

## FINDING OF EMERGENCY

This regulatory action adopts changes to make specific what information can be reported to the county departments and the Department of Health Care Services (Department), by managed care plans and how a beneficiary will give consent for the information to be reported. Welfare & Institutions Code (WIC) Section 14000.36(e) provides for emergency regulatory authority as follows:

To the extent otherwise required by Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, the department shall adopt emergency regulations implementing this section no later than July 1, 2015. The department may thereafter readopt the emergency regulations pursuant to that chapter. The adoption and readoption, by the department, of regulations implementing this section shall be deemed to be an emergency and necessary to avoid serious harm to the public peace, health, safety, or general welfare for purposes of Sections 11346.1 and 11349.6 of the Government Code, and the department is hereby exempted from the requirement that it describe facts showing the need for immediate action and from review by the Office of Administrative Law.

The deeming of the regulations as an emergency by the Legislature implies the need for immediate action to effectuate the statutes being implemented through this action.

## INFORMATIVE DIGEST/POLICY STATEMENT OVERVIEW

The Department's mission is to provide Californians with access to affordable, high-quality health care, including medical, dental, mental health, substance use treatment services and long-term care. In support of this mission, the Department administers many health care programs including California's State Medicaid program, which is known as the Medi-Cal program.

The Medi-Cal Eligibility Division, within the Department, is responsible for the coordination and implementation of Medi-Cal regulations that support the accurate and timely determination of Medi-Cal eligibility for beneficiaries, as established by the California county departments.

### Related State and Federal Laws

The Medi-Cal program is governed by federal and state law. Federal Medicaid law is found primarily in 42 United States Code (U.S.C.) Section 1396 et seq. and in Title XIX of the Social Security Act. State law is generally found in WIC, Division 9, Part 3, Chapters 7 and 8. WIC Sections 10725 and 14124.5 authorize the director of the Department to adopt, amend or repeal regulations as necessary and proper to carry out the purposes and intent of the statutes governing the Medi-Cal program.

WIC Section 14005.36(e) specifies that the Department shall adopt emergency regulations related to the reporting of updated beneficiary contact information.

### Statement of Purpose/Problem to be Addressed

This regulatory action adopts Section 50188 to address the matter of describing how and under what circumstances updated beneficiary contact information shall be reported. This regulatory action will support accurate and timely Medi-Cal eligibility re-determinations and is consistent with the requirements to promulgate regulations as specified in WIC Section 14005.36(e).

#### Anticipated Benefits or Goals of the Regulations

This proposed regulatory action will benefit the county departments by providing a means to obtain the most up-to-date contact information for beneficiaries. This information will assist with the annual process of re-determining Medi-Cal eligibility for beneficiaries and will in turn benefit the health and welfare of California residents by providing redeterminations for beneficiaries so they can have access to all necessary Medi-Cal services in a timely manner.

This regulatory proposal also supports the intent of the initiating legislation as specified under WIC Sections 14000 and 14007. Section 14000 states the purpose of Chapter 7, Basic Health Care is to afford qualifying individuals health care services in a manner equitable to the general public and without duplication of benefits available under other federal or state laws.

Within Chapter 7, Section 14124.5 further specifies that the Director may establish regulations as are necessary or proper to carry out the purpose and intent of this Chapter, which includes the establishment of Medi-Cal eligibility standards and methodologies as set forth under this Chapter (including Section 14005.30) and in accordance with U.S.C., Section 1396U-1.

This regulatory proposal ensures the proper and efficient administration of the Medi-Cal program, in accordance with federal and state laws that govern the Medi-Cal programs rules of eligibility participation and funding. This is accomplished by improvements to the eligibility determination process.

#### Consistency and Compatibility with Existing State Regulations

The Department has conducted an evaluation of the related existing state regulations under Title 22 California Code of Regulations, Division 3 and has determined that the regulations are consistent with and compatible with those regulations. An automated search of Title 22, Division 3 using the following keywords “managed care, redetermination, eligibility, and beneficiary contact information” was conducted via Westlaw and yielded no conflicting state regulations.

#### Regulatory Sections

This regulatory action adopts Section 50188, which makes specific the information that can be shared by a managed care plan with a county department and the Department, that consent must be requested from a beneficiary in order to share this information, and what action the county departments can take to verify the information received from the managed care plan, as well as how to verify the information received when a

beneficiary does not give consent to the managed care plan to share their contact information.

AUTHORITY: Section 20, Health and Safety Code; and Sections 10725, and 14005.36, Welfare and Institutions Code.

REFERENCE: Section 14005.36, Welfare and Institutions Code.

### FISCAL IMPACT STATEMENT

(a) Costs to any Local Agency or School District that is not reimbursable by the State: None

Costs to any Local Agency or School District that is required to be reimbursed Under Part 7 (commencing with Section 17500), Division 4 of the Government Code: None.

(b) Costs or Savings to any State Agency: None.

(c) Costs or Savings in Federal Funding to the State: None.

(d) Other nondiscretionary costs or savings including revenue changes imposed on State or Local Government: None.

All cost impacts, known to the Department at the time the notice of proposed action was submitted to the Office of Administrative Law, that a representative private person or business would necessarily incur in reasonable compliance with the proposed action:

The Department is not aware of any cost impacts that a representative private person or business would necessarily incur in reasonable compliance with the proposed action.

### DETERMINATIONS

#### Local Mandate Determination

The Department has determined that the regulation would not impose a mandate on local agencies or school districts, nor are there any costs for which reimbursement is required by Part 7 (commencing with Section 17500) of Division 4 of the Government Code.

#### Economic Impact Statement

The Department has made an initial determination that the regulations would not have a significant statewide adverse economic impact directly affecting businesses, including the ability of California businesses to compete with businesses in other states.

The Department has determined that the regulations would not significantly affect the following:

- 1) The creation or elimination of jobs within the State of California.
- 2) The creation of new businesses or the elimination of existing businesses within the State of California.
- 3) The expansion of businesses currently doing business within the State of California.

#### Impact on Jobs and Businesses

The Medi-Cal program is a public health program that provides health care services for low-income individuals who choose to enroll and participate in the program. This regulatory action will affect only those managed care plans that also choose to participate in the Medi-Cal program and the beneficiaries enrolled in these plan. This regulation only requires reporting of the beneficiary's updated contact information to the Department and county department to assist with the re-determination of Medi-Cal eligibility and therefore it is not anticipated to have an impact on the creation or elimination of jobs, the creation of new businesses, the elimination of existing businesses or the expansion of businesses in California.

#### Benefits of the Proposed Regulations

The Department has determined that the regulations will not specifically affect worker safety or the state's environment. However, the regulations will benefit the California county departments by providing the most up-to-date contact information for Medi-Cal beneficiaries. The county departments will be able to use this information to assist with the annual process of re-determining Medi-Cal eligibility for beneficiaries. This in turn will benefit the health and welfare of California residents by providing timely redeterminations for Medi-Cal beneficiaries so they can have access to necessary health care services.

This regulatory proposal ensures the proper and efficient administration of the Medi-Cal program, in accordance with federal and state laws. This is accomplished by improvements to the eligibility determination process.

#### Effect on Small Businesses

The Department has determined that the regulations would not affect small businesses because these regulations do not impose any additional reporting, recordkeeping, or other compliance requirements on small businesses.

#### Housing Costs Determination

The Department has determined that the regulations would have no impact on housing costs.