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INSURANCE CODE - INS

DIVISION 2. CLASSES OF INSURANCE [1880 - 12880.8] (*Division 2 enacted by Stats. 1935, Ch. 145.*)

PART 6.2. HEALTHY FAMILIES [12693 - 12694.2] (*Part 6.2 added by Stats. 1997, Ch. 623, Sec. 2.*)

CHAPTER 14. Rural Demonstration Project [12693.91 - 12693.915] (*Chapter 14 added by Stats. 1997, Ch. 623, Sec. 2.*)

12693.91. (a) The State Department of Health Services, in conjunction with the Managed Risk Medical Insurance Board, the County Medical Services Program board, and the Rural Health Policy Council, may develop and administer up to five demonstration projects in rural areas that are likely to contain a significant level of uninsured children, including seasonal and migratory worker dependents. In addition to any other funds provided pursuant to this section the grants for demonstration projects may include funds pursuant to subdivision (d).

(b) The purpose of the demonstration projects shall be to fund rural collaborative health care networks to alleviate unique problems of access to health care in rural areas.

(c) The State Department of Health Services, in conjunction with the Managed Risk Medical Insurance Board and Rural Health Policy Council, shall establish the criteria and standards for eligibility to be used in requests for proposals or requests for application, the application review process, determining the maximum amount and number of grants to be awarded, preference and priority of projects, and compliance monitoring after receiving comment from the public.

(d) The grants may include funds for purchasing equipment, making capital expenditures, and providing infrastructure, including, but not limited to, salaries and payment of leaseholds. The funds under this subdivision may only be awarded to qualified eligible health care entities as determined by the State Department of Health Services. Title to any equipment or capital improvement purchased or acquired with grant funds shall vest in the grantee for the public good and not the state. Capital expenditures shall not include the acquisition of land. Notwithstanding subdivision (e), this subdivision shall be implemented only when funds are appropriated in the annual Budget Act or another statute to fund the cost of implementing this subdivision.

(e) This section shall only become operative upon federal approval of the state plan or subsequent amendments for the program and approval of federal financial participation.

(Amended by Stats. 2003, Ch. 230, Sec. 21. Effective August 11, 2003. Section operative as prescribed in subd. (e).)

12693.915. (a) It is the intent of the Legislature to utilize fiscal resources in the most prudent and cost-efficient manner and to maximize the use of federal funds for services when feasible. Therefore, the Legislature intends to access funds from the Unallocated Account in the Cigarette and Tobacco Products Surtax Fund created in Section 30122 of the Revenue and Taxation Code, and as appropriated in the annual Budget Act, and to use these funds to obtain a 65-percent federal match through California's allocation from the State Children's Health Insurance Program (SCHIP). These funds will then be used under the state's Healthy Families Program specifically for the rural demonstration projects established in Section 12693.91.

(b) Notwithstanding Section 30122 of the Revenue and Taxation Code, funding for the rural demonstration projects as provided under the Health Families Program may be made available from the funds appropriated from the Unallocated Account in the Cigarette and Tobacco Products Surtax Fund and from funding received pursuant to Title XXI of the federal Social Security Act. These funds shall be used as provided under Section 12693.91.

(c) Subdivision (b) constitutes an amendment of the Tobacco Tax and Health Protection Act of 1988, as added by Proposition 99.

(Added by Stats. 2003, Ch. 161, Sec. 1. Effective August 2, 2003.)