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SB-311 Medi-Cal: Part A buy-in. (2023-2024)

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Date Published: 10/12/2023 02:00 PM

Senate Bill No. 311

CHAPTER 707

An act to amend Section 14005.11 of the Welfare and Institutions Code, relating to Medi-Cal.

[Approved by Governor October 10, 2023. Filed with Secretary of State October 10, 2023.]

LEGISLATIVE COUNSEL'S DIGEST

SB 311, Eggman. Medi-Cal: Part A buy-in.

Existing law establishes the Medi-Cal program, which is administered by the State Department of Health Care Services and under which qualified low-income individuals receive health care services. The Medi-Cal program is, in part, governed and funded by federal Medicaid program provisions. Existing law requires the department, to the extent required by federal law, for Medi-Cal recipients who are qualified Medicare beneficiaries, to pay the Medicare premiums, deductibles, and coinsurance for certain elderly and disabled persons. Existing federal law authorizes states to pay for Medicare benefits for specified enrollees pursuant to either a buy-in agreement to directly enroll and pay premiums or a group payer arrangement to pay premiums.

This bill would require the department to enter into a Medicare Part A buy-in agreement, as defined, for qualified Medicare beneficiaries with the federal Centers for Medicare and Medicaid Services by submitting a state plan amendment. Under the bill, the buy-in agreement would be effective on January 1, 2025, or the date the department communicates to the Department of Finance in writing that systems have been programmed for implementation of these provisions, whichever date is later.

The bill would authorize the department to implement these provisions through all-county letters or similar instructions until regulations are adopted. Under the bill, these provisions would be implemented only to the extent that any necessary federal approvals are obtained and that federal financial participation is available and is not otherwise jeopardized.

To the extent that the bill would increase duties for counties, the bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to the statutory provisions noted above.

Vote: majority Appropriation: no Fiscal Committee: yes Local Program: yes

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. Section 14005.11 of the Welfare and Institutions Code, as amended by Section 69 of Chapter 42 of the Statutes of 2023, is amended to read:

14005.11. (a) To the extent required by federal law for qualified Medicare beneficiaries, the department shall pay the premiums, deductibles, and coinsurance for elderly and disabled persons entitled to benefits under Title XVIII of the federal Social Security Act, whose income does not exceed the federal poverty level and whose resources do not exceed 200 percent of the Supplemental Security Income program standard.

(b) The department shall, in addition to subdivision (a), pay applicable additional premiums, deductibles, and coinsurance for drug coverage extended to qualified Medicare beneficiaries.

(c) The deductible payments required by subdivision (b) may be covered by providing the same drug coverage as offered to categorically needy recipients, as defined in Section 14050.1.

(d) As specified in this section, it is the intent of the Legislature to assist in the payment of Medicare Part B premiums for qualified low-income Medi-Cal beneficiaries who are ineligible for federal sharing or federal contribution for the payment of those premiums.

(e) For a Medi-Cal beneficiary who has a spend down of excess income but who is ineligible for the assistance provided pursuant to subdivision (a), or who is ineligible for any other federally funded assistance for the payment of the beneficiary's Medicare Part B premium, the department shall pay for the beneficiary's Medicare Part B premium in the month following each month that the beneficiary's spend down of excess income has been met.

(f) When a county is informed that an applicant or beneficiary is eligible for Medicare benefits, the county shall determine whether that individual is eligible under the Qualified Medicare Beneficiary (QMB) program, the Specified Low-Income Medicare Beneficiary (SLMB) program, or the Qualifying Individual program and enroll the applicant or beneficiary in the appropriate program.

(g) (1) The department shall enter into a Medicare Part A buy-in agreement for qualified Medicare beneficiaries with the federal Centers for Medicare and Medicaid Services by submitting a state plan amendment with a proposed effective date in accordance with paragraph (2).

(2) Subject to paragraph (3), the Medicare Part A buy-in agreement described in this subdivision shall be effective on January 1, 2025, or the date the department communicates to the Department of Finance in writing that systems have been programmed for implementation of this subdivision, whichever date is later.

(3) This subdivision shall be implemented only to the extent that any necessary federal approvals are obtained and that federal financial participation is available and is not otherwise jeopardized.

(4) Notwithstanding Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, the department, without taking any further regulatory action, may implement, interpret, or make specific this subdivision by means of all-county letters, plan letters, plan or provider bulletins, or similar instructions, until the time regulations are adopted.

(5) For purposes of this subdivision, "Medicare Part A buy-in agreement" means an agreement authorized by Section 1395v of Title 42 of the United States Code under which the state shall pay Medicare Part A premiums for qualified individuals who are enrolled in both the Medicare Program and the Medi-Cal program.

(h) This section shall become inoperative on the later of either January 1, 2024, or the date on which the determination of the Director of Health Care Services is communicated in writing to the Department of Finance pursuant to paragraph (2) of subdivision (b) of Section 14005.62, and subject to implementation of Section 14005.62 pursuant to subdivision (d) of that section, and shall remain inoperative for time periods in which the department has obtained the necessary federal approvals to implement paragraph (2) of subdivision (b) of Section 14005.62 for the applicable population.

SEC. 2. Section 14005.11 of the Welfare and Institutions Code, as added by Section 70 of Chapter 42 of the Statutes of 2023, is amended to read:

14005.11. (a) To the extent required by federal law for qualified beneficiaries enrolled in the Medicare Program, the department shall pay the premiums, deductibles, and coinsurance for elderly and disabled persons entitled to benefits under Title XVIII of the federal Social Security Act, whose income does not exceed the federal poverty level.

(b) The department shall pay, in addition to subdivision (a), applicable additional premiums, deductibles, and coinsurance for drug coverage extended to qualified beneficiaries enrolled in the Medicare Program.

(c) The deductible payments required by subdivision (b) may be covered by providing the same drug coverage as offered to categorically needy recipients, as defined in Section 14050.1.

(d) As specified in this section, it is the intent of the Legislature to assist in the payment of Medicare Part B premiums for qualified low-income Medi-Cal beneficiaries who are ineligible for federal sharing or federal contribution for the payment of those

premiums.

(e) For a Medi-Cal beneficiary who has a spend down of excess income but who is ineligible for the assistance provided pursuant to subdivision (a), or who is ineligible for any other federally funded assistance for the payment of the beneficiary's Medicare Part B premium, the department shall pay for the beneficiary's Medicare Part B premium in the month following each month that the beneficiary's spend down of excess income has been met.

(f) When a county is informed that an applicant or beneficiary is eligible for benefits under the Medicare Program, the county shall determine whether that individual is eligible under the Qualified Medicare Beneficiary program, the Specified Low-Income Medicare Beneficiary program, or the Qualifying Individual program, and shall enroll the applicant or beneficiary in the appropriate program.

(g) (1) The department shall enter into a Medicare Part A buy-in agreement for qualified Medicare beneficiaries with the federal Centers for Medicare and Medicaid Services by submitting a state plan amendment with a proposed effective date in accordance with paragraph (2).

(2) Subject to paragraph (3), the Medicare Part A buy-in agreement described in this subdivision shall be effective on January 1, 2025, or the date the department communicates to the Department of Finance in writing that systems have been programmed for implementation of this subdivision, whichever date is later.

(3) This subdivision shall be implemented only to the extent that any necessary federal approvals are obtained and that federal financial participation is available and is not otherwise jeopardized.

(4) Notwithstanding Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, the department, without taking any further regulatory action, may implement, interpret, or make specific this subdivision by means of all-county letters, plan letters, plan or provider bulletins, or similar instructions, until the time regulations are adopted.

(5) For purposes of this subdivision, "Medicare Part A buy-in agreement" means an agreement authorized by Section 1395v of Title 42 of the United States Code under which the state shall pay Medicare Part A premiums for qualified individuals who are enrolled in both the Medicare Program and the Medi-Cal program.

(h) This section shall become operative on the later of either January 1, 2024, or the date on which the determination of the Director of Health Care Services is communicated in writing to the Department of Finance pursuant to paragraph (2) of subdivision (b) of Section 14005.62, and subject to implementation of Section 14005.62 pursuant to subdivision (d) of that section, and shall remain operative for time periods in which the department has obtained the necessary federal approvals to implement paragraph (2) of subdivision (b) of Section 14005.62 for the applicable population.

SEC. 3. If the Commission on State Mandates determines that this act contains costs mandated by the state, reimbursement to local agencies and school districts for those costs shall be made pursuant to Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code.