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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 2.97. Managed Care Plan Contracts [14093 - 14093.10] (Article 2.97 added by Stats. 1992, Ch. 722, Sec. 86.)

14093. The purpose of this article is to ensure quality of care and to provide increased access to health care services in the most cost-effective and efficient manner possible, to persons who are eligible to receive medical benefits under publicly supported programs other than Medi-Cal.

(Added by Stats. 1992, Ch. 722, Sec. 86. Effective September 15, 1992.)

- 14093.05. (a) (1) Except as otherwise authorized pursuant to this chapter, the director shall enter into contracts, under this chapter and Chapter 8 (commencing with Section 14200), with managed care plans licensed pursuant to the Knox-Keene Health Care Service Plan Act of 1975 (Chapter 2.2 (commencing with Section 1340) of Division 2 of the Health and Safety Code), for the provision of medical benefits to all persons who are eligible to receive medical benefits under publicly supported programs. The director may also amend existing Medi-Cal managed care contracts to include the provision of medical benefits to persons who are eligible to receive medical benefits under publicly supported programs. Contracts may be on an exclusive or nonexclusive basis.
  - (2) Prior to issuing a new request for proposal or entering into new contracts pursuant to paragraph (1), the director shall provide an opportunity for interested stakeholders to provide input to inform the development of contract provisions.
- (b) Contractors pursuant to this article and participating providers acting pursuant to subcontracts with those contractors, shall agree to hold harmless the beneficiaries of the publicly supported programs if the contract between the sponsoring government agency and the contractor does not ensure sufficient funding to cover program benefits.
- (c) Any managed care contractor serving children with conditions eligible under the California Children's Services (CCS) program shall maintain and follow standards of care established by the program, including use of paneled providers and CCS-approved special care centers and shall follow treatment plans approved by the program, including specified services and providers of services. If there are insufficient paneled providers willing to enter into contracts with the managed care contractor, the program shall seek to establish new paneled providers willing to contract. If a paneled provider cannot be found, the managed care contractor shall seek program approval to use a specific nonpaneled provider with appropriate qualifications.
- (d) (1) Any managed care contractor serving children with conditions eligible under the CCS program shall report expenditures and savings separately for CCS-covered services and CCS-eligible children.
  - (2) If the managed care contractor is paid according to a capitated or risk-based payment methodology, there shall be separate actuarially sound rates for CCS-eligible children.
  - (3) Notwithstanding paragraph (2), a managed care pilot project may, if approval is obtained from the State CCS program director, utilize an alternative rate structure for CCS-eligible children.
- (e) This article is not intended to and shall not be interpreted to permit any reduction in benefits or eligibility levels under the CCS program. Any medically necessary service not available under the managed care contracts authorized under this article shall remain the responsibility of the state and county.
- (f) To assure CCS benefits are provided to enrollees with a CCS-eligible condition according to CCS program standards, there shall be oversight by the state and local CCS program agencies for both services covered and not covered by the managed care contract.
- (g) Any managed care contract that will affect the delivery of care to CCS-eligible children shall be approved by the state CCS program director prior to execution. The state CCS program shall continue to be responsible for selection of CCS-paneled providers

and monitoring of contractors to see that CCS state standards are maintained.

(Amended by Stats. 2023, Ch. 266, Sec. 2. (AB 614) Effective January 1, 2024.)

- 14093.06. (a) When a managed care contractor that is authorized to provide California Children's Services (CCS) covered services pursuant to subdivision (a) of Section 14094.3 or Article 2.985 (commencing with Section 14094.4) expands a managed care plan's CCS coverage area to other counties, the contractor shall comply with CCS program standards including, but not limited to, referral of newborns to the appropriate neonatal intensive care level, referral of children requiring pediatric intensive care to CCS-approved pediatric intensive care units, and referral of children with CCS eligible conditions to CCS-approved inpatient facilities and special care centers in accordance with subdivision (c) of Section 14093.05.
- (b) The managed care contractor shall comply with CCS program medical eligibility regulations. Questions regarding interpretation of state CCS medical eligibility regulations, or disagreements between the county CCS program and the managed care contractor regarding interpretation of those regulations, shall be resolved by the local CCS program, in consultation with the state CCS program. The resolution determined by the CCS program shall be communicated in writing to the managed care contractor.
- (c) In following the treatment plan developed in accordance with CCS program requirements, the managed care contractor shall ensure the timely referral of children with special health care needs to CCS-paneled providers who are board-certified in both pediatrics and in the appropriate pediatric subspecialty.
- (d) The managed care contractor shall report expenditures and savings separately for CCS covered services and CCS eligible children, in accordance with paragraph (1) of subdivision (d) of Section 14093.05.
- (e) All children who are enrolled with a managed care contractor who are seeking CCS program benefits shall retain all rights to CCS program appeals and fair hearings of denials of medical eligibility or of service authorizations. Information regarding the number, nature, and disposition of appeals and fair hearings shall be part of an annual report to the Legislature on managed care contractor compliance with CCS standards, regulations, and procedures. This report shall be made available to the public.
- (f) The department, in consultation with stakeholder groups, shall develop unique pediatric plan performance standards and measurements, including, but not limited to, the health outcomes of children with special health care needs.

(Amended by Stats. 2016, Ch. 625, Sec. 4. (SB 586) Effective January 1, 2017.)

## **14093.07.** For purposes of this article the following definitions apply:

- (a) "Foster child" means any child who has been taken into custody or placed by a juvenile court pursuant to Article 6 (commencing with Section 300) of Chapter 2 of Part 1 of Division 2 or Section 601 or 602.
- (b) "Medi-Cal managed care plan" means any person or entity that has entered into a contract with the director pursuant to Article 2.7 (commencing with Section 14087.3), Article 2.9 (commencing with Section 14088), or Article 2.91 (commencing with Section 14089) of this chapter or pursuant to Article 1 (commencing with Section 14200) of Chapter 8.
- (c) "Out-of-county placement" means any foster care placement in which the child has been placed outside of the county with the responsibility for the care and placement of the child.

(Added by Stats. 1997, Ch. 294, Sec. 65. Effective August 18, 1997.)

14093.08. Sections 1371 and 1371.35 of the Health and Safety Code apply to Medi-Cal managed care plan contracts entered into with the State Department of Health Care Services pursuant to this chapter or Chapter 8 (commencing with Section 14200). (Added by Stats. 2024, Ch. 763, Sec. 10. (AB 3275) Effective January 1, 2025.)

- 14093.09. (a) No child in foster care shall be required to enroll in a Medi-Cal managed care plan. A foster child may be voluntarily enrolled in a Medi-Cal managed care plan only when the county child welfare agency with responsibility for the care and placement of the child, in consultation with the child's foster caregiver, determines that it is in the best interest of the child to do so and the department determines that enrollment is available to the child.
- (b) Whenever a foster child is placed in an out-of-county placement, the county child welfare agency with responsibility for the care and placement of the child shall determine, in consultation with the child's foster caregiver, if the child should remain in, or has enrolled in, a Medi-Cal managed care plan in the county where the child will be placed or in the county with responsibility for the care and placement of the child, as long as the department determines that enrollment is available for the child.
- (c) The State Department of Health Services shall establish for Medi-Cal managed care plans urgent disenrollment procedures that provide for disenrollment of foster children in out-of-county placements within two working days of receipt by the department's enrollment contractor, or the department, if the department has no enrollment contractor, of a request for disenrollment made by the child welfare services agency, the foster caregiver, or other person authorized to make medical decisions on behalf of the foster child.

(d) Medi-Cal managed care plans shall process and pay appropriately documented claims submitted by out-of-plan providers for services provided to foster children in out-of-county placements while they are Medi-Cal members of the plan. This section shall not be construed to prevent a plan from requiring prior authorization for nonemergency services consistent with the plan's established policies and procedures.

(Added by Stats. 1997, Ch. 294, Sec. 66. Effective August 18, 1997.)

- 14093.10. (a) Whenever a foster child enrolled in a county organized health system, established pursuant to Article 2.8 (commencing with Section 14087.5), is placed in an out-of-county placement, the county child welfare agency or probation department with responsibility for the care and placement of the child shall determine, in consultation with the child's foster caregiver, whether the child should remain enrolled in that county organized health system. The determination shall be made no later than one working day after the out-of-county placement begins.
- (b) If it is determined, pursuant to subdivision (a) or at any later date, that a foster child should be disenrolled from a county organized health system due to an out-of-county placement, the county child welfare agency or probation department with responsibility for the care and placement of the child shall request that the child be disenrolled from the county organized health system. The request shall be made to the entity designated by the State Department of Health Care Services to receive requests for disenrollment or to the department, if the department has no designee, no later than one working day after either of the following occurs:
  - (1) The out-of-county placement begins.
  - (2) It is determined that a child who initially remained enrolled in the county organized health system following the out-of-county placement, pursuant to subdivision (a), should subsequently be disenrolled.
- (c) The State Department of Health Care Services shall, in consultation with other agencies and organizations interested in health care access for foster children, establish for county organized health systems urgent disenrollment procedures that provide for disenrollment of foster children in out-of-county placements within two working days of receipt by the department's designee or by the department, if the department has no designee, of a request for disenrollment made by the county child welfare services agency, the county probation department, the foster caregiver, or any other person authorized to make medical decisions on behalf of the foster child.
- (d) The department shall issue all-county letters or similar instructions to implement subdivision (c) no later than January 1, 2009, and thereafter shall adopt any necessary implementing regulations.

(Added by Stats. 2007, Ch. 467, Sec. 2. Effective January 1, 2008.)