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HEALTH AND SAFETY CODE - HSC

DIVISION 113. THE ADULT HEALTH COVERAGE EXPANSION PROGRAM [131500 - 131550] (*Division 113 added by Stats. 2007, Ch. 677, Sec. 2.*)

CHAPTER 5. Funding [131540 - 131541] (*Chapter 5 added by Stats. 2007, Ch. 677, Sec. 2.*)

131540. (a) (1) The cost of the health care coverage provided through the program shall be paid through a combination of contributions paid by the small business, premiums paid by participating employees, and county, federal, state, or private sector funding made available for this purpose.

(2) The local initiative may determine the amount of the employer contribution for each participating eligible employee, which shall not exceed one hundred fifty dollars (\$150) per month, and the amount of the employee premium, which shall not exceed seventy-five dollars (\$75) per month. The local initiative may adjust employer contribution and employee premium levels after the first year if necessary for changes in health care costs.

(3) The local initiative may structure the required employee premium amounts according to a schedule that takes into account the individual employee's age or income level, or both, in a manner similar, but not necessarily identical, to that described in Section 12693.43 of the Insurance Code, pertaining to the Healthy Families Program.

(4) The local initiative shall establish copayment levels and amounts in a manner substantially similar to that described in Section 12693.615 of the Insurance Code, pertaining to the Healthy Families Program.

(5) For purposes of the program, "applicable rate charged for a covered employee" in Section 1366.26 means the total premium amount paid to the health plan on behalf of an employee, including amounts paid by the small business on behalf of the employee, the premium paid by the employee, and any county, federal, state, or private sector funding, which funding shall include the value of the discounted rates negotiated pursuant to subdivision (b), as apportioned to the employee. The program shall submit to the Department of Managed Health Care the procedures the local initiative will use for purposes of establishing the rates to be paid by a person eligible for continuation coverage under Section 1366.26, and the department shall only approve those procedures if it determines that they are consistent with the requirements of the Cal-COBRA program.

(b) In order to enhance the affordability of coverage offered through the program to eligible small businesses and employees, the county and the local initiative shall negotiate discounted rates for services provided to participants in the program by providers operated by the county or by providers with whom, or with which, the county has contracted to provide health care services.

(*Amended by Stats. 2008, Ch. 179, Sec. 164. Effective January 1, 2009.*)

131541. The local initiative shall be authorized to establish, participate in, or apply to funding sources in the public and private sectors for purposes of providing or securing premium subsidies for eligible employees, pursuant to fair and equitable procedures to be established by the local initiative.

(*Added by Stats. 2007, Ch. 677, Sec. 2. Effective January 1, 2008.*)