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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 3. AID AND MEDICAL ASSISTANCE [11000 - 15771] (*Part 3 added by Stats. 1965, Ch. 1784.)*

CHAPTER 7.5. Protect Access to Health Care Act of 2024 [14199.100 - 14199.136] (*Chapter 7.5 added November 5, 2024, by initiative Proposition 35, Sec. 1.)*

ARTICLE 3. Deposit and Allocation of Moneys in the Fund [14199.108 - 14199.108.5] (*Article 3 added November 5, 2024, by initiative Proposition 35, Sec. 1.)*

14199.108. Deposit and Allocation of Moneys

Notwithstanding any other law:

(a) (1) On and after January 1, 2025, all moneys annually derived from the tax imposed pursuant to Article 7.1 (commencing with Section 14199.80) of Chapter 7 shall be deposited into the fund.

(2) On and after January 1, 2027, all moneys annually derived from the tax imposed by Article 6 (commencing with Section 14199.123) shall be deposited into the fund.

(b) (1) Sufficient moneys shall be annually transferred by the Controller from the fund to the Health Care Oversight & Accountability Subfund to cover all of the following:

(A) For the 2025 and 2026 calendar years only, the amount of moneys necessary to cover the appropriations made pursuant to Section 14199.108.3.

(B) Commencing with the 2025 calendar year and each calendar year thereafter, the nonfederal share of increased capitation payments to Medi-Cal managed care plans to account for their projected tax obligation pursuant to Section 14199.84 or Article 6 (commencing with Section 14199.123), for the subject calendar year or years, as applicable.

(C) Reimbursement of the Controller for its responsibilities under this chapter.

(D) Payment of the department's administrative costs.

(E) Repayment of any refunds, as applicable.

(F) Costs incurred pursuant to Section 14199.133.

(2) Notwithstanding Section 13340 of the Government Code, all moneys within the Health Care Oversight & Accountability Subfund are hereby continuously appropriated, without regard to fiscal years, to the department to be used as set forth in this subdivision.

(3) Any unencumbered moneys remaining in the Health Care Oversight & Accountability Subfund at the end of a calendar year shall be transferred to the Improving Access to Health Care Subfund.

(c) For each applicable calendar year, after the transfers required by subdivision (b) to the Health Care Oversight & Accountability Subfund, all remaining moneys in the fund shall be transferred to the Improving Access to Health Care Subfund.

(d) In each calendar year, the first four billion three hundred million dollars (\$4,300,000,000) transferred to the Improving Access to Health Care Subfund shall be deposited by the Controller in the following amounts in the following accounts that are hereby created within the Improving Access to Health Care Subfund:

(1) Twenty-two percent in the Primary Care Account.

- (2) Twenty-two percent in the Specialty Care Account.
- (3) Two and one-half of 1 percent in the Emergency Department Physicians Account.
- (4) Five and three-quarters of 1 percent in the Outpatient and Clinic Access Account.
- (5) Five and one-half of 1 percent in the Family Planning Account.
- (6) One and one-quarter of 1 percent in the Reproductive Health Account.
- (7) Three percent in the Emergency Medical Transportation Account.
- (8) Eight and three-quarters of 1 percent in the Emergency Department and Hospital Services Account.
- (9) Three and one-half of 1 percent in the Designated Public Hospital Account, subject to subdivision (g).
- (10) Four and one-half of 1 percent in the Improving Mental Health Account, subject to subdivision (g).
- (11) Six and one-quarter of 1 percent in the Health Care Workers Account.
- (12) Three and one-half of 1 percent in the Clinic Quality Account.
- (13) Three and one-half of 1 percent in the Improved Dental Services Account.
- (14) Eight percent to the Medi-Cal Access and Support Account.

(e) Commencing January 1, 2027, and notwithstanding Section 13340 of the Government Code, all moneys within the accounts described in subdivision (d), and any subaccounts therein, are hereby continuously appropriated, without regard to fiscal years, to the department to be used as set forth in Article 4 (commencing with Section 14199.109).

(f) (1) On and after January 1, 2030, the maximum allowable balance of unencumbered moneys in any of the accounts described in paragraphs (1) to (8), inclusive, and (11) to (13), inclusive, of subdivision (d) shall be 200 percent of the average annual amount deposited therein during the immediately preceding two calendar years. This shall be known as the "maximum allowable balance."

(2) As long as an account described in paragraphs (1) to (8), inclusive, and (11) to (13), inclusive, of subdivision (d) is at or above its maximum allowable balance, moneys otherwise required to be deposited into that account shall instead be deposited on a pro rata basis into the other accounts described in paragraphs (1) to (8), inclusive, and (11) to (13), inclusive, of subdivision (d) that are not at or above their maximum allowable balance.

(3) This subdivision does not apply if an account reaches its maximum allowable balance as a result of the department violating its nondiscretionary ministerial duty set forth in subdivision (b) of Section 14199.106.

(4) This subdivision does not apply if all of the accounts described in paragraphs (1) to (8), inclusive, and (11) to (13), inclusive, of subdivision (d) are all simultaneously at or above their maximum allowable balance.

(g) (1) Notwithstanding the percentage allocation described in paragraph (9) of subdivision (d), the maximum dollar amount deposited into the Designated Public Hospital Account shall not exceed one hundred fifty million dollars (\$150,000,000) per calendar year. Once the amount deposited in any calendar year into the Designated Public Hospital Account reaches one hundred fifty million dollars (\$150,000,000), any excess moneys allocated pursuant to paragraph (9) of subdivision (d) shall instead be deposited into the Emergency Department and Hospital Services Account.

(2) Notwithstanding the percentage allocation described in paragraph (10) of subdivision (d), the maximum dollar amount deposited into the Improving Mental Health Account shall not exceed two hundred million dollars (\$200,000,000) per calendar year. Once the amount deposited in any calendar year into the Improving Mental Health Account reaches two hundred million dollars (\$200,000,000), any excess moneys allocated pursuant to paragraph (10) of subdivision (d) shall instead be deposited into the Emergency Department and Hospital Services Account.

(h) After four billion three hundred million dollars (\$4,300,000,000) is first deposited pursuant to subdivision (d), in each calendar year the next four hundred million dollars (\$400,000,000) transferred to the Improving Access to Health Care Subfund shall be deposited into the Medi-Cal Access and Support Account.

(i) (1) After four billion three hundred million dollars (\$4,300,000,000) is first deposited pursuant to subdivision (d) and the next four hundred million dollars (\$400,000,000) is deposited pursuant to subdivision (h), in each calendar year the next two hundred twenty-six million dollars (\$226,000,000) transferred to the Improving Access to Health Care Subfund shall be deposited as follows:

(A) Thirty-two million dollars (\$32,000,000) into the Community Health Workers Account.

(B) Sixty-four million dollars (\$64,000,000) into the Health Care Workforce Loan Repayment Account.

(C) One hundred twenty million dollars (\$120,000,000) into the Medi-Cal Workforce Subaccount.

(D) Ten million dollars (\$10,000,000) into the Affordable Prescription Drugs Account.

(2) Commencing January 1, 2027, and notwithstanding Section 13340 of the Government Code, all moneys within the accounts described in paragraph (1), and any subaccounts therein, are hereby continuously appropriated, without regard to fiscal years, to the department to be used as set forth in Article 4 (commencing with Section 14199.109).

(j) After the deposits required by subdivisions (d), (h), and (i) are completed, all remaining moneys transferred to the Improving Access to Health Care Subfund in a calendar year shall be deposited and used as follows:

(A) Twenty-five percent to the accounts described in paragraphs (1) to (13), inclusive, of subdivision (d) on a pro rata basis according to and consistent with the relative distribution among those paragraphs.

(B) Seventy-five percent to the Medi-Cal Access and Support Account.

(Added November 5, 2024, by initiative Proposition 35, Sec. 1. Effective December 18, 2024. Approved in Proposition 35 at the November 5, 2024, election. Operative January 1, 2025, pursuant to Section 14199.135.)

14199.108.3. Expenditures During Calendar Years 2025 and 2026

(a) During each of calendar year 2025 and calendar year 2026 only, and notwithstanding Section 13340 of the Government Code, moneys are hereby continuously appropriated without regard to fiscal years from the Health Care Oversight & Accountability Subfund to the department in the following amounts for the following purposes:

(1) Two billion dollars (\$2,000,000,000) to cover a portion of the nonfederal share of Medi-Cal managed care rates for health care services furnished to children, adults, seniors, and persons with disabilities, and persons dually eligible for the Medi-Cal and Medicare programs.

(2) Six hundred ninety-one million dollars (\$691,000,000) for primary care, including obstetrics and nonspecialty mental health services.

(3) Five hundred seventy-five million dollars (\$575,000,000) for specialty care.

(4) Two hundred forty-five million dollars (\$245,000,000) for community and outpatient procedures.

(5) Ninety million dollars (\$90,000,000) for abortion and family planning services.

(6) Fifty million dollars (\$50,000,000) for services and supports for primary care.

(7) Three hundred fifty-five million dollars (\$355,000,000) for emergency room facilities and physicians.

(8) One hundred fifty million dollars (\$150,000,000) for designated public hospitals.

(9) Fifty million dollars (\$50,000,000) for ground emergency medical transportation.

(10) Three hundred million dollars (\$300,000,000) for behavioral health facility throughputs.

(11) Seventy-five million dollars (\$75,000,000) for graduate medical education.

(12) Seventy-five million dollars (\$75,000,000) for Medi-Cal workforce.

(b) The allocation of moneys appropriated pursuant to subdivision (a) shall be subject to the stakeholder input requirements of Section 14199.121.

(c) This section shall become inoperative on January 1, 2027, and is hereby repealed on January 1, 2028.

(Added November 5, 2024, by initiative Proposition 35, Sec. 1. Effective December 18, 2024. Approved in Proposition 35 at the November 5, 2024, election. Operative January 1, 2025, pursuant to Section 14199.135. Inoperative January 1, 2027, by its own provisions. Repealed as of January 1, 2028, by its own provisions.)

14199.108.5. Treatment of Increased or Supplemental Payments

Increased or supplemental payments made pursuant to Sections 14199.108.3, 14199.109, 14199.110, 14199.110.5, 14199.112, 14199.113, 14199.114, 14199.115, 14199.116, 14199.117, 14199.119, 14199.120.5, and 14199.120.6 shall:

(a) Be in addition to existing reimbursement rates and any other payments made by a Medi-Cal managed care plan or the department and shall not supplant amounts that would otherwise be payable by a Medi-Cal managed care plan or the department to a recipient of moneys provided by Article 4 (commencing with Section 14199.109).

(b) Be considered separate and apart from any other reimbursement, and shall not be considered during, or factored into, any annual reconciliation.

(Added November 5, 2024, by initiative Proposition 35, Sec. 1. Effective December 18, 2024. Approved in Proposition 35 at the November 5, 2024, election. Operative January 1, 2025, pursuant to Section 14199.135.)