(1) Moneys appropriated by the Legislature to establish the reinsurance account shall be deposited in the reinsurance account.

(2) Moneys deposited into the reinsurance account shall be used to pay for services provided pursuant to Section 16934 in those counties which have expended their 15 percent reserves established pursuant to subdivision (a).

(3) Any moneys remaining in the reinsurance account after June 30, 1990, which have not been expended or encumbered shall be transferred to the CHDP Treatment Account established pursuant to subdivision (b) of Section 16934.5.

*(Added by Stats. 1990, Ch. 51, Sec. 30. Effective April 18, 1990.)*

**16934.5.** (a) For the 1990–91 fiscal year and subsequent fiscal years, each county that is eligible to participate in the CMSP pursuant to Section 16809 may enter into a contract with the department in which the department agrees to assume the responsibility to pay for the cost of treatment service provided on or after July 1, 1990, to children pursuant to Section 16934. If a county that is eligible to participate in the CMSP pursuant to Section 16809 does not apply for or rescinds its application for funds under this chapter, the department may use all or part of that county's allocation, as calculated pursuant to paragraph (3), to pay for the costs of treatment services to children pursuant to Section 16934.

(1) Each county intending to contract with the department shall submit to the department a notice of intent to contract adopted by the board of supervisors no later than June 1, 1990. For each fiscal year thereafter a notice adopted by the board of supervisors shall be submitted no later than April 1 of the fiscal year preceding the fiscal year for which the agreement will be in effect, in accordance with procedures established by the department. As a condition of contracting with the department, the department may establish uniform standards, forms, and procedures for the processing and payment of claims for treatment services.

(2) (A) Each county contracting with the department pursuant to this subdivision for the 1991–92 fiscal year that has previously contracted with the department pursuant to this section shall agree that the department shall retain 10 percent of the allocation it would otherwise have received under this chapter. The department shall transfer amounts retained on a monthly basis to the CHDP Treatment Account established in subdivision (b).

(B) Any county that contracts with the department pursuant to this subdivision during the 1991–92 fiscal year that has not previously contracted with the department pursuant to this section shall agree that the department shall retain 20 percent of the allocation the county would otherwise have received under this chapter for that portion of the year for which it contracts under this section.

(3) In future fiscal years the percentage retained by the department may be adjusted to reflect actual payments, projected expenditures, funds appropriated by the Legislature for treatment services, and the overall status of the account established in subdivision (b).

(b) Beginning with the 1990–91 fiscal year, the department shall establish a separate Child Health and Disability Prevention Treatment Account. For purposes of this chapter "CHDP Treatment Account" means the account established pursuant to this subdivision.

(1) The following funds shall be deposited into the CHDP Treatment Account:

(A) Funds appropriated by the Legislature to fund the reinsurance account established in subdivision (b) of Section 16934.2 which are not expended or encumbered for that purpose.

(B) Any funds recouped from those counties electing to establish a 15 percent reserve pursuant to subdivision (a) of Section 16934.2.

(C) Funds retained by the department pursuant to subdivision (a).

(D) Interest earnings on funds.

(E) Any additional funds appropriated by the Legislature.

(2) Funds deposited in the CHDP Treatment Account shall be administered on an accrual basis and notwithstanding any other provision of law, except as provided in this chapter, shall not be transferred to any other fund or account except for purposes of investment as provided in Article 4 (commencing with Section 16470) of Chapter 3 of Part 2 of Division 4 of Title 2 of the Government Code.

(3) Moneys deposited into the account shall constitute a risk pool which shall be used for any or all of the following purposes:

(A) Payment for services provided pursuant to Section 16934 in counties which have contracted with the department pursuant to subdivision (a).

(B) State administrative costs, including any costs associated with a contract for processing claims.

(C) If the projected expenditure of funds from the CHDP Treatment Account for any fiscal year exceeds available revenues, the department may adjust payments for the remainder of the fiscal year to providers on a pro rata basis in order to ensure that expenditures do not exceed available revenues.

*(Amended by Stats. 2007, Ch. 577, Sec. 23. Effective October 13, 2007.)*

**16934.7.** (a) For the 1990–91 fiscal year and each fiscal year thereafter, each county entering into a contract with the department pursuant to Section 16934.5, in which the department assumed the responsibility of payment for the treatment of children pursuant to Section 16934, shall have the option to contract with the department to administer the distribution and monitoring of funds allocated from the Hospital Services Account in the fund pursuant to subdivision (b) of Section 16946.

(b) Any county which does not elect to contract with the department pursuant to Section 16934.5 for payment for the treatment of children pursuant to Section 16934 may contract with the department to administer that portion of its funds allocated to the county from the Hospital Services Account in the fund pursuant to paragraph (1) of subdivision (b) of Section 16946, but shall not contract with the department to administer that portion of its funds allocated to the county from the Hospital Services Account in the fund pursuant to paragraph (2) of subdivision (b) of Section 16946.

(c) (1) Any county intending to contract with the department pursuant to subdivision (a) or (b) shall submit to the department a notice of intent to contract by resolution adopted by the board of supervisors or authorized persons within 45 days after the effective date of the act adding this section.

(2) For each fiscal year following the submission of the notice of intent to contract pursuant to paragraph (1), the county board of supervisors shall submit a notice adopted by the board of supervisors to the department, in accordance with procedures established by the department, no later than April 1 of the fiscal year preceding the fiscal year for which the intended agreement will be in effect.

(d) (1) Each county contracting with the department pursuant to subdivision (a) or (b) shall agree that the department shall retain that portion of the county's allocation pursuant to subdivision (b) or paragraph (1) of subdivision (b) of Section 16946, whichever is applicable.

(2) The department may use up to 10 percent of the amount of funds retained pursuant to paragraph (1) for purposes of administration of this section.

(e) As a condition of any contract entered into pursuant to this section, the department shall act on behalf of the county and shall assume all program responsibilities for distribution and monitoring funds pursuant to subdivision (b) or paragraph (1) of subdivision (b) of Section 16946, whichever is applicable. The department may exercise discretion in the administration of funds pursuant to paragraph (2) of subdivision (b) of Section 16946 and shall also implement subdivisions (d), (e), (f), and (g) of Section 16946 with regard to those funds.

*(Added by Stats. 1990, Ch. 430, Sec. 9. Effective July 26, 1990.)*

**16935.** (a) A county that is eligible to participate in the CMSP pursuant to Section 16809 may elect to have the state administer its physician services account. Each county that is eligible to participate in the CMSP pursuant to Section 16809 and that elects to have the state administer its physician services account shall do all of the following:

(1) Enter into a contract with the department to administer its county physician services account.

(2) Authorize the department to act on its behalf and to assume all responsibilities for the distribution and monitoring of funds in its physician services account pursuant to subdivision (c) of Section 16952.

(3) Agree to comply with uniform policies, procedures, and program standards, including, but not limited to, eligibility levels established mutually by the department and the participating counties.

(4) Transfer funds allocated to the county for purposes of the county physician services account, less any funds retained pursuant to subdivision (a) of Section 16934.5 to the department under such conditions as the department may require.

(b) The department may use funds retained or transferred to it by the county pursuant to this subdivision for purposes of administering the county's physician services account in accordance with Sections 16952 to 16958, inclusive.

(c) For the 1989–90 fiscal year, any county which intends to contract with the department for the administration of moneys allocated from the Physician Services Account in the fund pursuant to subdivision (c) of Section 16952 shall submit, to the department, a notice of intent to contract which has been adopted by the county board of supervisors, not later than November 15, 1989.

(d) For the 1990–91 fiscal year and subsequent fiscal years, any county which intends to contract with the department for the administration of moneys allocated from the Physician Services Account in the fund shall submit to the department a notice of intent to contract, which has been adopted by the county board of supervisors, not later than April 1 of the fiscal year preceding the fiscal year for which the contract will be in effect and in accordance with procedures established by the department.

*(Amended by Stats. 2007, Ch. 577, Sec. 24. Effective October 13, 2007.)*

**16935.5.** The department may administer the distribution and monitoring of funds allocated from the Hospital Services Account pursuant to subdivision (b) of Section 16946 and from the Physician Services Account pursuant to subdivision (c) of Section 16952, less funds retained by the department for the administration of the children's treatment program pursuant to Section 16934, for any county that is eligible to participate in the CMSP pursuant to Section 16809 that does not apply for, or rescinds its application for, funds under this chapter. Allocations for a particular county shall generally be utilized for payments to eligible providers in that county.

*(Amended by Stats. 2007, Ch. 577, Sec. 25. Effective October 13, 2007.)*

**16936.** (a) (1) Any county that requests funds under this chapter shall submit to the department, for approval by the department, an application for initial funding and a description of the proposed use and expenditure of the moneys, as a component of the county health services plan and budget submitted pursuant to Section 16800. The department shall review and approve this information for compliance with this part.

(2) Beginning in the 1990–91 fiscal year, any county which does not contract with the department pursuant to subdivision (a) of Section 16934.5 shall include in the application an estimate of the costs and funding arrangement for dental services.

(b) The department shall review each county's application and proposed use of funds for compliance with this chapter.

(c) The department shall make initial monthly payments upon approval of the county's request for funds containing assurances that the county will comply with this chapter and other applicable provisions of this part.

(d) Payments made beyond April 15, 1990, and February 1 of each subsequent fiscal year, shall be contingent upon the signing of an agreement between the county board of supervisors and the department.

*(Amended by Stats. 1994, Ch. 195, Sec. 38. Effective July 12, 1994.)*

**16937.** (a) Services, associated costs, and sociodemographic characteristics of persons served by each county under Section 17000 and supported in whole or in part by funds appropriated for purposes of this chapter shall be incorporated into the information required pursuant to Section 16915.

(b) Not later than July 1, 1991, to the extent possible, each county shall incorporate the data required by Section 16915 in the reports specified in subdivision (a).

*(Amended by Stats. 1994, Ch. 195, Sec. 39. Effective July 12, 1994.)*

**16938.** (a) Each county shall submit a report of expenditures and other information to the department according to the procedures established by the department.

(b) The department shall review the reports submitted pursuant to subdivision (a) and recoup unspent moneys and expenditures that are not in compliance with this chapter or the requirements established by the department.

*(Amended by Stats. 1994, Ch. 195, Sec. 40. Effective July 12, 1994.)*

**16939.** As a condition of receiving funds pursuant to this chapter, each county shall meet the requirements of Articles 6 (commencing with Section 16980), 7 (commencing with Section 16990) and 10 (commencing with Section 16995) of Chapter 5.

*(Amended by Stats. 1990, Ch. 430, Sec. 11. Effective July 26, 1990.)*