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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 8. Prepaid Plans [14200 - 14499.77] (Chapter 8 added by Stats. 1972, Ch. 1366.)

ARTICLE 8. Medi-Cal At-Risk Fiscal Intermediaries [14499.7 - 14499.77] (Article 8 added by Stats. 1985, Ch. 1579, Sec. 4.)

[14499.7.](#) The department may contract with one or more fiscal intermediaries in order to pay for benefits authorized under this chapter and Chapter 7 (commencing with Section 14000). Contracts entered into pursuant to this article may be awarded on a bid or nonbid basis.

(Added by Stats. 1985, Ch. 1579, Sec. 4.)

[14499.71.](#) For the purposes of this article, "fiscal intermediary" means an entity that agrees to pay for covered services provided to Medi-Cal eligibles in exchange for a premium, subscription charge, or capitation payment; to assume an underwriting risk; and is licensed by the Director of the Department of Managed Health Care under 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).

(Amended by Stats. 2015, Ch. 455, Sec. 54. (SB 804) Effective January 1, 2016.)

[14499.73.](#) A contract entered into under this article shall provide that a fiscal intermediary meets both of the following criteria:

(a) The fiscal intermediary shall provide or arrange for an adequate number of primary care physicians and supportive specialty care physicians.

(b) The fiscal intermediary shall implement a management and information reporting system in order to determine the costs of each type of health care service rendered to Medi-Cal recipients.

(Added by Stats. 1985, Ch. 1579, Sec. 4.)

[14499.74.](#) In determining the capitated rates to be paid to a fiscal intermediary during the first year of contracting under this article, the department shall utilize an acceptable actuarial process and historical data concerning Medi-Cal recipients in the geographical area which will, or is being, served by the fiscal intermediary. During the remaining years of the contract with the fiscal intermediary, the department shall utilize data concerning Medi-Cal expenditures for delivery of services based on the fee-for-service experience in comparable geographic areas. The capitated rates shall not exceed the total per capita amount (including the cost of adjustments to provide actuarial equivalence) which would be payable for all services and requirements covered under the fiscal intermediary contract adopted pursuant to this article if all those services and requirements were to be furnished to Medi-Cal beneficiaries under the fee-for-service Medi-Cal program provided for by Chapter 7 (commencing with Section 14000).

(Added by Stats. 1985, Ch. 1579, Sec. 4.)

[14499.75.](#) A fiscal intermediary may contract for the provision of services with any provider who would be eligible to provide services if services were to be provided on a fee-for-service basis without the use of a fiscal intermediary pursuant to this article.

(Added by Stats. 1985, Ch. 1579, Sec. 4.)

[14499.77.](#) All services, except those specified for exclusion by the department, received by Medi-Cal recipients residing in the geographical area served by the fiscal intermediary shall be paid for by the fiscal intermediary. Services shall be provided only by providers which have entered into agreements with the fiscal intermediary, unless authorized by the fiscal intermediary.

(Added by Stats. 1985, Ch. 1579, Sec. 4.)

