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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. Basic Health Care [14000 - 14199.87] (Chapter 7 added by Stats. 1965, 2nd Ex. Sess., Ch. 4.)

ARTICLE 2.8. County Health Systems [14087.5 - 14087.95] (Heading of Article 2.8 amended by Stats. 1988, Ch. 1348, Sec. 1.)

14087.5. (a) The California Medical Assistance Commission may negotiate exclusive contracts with any county that seeks to provide, or arrange for the provision of, the health care services provided under this chapter. The California Medical Assistance Commission shall establish regulations concerning the time for submittal of proposed plans for a contract by a county, and for the time by which the California Medical Assistance Commission shall decide whether or not to accept the county's proposal.

(b) The department shall seek all federal waivers necessary to allow for federal financial participation in expenditures under this article. This article shall not be implemented until all necessary waivers have been approved by the federal government.

(c) (1) Notwithstanding subdivision (a) or any other provision of law, on and after the effective date of the act adding this subdivision, the department shall have exclusive authority to negotiate the rates, terms, and conditions of county organized health systems contracts and contract amendments under this article or under Article 7 (commencing with Section 14490) of Chapter 8. As of that date, all references in this article to the negotiator or the California Medical Assistance Commission shall mean the department.

(2) For contracts executed pursuant to this article, the department shall disclose, upon request, each negotiated contract or contract amendment executed by both parties after July 1, 2007, which shall be considered public records for the purposes of the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code), including contracts that reveal the department's rates of payment for health care services, the rates themselves, and rate manuals.

(Amended by Stats. 2021, Ch. 615, Sec. 441. (AB 474) Effective January 1, 2022. Operative January 1, 2023, pursuant to Sec. 463 of Stats. 2021, Ch. 615.)

14087.51. (a) It is necessary that a special commission be established in San Mateo County and in any other county designated by the California Medical Assistance Commission in order to meet the problems of the delivery of publicly assisted medical care in the counties and to demonstrate ways of promoting quality care and cost efficiency.

(b) The Board of Supervisors of San Mateo County and of the designated counties may, by ordinance, establish commissions to do any or all of the following:

(1) Negotiate the exclusive contracts specified in Section 14087.5 and to arrange for the provision of health care services provided pursuant to this chapter.

(2) Enter into contracts for the provision of health care services to subscribers in the Healthy Families Program.

(3) Enter into agreements under Chapter 5 (commencing with Section 6500) of Division 7 of Title 1 of the Government Code.

(c) In addition to the authority specified in subdivision (b), the Board of Supervisors of San Mateo County may, by ordinance, authorize the commission established pursuant to this section to provide health care delivery systems for any or all of the following persons:

(1) Persons who are eligible to receive medical benefits under this chapter in the county, including, but not limited to, persons who are eligible through federal waiver or a pilot project.

(2) Persons who are eligible to receive medical benefits under both Title 18 and Title 19 of the federal Social Security Act.

(3) Persons who are eligible to receive medical benefits under Title 18 of the federal Social Security Act.

(4) Persons who are eligible to receive medical benefits under publicly supported programs if the commission and participating providers acting pursuant to subcontracts with the commission agree to hold harmless the beneficiaries of the publicly supported programs if the contract between the sponsoring government agency and the commission does not ensure sufficient funding to cover program costs.

(5) Other individuals or groups in the service area, including, but not limited to, public agencies, private businesses, and uninsured or indigent persons. The commission shall not use any payment or reserve from the Medi-Cal program for purposes of this paragraph.

(d) Nothing in this section shall prohibit the commission established pursuant to this section from providing services pursuant to paragraph (5) of subdivision (c) in counties other than the commission's county if the commission is approved by the Department of Managed Health Care to provide services in those counties. The commission shall not use any payment or reserve from the Medi-Cal program for purposes of this subdivision.

(e) If the board of supervisors elects to enact an ordinance pursuant to this section, all rights, powers, duties, privileges, and immunities vested in a county by an article shall be vested in the county commission. Any reference in this article to "county" shall mean a commission established pursuant to this section.

(f) The enabling ordinance shall specify the membership of the county commission, the qualifications for individual members, and any other matters as the board of supervisors deems necessary or convenient for the conduct of the county commission's activities. A commission so established shall be considered a public entity for purposes of Division 3.6 (commencing with Section 810) of Title 1 of the Government Code. All commissioners shall be appointed by majority vote of the board of supervisors and shall serve at the pleasure thereof. The board of supervisors may appoint no more than two of its own members to serve on the commission.

(g) As an alternative to establishing a separate commission, the enabling ordinance may designate the board of supervisors itself as the commission authorized by this article.

(h) Nothing in this section shall be construed to supersede Section 14093.06 or 14094.3.

(Amended by Stats. 2006, Ch. 906, Sec. 1. Effective January 1, 2007.)

14087.52. (a) It is necessary that a special commission be established in San Bernardino County in order to meet the problems of the delivery of publicly assisted medical care in the county and to demonstrate ways of promoting quality care and cost efficiency. Because there is no general law under which such a commission could be formed, the adoption of a special act and the formation of a special commission is required.

(b) The Board of Supervisors of San Bernardino County may, by ordinance, establish a commission to negotiate the exclusive contract specified in Section 14087.5 and to arrange for the provision of health care services provided pursuant to this chapter, and to enter into contracts for the provision of health care services to subscribers in the Healthy Families Program. If the board of supervisors elects to enact this ordinance, all rights, powers, duties, privileges, and immunities vested in a county by this article shall be vested in the county commission. Any reference in this article to "county" shall mean the commission established pursuant to this section.

(c) It is the intent of the Legislature that if such a commission is formed, the County of San Bernardino shall, with respect to its medical facilities and programs, occupy no greater or lesser status than any other health care provider in negotiating with the commission for contracts to provide health care services.

(d) The enabling ordinance shall specify the membership of the county commission, the qualifications for individual members, the manner of appointment, selection, or removal of commissioners, and how long they shall serve, and any other matters as the board of supervisors deems necessary or convenient for the conduct of the county commission's activities. The commission so established shall be considered an entity separate from the county, shall file the statement required by Section 53051 of the Government Code, and shall have, in addition to the rights, powers, duties, privileges, and immunities previously conferred, the power to acquire, possess, and dispose of real or personal property, as may be necessary for the performance of its functions, to employ personnel and contract for services required to meet its obligations, and to sue or be sued. Any obligations of the commission, statutory, contractual, or otherwise, shall be the obligations solely of the commission and shall not be the obligations of the county or of the state unless expressly provided for in a contract between the commission and the county or state.

(e) Upon creation, the commission may borrow from the county, and the county may lend the commission funds, or issue revenue anticipation notes to obtain those funds necessary to commence operations.

(f) In the event the commission may no longer function for the purposes for which established, at such time as the commission's then existing obligations have been satisfied or the commission's assets have been exhausted, the board of supervisors may by ordinance terminate the commission.

(g) Prior to the termination of the commission, the board of supervisors shall notify the State Department of Health Services of its intent to terminate the commission. The department shall conduct an audit of the commission's records within 30 days of notification to determine the liabilities and assets of the commission. The department shall report its findings to the board within 10 days of

completion of the audit. The board shall prepare a plan to liquidate or otherwise dispose of the assets of the commission and to pay the liabilities of the commission to the extent of the commission's assets, and present the plan to the department within 30 days upon receipt of these findings.

(h) Upon termination of the commission by the board, the County of San Bernardino shall manage any remaining assets of the commission until superseded by a department approved plan. Any liabilities of the commission shall not become obligations of the county upon either the termination of the commission or the liquidation or disposition of the commission's remaining assets.

(i) Any assets of the commission shall be disposed of pursuant to provisions contained in the contract entered into between the state and the commission pursuant to this article.

(Amended by Stats. 1997, Ch. 625, Sec. 6. Effective October 3, 1997.)

14087.53. (a) It is necessary that a special commission be established in Ventura County in order to meet the problems of the delivery of publicly assisted medical care in the county and to demonstrate ways of promoting quality care and cost efficiency. Because there is no general law under which such a commission could be formed, the adoption of a special act and the formation of a special commission is required.

(b) The Board of Supervisors of Ventura County may, by ordinance, establish a commission to negotiate the exclusive contract specified in Section 14087.5 and to arrange for the provision of health care services provided pursuant to this chapter, and to enter into contracts for the provision of health care services to subscribers in the Healthy Families Program. If the board of supervisors elects to enact this ordinance, all rights, powers, duties, privileges, and immunities vested in a county by this article shall be vested in the county commission. Any reference in this article to "county" shall mean the commission established pursuant to this section.

(c) The enabling ordinance shall specify the membership of the county commission, the qualifications for individual members, the manner of appointment, selection, or removal of commissioners, and how long they shall serve, and any other matters as the board of supervisors deems necessary or convenient for the conduct of the county commission's activities. The commission so established shall be considered an entity separate from the county, shall file the statement required by Section 53051 of the Government Code, and shall have, in addition to the rights, powers, duties, privileges, and immunities previously conferred, the power to acquire, possess, and dispose of real or personal property, as may be necessary for the performance of its functions, to employ personnel and contract for services required to meet its obligations, and to sue or be sued. Any obligations of the commission, statutory, contractual, or otherwise, shall be the obligations solely of the commission and shall not be the obligations of the county or of the state.

(d) Upon creation, the commission may borrow from the county and the county may lend the commission funds, or issue revenue anticipation notes to obtain those funds necessary to commence operations.

(e) In the event the commission may no longer function for the purposes for which established, at such time as the commission's then existing obligations have been satisfied or the commission's assets have been exhausted, the board of supervisors may by ordinance terminate the commission.

(f) Prior to the termination of the commission, the board of supervisors shall notify the State Department of Health Services of its intent to terminate the commission. The department shall conduct an audit of the commission's records within 30 days of notification to determine the liabilities and assets of the commission. The department shall report its findings to the board within 10 days of completion of the audit. The board shall prepare a plan to liquidate or otherwise dispose of the assets of the commission and to pay the liabilities of the commission to the extent of the commission's assets, and present the plan to the department within 30 days upon receipt of these findings.

(g) Any assets of the commission shall be disposed of pursuant to provisions contained in the contract entered into between the state and the commission pursuant to this article.

(h) It is the intent of the Legislature that if such a commission is formed, the County of Ventura shall, with respect to its medical facilities and programs, occupy no greater or lesser status than any other health care provider in negotiating with the commission for contracts to provide health care services.

(i) Upon termination of the commission by the board, the County of Ventura shall manage any assets of the commission until superseded by a department approved plan. Any liabilities of the commission shall not become obligations of the county upon either the termination of the commission or the liquidation or disposition of the commission's remaining assets.

(Amended by Stats. 1997, Ch. 625, Sec. 7. Effective October 3, 1997.)

14087.54. (a) Any county or counties may establish a special commission in order to meet the problems of the delivery of publicly assisted medical care in the county or counties and to demonstrate ways of promoting quality care and cost efficiency.

(b) (1) A county board of supervisors may, by ordinance, establish a commission to negotiate the exclusive contract specified in Section 14087.5 and to arrange for the provision of health care services provided pursuant to this chapter. The boards of supervisors of more than one county may also establish a single commission with the authority to negotiate an exclusive contract and to arrange for the provision of services in those counties. If a board of supervisors elects to enact this ordinance, all rights, powers, duties,

privileges, and immunities vested in a county by this article shall be vested in the county commission. Any reference in this article to "county" shall mean a commission established pursuant to this section.

(2) A commission operating pursuant to this section may also enter into contracts for the provision of health care services to persons who are eligible to receive medical benefits under any publicly supported program, if the commission and participating providers acting pursuant to subcontracts with the commission agree to hold harmless the beneficiaries of the publicly supported programs if the contract between the sponsoring government agency and the commission does not ensure sufficient funding to cover program costs. The commission shall not use any payments or reserves from the Medi-Cal program for this purpose.

(3) In addition to the authority specified in paragraph (1), the board of supervisors may, by ordinance, authorize the commission established pursuant to this section to provide health care delivery systems for any or all of the following persons:

(A) Persons who are eligible to receive medical benefits under both Title 18 of the federal Social Security Act (42 U.S.C. Sec. 1395 et seq.) and Title 19 of the federal Social Security Act (42 U.S.C. Sec. 1396 et seq.).

(B) Persons who are eligible to receive medical benefits under Title 18 of the federal Social Security Act (42 U.S.C. Sec. 1395).

(C) Other individuals or groups in the service area, including, but not limited to, public agencies, private businesses, and uninsured or indigent persons. The commission shall not use any payment or reserve from the Medi-Cal program for purposes of this subparagraph.

(4) Nothing in this section shall prohibit a commission established pursuant to this section from providing services pursuant to subparagraph (C) of paragraph (3) in counties other than the commission's county if the commission is approved by the Department of Managed Health Care to provide services in those counties. The commission shall not use any payment or reserve from the Medi-Cal program for purposes of this paragraph.

(5) For purposes of providing services to persons described in subparagraph (A) or (B) of paragraph (3), if the commission seeks a contract with the federal Centers for Medicare and Medicaid Services to provide Medicare services as a Medicare Advantage program, the commission shall first obtain a license under the Knox-Keene Health Care Service Plan Act (Chapter 2.2 (commencing with Section 1340) of Division 2 of the Health and Safety Code).

(6) With respect to the provision of services for persons described in subparagraph (A) or (B) of paragraph (3), the commission shall conform to applicable state licensing and freedom of choice requirements as directed by the federal Centers for Medicare and Medicaid Services.

(7) Any material, provided to a person described in subparagraph (A) or (B) of paragraph (3) who is dually eligible to receive medical benefits under both the Medi-Cal program and the Medicare Program, regarding the enrollment or availability of enrollment in Medicare services established by the commission shall include notice of all of the following information in the following format:

(A) Medi-Cal eligibility will not be lost or otherwise affected if the person does not enroll in the plan for Medicare benefits.

(B) The person is not required to enroll in the Medicare plan to be eligible for Medicare benefits.

(C) The person may have other choices for Medicare coverage and for further assistance may contact the federal Centers for Medicare and Medicaid Services (CMS) at 1-800-MEDICARE or www.Medicare.gov.

(D) The notice shall be in plain language, prominently displayed, and translated into any language other than English that the commission is required to use in communicating with Medi-Cal beneficiaries.

(c) It is the intent of the Legislature that if a county forms a commission pursuant to this section, the county shall, with respect to its medical facilities and programs occupy no greater or lesser status than any other health care provider in negotiating with the commission for contracts to provide health care services.

(d) The enabling ordinance shall specify the membership of the county commission, the qualifications for individual members, the manner of appointment, selection, or removal of commissioners, and how long they shall serve, and any other matters as a board of supervisors deems necessary or convenient for the conduct of the county commission's activities. A commission so established shall be considered an entity separate from the county or counties, shall be considered a public entity for purposes of Division 3.6 (commencing with Section 810) of Title 1 of the Government Code, and shall file the statement required by Section 53051 of the Government Code. The commission shall have in addition to the rights, powers, duties, privileges, and immunities previously conferred, the power to acquire, possess, and dispose of real or personal property, as may be necessary for the performance of its functions, to employ personnel and contract for services required to meet its obligations, to sue or be sued, and to enter into agreements under Chapter 5 (commencing with Section 6500) of Division 7 of Title 1 of the Government Code. Any obligations of a commission, statutory, contractual, or otherwise, shall be the obligations solely of the commission and shall not be the obligations of the county or of the state.

(e) Upon creation, a commission may borrow from the county or counties, and the county or counties may lend the commission funds, or issue revenue anticipation notes to obtain those funds necessary to commence operations.

(f) In the event a commission may no longer function for the purposes for which it was established, at the time that the commission's then existing obligations have been satisfied or the commission's assets have been exhausted, the board or boards of supervisors may by ordinance terminate the commission.

(g) Prior to the termination of a commission, the board or boards of supervisors shall notify the State Department of Health Care Services of its intent to terminate the commission. The department shall conduct an audit of the commission's records within 30 days of the notification to determine the liabilities and assets of the commission. The department shall report its findings to the board or boards within 10 days of completion of the audit. The board or boards shall prepare a plan to liquidate or otherwise dispose of the assets of the commission and to pay the liabilities of the commission to the extent of the commission's assets, and present the plan to the department within 30 days upon receipt of these findings.

(h) Upon termination of a commission by the board or boards, the county or counties shall manage any remaining assets of the commission until superseded by a department approved plan. Any liabilities of the commission shall not become obligations of the county or counties upon either the termination of the commission or the liquidation or disposition of the commission's remaining assets.

(i) Any assets of a commission shall be disposed of pursuant to provisions contained in the contract entered into between the state and the commission pursuant to this article.

(j) Nothing in this section shall be construed to supersede Section 14093.06 or 14094.3.

(Amended by Stats. 2007, Ch. 483, Sec. 51. Effective January 1, 2008.)

14087.55. (a) The department shall enter into contracts with counties under this article, and shall be bound by the rates, terms, and conditions negotiated by the negotiator.

(b) In implementing this article, the department may enter into contracts for the provision of essential administrative and other services.

(c) Contracts under this article may be on a nonbid basis and shall be exempt from the provisions of Chapter 2 (commencing with Section 10290) of Part 2 of the Public Contract Code.

(Amended by Stats. 1998, Ch. 834, Sec. 4. Effective January 1, 1999.)

14087.56. (a) The Health Facilities Financing Authority may, pursuant to Chapter 7.2 (commencing with Section 15430) of Division 3 of Title 2 of the Government Code, grant up to four hundred thousand dollars (\$400,000) to each participating county to match other moneys, including loans, received by the county if needed for the costs of developmental activities approved by the department and the California Medical Assistance Commission.

(b) Funds may be provided to the county agencies selected as contractors under this article to assist in the design, development and installation of necessary program components. The award of these funds shall be based on criteria established by the department.

(Amended by Stats. 1991, Ch. 95, Sec. 6. Effective June 30, 1991.)

14087.57. Notwithstanding any provision of law, a member of a commission authorized by Section 14087.51 or 14087.54, or a member of any advisory committee to the commission, shall not be deemed to be interested in a contract entered into by the commission within the meaning of Article 4 (commencing with Section 1090) of Chapter 1 of Division 4 of Title 1 of the Government Code if all of the following apply:

(a) The member was appointed to represent the interests of physicians, health care practitioners, hospitals, pharmacies, or other health care organizations.

(b) The contract authorizes the member or the organization the member represents to provide services under the commission's program.

(c) (1) The contract contains substantially the same terms and conditions as contracts entered into with other individuals or organizations that the member was appointed to represent.

(2) If the contract does not contain substantially the same terms and conditions, the member shall recuse himself or herself from making, participating in making, or in any way attempting to use his or her official position to influence the making of, a decision on the contract.

(d) The member does not influence or attempt to influence the commission or another member of the commission to enter into the contract in which the member is interested.

(e) The member discloses the interest to the commission and abstains from voting on the contract.

(f) The commission notes the member's disclosure and abstention in its official records and authorizes the contract in good faith by a vote of its membership sufficient for the purpose without counting the vote of the interested member.

(Amended by Stats. 2002, Ch. 262, Sec. 1. Effective August 26, 2002.)

14087.58. (a) Notwithstanding any other provision of law, those records of a special commission formed pursuant to this article that reveal the commission's rates of payment for health care services or the commission's deliberative processes, discussions, communications, or any other portion of the negotiations with providers of health care services for rates of payment, shall not be required to be disclosed pursuant to the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code), or any similar local law requiring the disclosure of public records. However, three years after a contract or contract amendment has been executed, the portion of the contract or contract amendment relating to the rates of payment shall be open to inspection under Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code.

(b) Notwithstanding the California Public Records Act, or Article 9 (commencing with Section 11120) of Chapter 1 of Part 1 of Division 3 of Title 2 of, and Chapter 9 (commencing with Section 54950) of Part 1 of Division 2 of Title 5 of, the Government Code, or any other provision of state or local law requiring disclosure of public records, those health care peer review and quality assessment records of a special commission authorized by this article, or a committee thereof, shall not be subject to disclosure. These records and proceedings of any such commission or committee and individual members of the commission or committee thereof shall be afforded all immunities, privileges, and protections available to "peer review bodies" as defined under Section 805 of the Business and Professions Code, including the protections of Section 1157 of the Evidence Code.

(Amended by Stats. 2021, Ch. 615, Sec. 443. (AB 474) Effective January 1, 2022. Operative January 1, 2023, pursuant to Sec. 463 of Stats. 2021, Ch. 615.)

14087.59. (a) (1) Notwithstanding subdivision (d) of Section 14087.54, governance of the commission in the County of Orange established pursuant to Section 14087.54, known as the Orange County Health Authority, shall be vested in a governing body consisting of 10 members: 9 voting members and 1 nonvoting member. The nonvoting member shall be the Director of the Orange County Health Care Agency. The nine voting members shall be nominated by the Orange County Health Care Agency and appointed by a majority vote of the Board of Supervisors of the County of Orange and shall consist of the following:

(A) Two members shall each be a member of the Board of Supervisors of the County of Orange, with one additional member of the Board of Supervisors of the County of Orange to serve as an alternate.

(B) One member shall be a current or former hospital administrator.

(C) One member shall be a representative of a community clinic, which may include, but is not limited to, a representative of a federally qualified health center, as defined in Section 1396d(l)(2)(B) of Title 42 of the United States Code.

(D) One member shall be a member of the public who is a legal resident of the County of Orange.

(E) One member shall be a practicing licensed medical provider who is not an owner or officer, or a member of the board of directors, of a contracted independent physician's association or provider network.

(F) One member shall be a current CalOptima member or a family member of a current CalOptima member.

(G) One member shall be an accounting or public finance professional, or an attorney who is an active member of the State Bar.

(H) One member shall be a practicing licensed physician who is a representative of a contracted independent physician's association or provider network.

(2) For purposes of identifying qualified individuals to be considered as members of the governing body, the Board of Supervisors of the County of Orange shall consult with stakeholders in the County of Orange, including, but not limited to, providers who serve CalOptima members, consumers, and advocates.

(b) Each member of the governing body shall reside in, or be employed in, the County of Orange and shall be generally representative of the diverse backgrounds, interests, and demography of persons residing in the County of Orange. Each member of the governing body shall have a commitment to a health care system that seeks to improve access to high-quality health care for persons served by the commission and that in fact delivers high-quality care and is financially viable. Each member shall possess the requisite skills and knowledge necessary to design and operate a quality publicly assisted health care delivery system.

(c) (1) Members of the governing body of the commission shall serve four-year terms, except for those members who are members of the Board of Supervisors of the County of Orange who shall serve a one-year term.

(2) A member of the governing body described in any of subparagraphs (B) to (H), inclusive, of paragraph (1) of subdivision (a) shall serve no more than two consecutive terms. An individual who served a one-year term on the governing body as described in paragraph (1) may not be appointed to serve a four-year term under any of subparagraphs (B) to (H), inclusive, of paragraph (1) of subdivision (a) within 12 months of the expiration of their one-year term. The limitations set forth in this paragraph apply only to service for consecutive terms. No other limitation on the number of terms a person may serve is intended.

(3) A member of the governing body of the commission may be removed from the governing body by a vote in favor of that removal of at least two-thirds of the full membership of the Board of Supervisors of the County of Orange.

(d) The governing body of the commission, subject to a two-thirds vote of the full membership, may increase the number of public members, or the number of members who are current CalOptima members or family members of current CalOptima members who may serve as a member of the governing body, subject to an affirmative vote by a majority of the Board of Supervisors of the County of Orange, provided, however, that a change in the composition of the governing body under this subdivision shall not result in the elimination of any member described in paragraph (1) of subdivision (a).

(e) Each member of the governing body shall have the responsibility and duty to follow the requirements of applicable federal and state laws and regulations, including Section 1090 of the Government Code, the applicable provisions of Sections 87100 to 87500, inclusive, of the Government Code, and Section 14047.6 of this code, to serve the public interest of the members of CalOptima, and to ensure the operational well-being and fiscal solvency of the Orange County Health Authority. Members of the governing body shall further strive to improve health care quality, promote prevention and wellness, ensure the provision of cost-effective health and behavioral health care services, reduce health disparities, address the needs of Medi-Cal members who are affected by homelessness and housing instability, improve quality outcomes, and manage the risk and needs of Medi-Cal beneficiaries through whole-person care approaches and addressing social determinants of health. The Orange County Health Authority shall work to earn the public's trust through its commitment to accountability, responsiveness, transparency, reliability, and cooperation.

(f) A member of the governing body who has a financial interest, within the meaning of Section 87100 of the Government Code, in a decision before the governing body shall, upon identifying a conflict of interest or a potential conflict of interest and immediately prior to the consideration of the matter, do all of the following:

(1) Publicly identify the financial interest that gives rise to the conflict of interest or potential conflict of interest in detail sufficient to be understood by the public, except that disclosure of the exact street address of a residence is not required.

(2) Recuse the member's own self from discussing and voting on the matter.

(3) Leave the room until after the discussion, vote, and any other disposition of the matter is concluded, unless the matter has been placed on the portion of the agenda reserved for uncontested matters.

(4) Notwithstanding paragraph (3), the member may speak on the issue during the time that the general public speaks on the issue.

(g) (1) A member of the governing body shall not, for a period of one year after leaving office, act as an agent or attorney for, or otherwise represent, for compensation, any other person, by making any formal or informal appearance before, or by making any oral or written communication to, the commission, or any committee, subcommittee, or present member of the commission, or any officer or employee of the commission, if the appearance or communication is made for the purpose of influencing administrative action or influencing any action or proceeding involving the issuance, amendment, awarding, or revocation of a permit, license, grant, or contract, or the sale or purchase of goods or property.

(2) In addition to paragraph (1), a member of the governing body described in subparagraphs (A) and (G) of paragraph (1) of subdivision (a) shall not, for a period of one year after leaving office, serve as an employee, agent, or attorney, or otherwise represent, for compensation, the Orange County Health Authority or any other entity that received an expenditure of Medi-Cal funds from the Orange County Health Authority during the prior five years. This paragraph does not apply to expenditures of Medi-Cal funds from the Orange County Health Authority for routine administrative expenses for reimbursement for travel, continuing education costs, routine office expenses, and other ongoing routine administrative expenses. This paragraph does not prevent any member from returning to or continuing the role that they held when they were appointed to the governing body.

(Amended by Stats. 2022, Ch. 430, Sec. 1. (AB 498) Effective January 1, 2023.)

14087.6. A county that has contracted for the provision of services pursuant to this article may provide the services directly to recipients, or arrange for any or all of the services to be provided by subcontracting with primary care providers, health maintenance organizations, insurance carriers, or other entities or individuals. The subcontracts may utilize a prospectively negotiated reimbursement rate, fee-for-service, retainer, capitation, or other basis for payment. The rate of payment established under the contract shall not exceed the total per capita amount that the department estimates would be payable for all services and requirements covered under the contract if all these services and requirements were to be furnished to Medi-Cal beneficiaries under the Medi-Cal fee-for-service program.

Counties that are responsible for providing health care under this chapter shall make efforts to utilize existing health service resources if these resources can be estimated by the county to result in lower total long-term costs and accessible quality care to persons served under this chapter. The granting of a certificate of need pursuant to the criteria set forth in Section 127200 of the Health and Safety Code or a certificate of exemption pursuant to the criteria set forth in Section 127175 of the Health and Safety Code shall satisfy the intent of this provision.

(Amended by Stats. 2005, Ch. 22, Sec. 226. Effective January 1, 2006.)

14087.61. (a) The counties contracting pursuant to subdivision (a) of Section 14087.5 may arrange for the delivery of Medi-Cal services to Medi-Cal beneficiaries, except that the counties may exclude all of the following:

- (1) Long-term care services rendered by nursing facilities or all categories of intermediate care facilities for the developmentally disabled.
- (2) Dental services.
- (3) Services in any federal or state hospital.
- (4) Home- or community-based care waived services.

(b) Exclusion of these services shall be subject to the approval of the department and the California Medical Assistance Commission.

(Amended by Stats. 1990, Ch. 1329, Sec. 16. Effective September 26, 1990.)

14087.7. To the extent that a county chooses to contract with primary care providers pursuant to this article, the county shall ensure that designation forms and appropriate information concerning primary care providers are given to beneficiaries.

(Added by Stats. 1982, Ch. 328, Sec. 19. Effective June 30, 1982.)

14087.8. When the department has entered into a contract with a county pursuant to this article, the department shall, at a minimum, through a method independent of any agency of the county, monitor the level and quality of services provided in a county, as well as a county's expenditures pursuant to the contract, and shall ensure conformity with federal law.

(Amended by Stats. 1983, Ch. 960, Sec. 3.)

14087.9. A combination of counties may contract with the department pursuant to this article for the provision of services.

(Amended by Stats. 2009, 4th Ex. Sess., Ch. 5, Sec. 35. Effective July 28, 2009.)

14087.95. Counties contracting with the department pursuant to this article shall be exempt from the provisions of Chapter 2.2 (commencing with Section 1340) of Division 2 of the Health and Safety Code for purposes of carrying out the contracts.

(Added by Stats. 1982, Ch. 1594, Sec. 48. Effective September 30, 1982.)