



Health

2015-16

Budget Conference Committee on AB 93

Senator Mark Leno, Chair

Assembly Member Shirley Weber, Vice Chair

**Members: Senator Ricardo Lara, Senator Jim Nielsen,
Assembly Member Richard Bloom, and Assembly Member Melissa A. Melendez**

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0530

Secretary for California Health and Human Services Agency

Issue	Description	Difference (dollars in thousands)	Conference Action
0530	Office of Systems Integration (OSI)		
	MAGI Eligibility Rules		Senate
	Governor had no proposal.		
	Senate had no proposal.		Assembly +TBL
	Assembly adopted trailer bill language requiring OSI to report to the Legislature by April 1, 2016 on the feasibility, benefits, costs, and risks of installing the Modified Adjusted Gross Income (MAGI) Eligibility Decision Engine (rules) in all, two, or just one of the SAWS Consortia systems.	Difference +TBL	

0977

California Health Facilities Financing Authority (CHFFA)

Issue	Description	Difference (dollars in thousands)	Conference Action
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0977 California Health Facilities Financing Authority

Investment in Mental Health Wellness Grants

Senate
+TBL

Governor had no proposal.

Assembly

Senate adopted TBL to allow the California Health Facilities Financing Authority to use up to \$3 million in unencumbered Mental Health Wellness Grant funds for peer respite programs. Peer respite services are emerging as a model of support for people at risk for, or experiencing a mental health crisis, but not deemed dangerous to others. They offer a safe, temporary stay at a residence staffed by professionally trained peers.

Difference
+TBL

Assembly had no proposal.

Issue	Description	Difference (dollars in thousands)	Conference Action
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4260-101-0001/0890 Medi-Cal

602	Full Restoration of Adult Dental Benefits	Senate \$66,777 GF, \$109,440 FF, +TBL	
	Governor had no proposal.		
	Senate restored full adult dental benefits, effective October 1, 2015. Benefits restored under this action include partial dentures, root canals, laboratory-processed crowns, periodontics, and implants. This funding does not reflect any Medi-Cal payment reductions pursuant to AB 97 (Committee on Budget), Chapter 3, Statutes of 2011. The 2013-14 budget partially restored adult dental benefits effective May 1, 2014, but did not restore the benefits listed above.	Assembly \$0 Difference \$66,777 GF, \$109,440 FF, +TBL	
	Assembly had no proposal.		

4260

Department of Health Care Services (DHCS)

Issue	Description	Difference (dollars in thousands)	Conference Action
4260-101-0001	Medi-Cal		
603	Medi-Cal Coverage Regardless of Immigration Status	Senate \$40,000 GF, + TBL	
	Governor had no proposal.		
	Senate extended eligibility for full-scope Medi-Cal benefits to individuals who are otherwise eligible for those benefits but for their immigration status.	Assembly \$0	
	Assembly had no proposal.	Difference \$40,000 GF, + TBL	

Issue	Description	Difference (dollars in thousands)	Conference Action
4260-101-0001/0890	Medi-Cal		
604, 606, 611	AB 97 Provider Payment Reductions Governor had no proposal.	Senate \$36,980 GF, \$36,980 FF, +TBL	
	Senate (1) eliminated ongoing Medi-Cal provider payment reductions for dental providers imposed pursuant to AB 97, effective July 1, for a cost of \$30 million GF; (2) provided one-time funding to exempt one-half of the collection of AB 97 retroactive recoupments in 2015-16 for distinct-part nursing facilities (DP-NFs), including the recoupment related to the AB 97 payment reductions and rate freeze, for a cost of \$6.9 million GF.	Assembly \$25,380 GF, \$25,380 FF, + TBL	
	Assembly eliminated the ongoing and retroactive recoupment of AB 97 Medi-Cal provider payment reductions for all providers (including dental providers). Five percent of original 10 percent reduction will be restored April 1, 2016 and the remaining five percent on April 1, 2017. Did not forgive the retroactive recoupment for the AB 97 rate freezes related to DP-NFs. Budget year costs are \$25.4 million GF and full year implementation (in 2017-18) is \$233 million GF.	Difference \$11,600 GF, \$11,600 FF, +TBL	

4260**Department of Health Care Services (DHCS)**

Issue	Description	Difference (dollars in thousands)	Conference Action
4260-101-0001/0890 Medi-Cal			
607	Dental Anesthesia Rate	Senate \$4,343 GF, \$7,908 FF	
	Governor had no proposal.		
	Senate increased the dental anesthesia rate to provide rate parity between general anesthesia and dental anesthesia providers.	Assembly \$0	
	Assembly had no proposal.	Difference \$4,343 GF, \$7,908 FF	

Issue	Description	Difference (dollars in thousands)	Conference Action
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4260-101-0001/0890 Medi-Cal

609	<p>Drug Medi-Cal Residential Treatment Services</p> <p>Governor proposed \$47.9 million (\$14.8 million GF) to provide Drug Medi-Cal residential treatment services and assumed 11 counties would begin providing these services in September through the still pending Drug Medi-Cal waiver amendment.</p>	<p>Senate -\$5,000 GF, -\$9,286 FF</p> <p>Assembly \$0</p>	
	<p>Senate reduced the appropriation for Drug Medi-Cal treatment services due to uncertainty regarding county implementation dates.</p>	<p>Difference -\$5,000 GF, -\$9,286 FF</p>	
	<p>Assembly approved as budgeted.</p>		

Issue	Description	Difference (dollars in thousands)	Conference Action
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4260-101-0001 Local Assistance

610	Lifelong Community Clinic Extended Urgent Care	Senate \$0	
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Governor had no proposal.

Senate had no proposal.

Assembly
\$2,000 GF

Assembly approved one-time funding to Lifelong Community Clinic to support extended hours for urgent care services. West Contra Costa Health Care District closed its Doctor’s Medical Center (DMC) hospital on April 20th of this year due to unsustainable operating losses. LifeLong opened up an urgent care program at its health center site across the street from DMC. LifeLong projects the need for a \$2 million per year subsidy to keep the Urgent Care open 12 hours per day which would capture up to 80% of former DMC users.

Difference
\$2,000 GF

Issue	Description	Difference (dollars in thousands)	Conference Action
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4260-101-0001/0890 Medi-Cal

615	Medi-Cal Caseload- Impact of President’s Executive Order on Immigration	Senate \$0	
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<p>Governor included \$33.1 million (\$27.8 million GF) to reflect the costs of providing Medi-Cal to newly qualified individuals as a result of the President’s Executive Order on immigration. Assumed a 12 month phase-in of these services starting October 1, 2015.</p>	<p>Assembly -\$11,000 GF</p> <p>Difference -\$11,000 GF</p>
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Senate approved as budgeted.

Assembly adopted the LAO assumption of a 24-month phase-in of this coverage and the associated reduction in budget year costs.

Issue	Description	Difference (dollars in thousands)	Conference Action
4260-101-0001/0890	Medi-Cal		
616	Drug Billing for 340B Clinics		
	Governor had no proposal.	Senate \$0	
	Senate had no proposal.	Assembly \$5,900 GF, \$18,700 FF, +TBL	
	Assembly changed billing procedures for contraception drugs and supplies dispensed by 340B clinics by requiring the clinic dispensing fee to be the difference between the actual acquisition cost of a drug or supply and the Medi-Cal reimbursement rate, and removes the maximum dispensing fee caps in existing law.	Difference \$5,900 GF, \$18,700 FF, +TBL	

4260**Department of Health Care Services (DHCS)****Issue****Description****Difference**
(dollars in thousands)**Conference Action****4260-115-0001 Local Assistance**612 **Caregiver Resource Centers**Senate
\$0**Governor** had no proposal.**Senate** had no proposal.Assembly
\$3,800 GF

Assembly approved additional funding for Caregiver Resource Centers. These centers provide low cost or free services, such as referrals, care planning, respite care, counseling, education, and legal consultation, to caregivers. Funding for these centers was cut in 2009 due to the state's fiscal situation. These centers currently receive \$3.4 million GF.

Difference
\$3,800 GF

4260**Department of Health Care Services (DHCS)****Issue****Description****Difference**
(dollars in thousands)**Conference Action****4260-116-0001 Local Assistance**

613	Naloxone Grant Program	Senate \$0	
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Governor had no proposal.**Senate** had no proposal.

Assembly approved funding for a new Naloxone Grant Program. This new program would provide naloxone kits to nonprofits and government entities. Naloxone is an overdose-reversal medication.

Assembly
\$2,000 GF,
+TBL

Difference
\$2,000 GF,
+TBL

Issue	Description	Difference (dollars in thousands)	Conference Action
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4260-001-0001 Major Risk Medical Insurance Program

000	Major Risk Medical Insurance Program (MRMIP)	Senate +TBL	
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	Governor proposed to modify MRMIP and to extend the period of time to reconcile payments for the Guaranteed Issue Pilot (GIP) program from six to 18 months.	Assembly	
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	Senate rejected proposal to modify MRMIP. Adopted TBL to extend the period of time to reconcile payments for GIP from six to 18 months and to streamline and expedite the MRMIP and GIP reconciliation.	Difference +TBL	
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	Assembly rejected proposal to modify MRMIP and to extend the period of time to reconcile payments for GIP program from six to 18 months.		
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Issue	Description	Difference (dollars in thousands)	Conference Action
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4260-001-0001 Medi-Cal

County Administration Funding

Governor proposed to increase Medi-Cal county administration funding by \$150 million (\$48.8 million General Fund) due to ongoing implementation issues related to the California Healthcare Eligibility, Enrollment, and Retention System (CalHEERS) information technology system built to implement the federal Affordable Care Act (ACA).

Senate
\$31,000 GF,
\$64,300 FF

Assembly
\$31,000 GF,
\$ 64,300 FF,
+BBL

Senate approved Governor’s proposal. Augmented county administration funding by \$95.3 million (\$31 million GF) using unused current year funding associated with CalFresh caseload.

Difference
+BBL

Assembly approved Governor’s proposal. Augmented county administration funding by \$95.3 million (\$31 million GF) using unused current year funding associated with CalFresh caseload. Adopted BBL allowing DOF to augment county eligibility funding during the budget year if additional savings are identified, with JLBC notification.

4265**Department of Public Health (DPH)**

Issue	Description	Difference (dollars in thousands)	Conference Action
4265-001-0001	State Operations, 4265-111-0001 Local Assistance		
808	Hepatitis C (HCV) Linkage to Care Projects	Senate \$2,200 GF, +TBL	
	Governor had no proposal.		
	Senate approved funding for HCV linkage to and retention in care demonstration projects. (\$462,000 for state operations and \$1,738,000 for local assistance).	Assembly \$0	
	Assembly had no proposal.	Difference \$2,200 GF, +TBL	

4265**Department of Public Health (DPH)**

Issue	Description	Difference (dollars in thousands)	Conference Action
4265-001-0001	State Operations		
810	Dental Disease Prevention Program	Senate \$0	
	Governor had no proposal.		
	Senate had no proposal.	Assembly \$3,200 GF	
	Assembly approved funding to restore the Dental Disease Prevention Program. This program provided oral health prevention services to underserved children in schools with at least 50 percent free or reduced school lunch eligibility throughout California. The program was suspended in 2009 due to the state's fiscal situation.	Difference \$3,200 GF	

4265**Department of Public Health (DPH)**

Issue	Description	Difference (dollars in thousands)	Conference Action
4265-001-0001	State Operations		
811	Lab Aspire Program and Microbiologist	Senate \$0	
	Governor had no proposal.		
	Senate had no proposal.	Assembly \$1,100 GF	
	Assembly approved funding for the Lab Aspire Program and for one state microbiologist. The California Public Health Laboratory Network is made up of the state laboratory and 35 local public health laboratories. Current regulations require public health lab directors to hold a doctorate degree, board certification, California Public Health Microbiologist certification, and have at least four years of experience in a public health laboratory. The Lab Aspire program was created in 2006 to provide educational support for PhD candidates interested in becoming public health laboratory directors. Funding for this program was eliminated in 2012 due to state budget shortfalls.	Difference \$1,100 GF	

4265**Department of Public Health (DPH)**

Issue	Description	Difference (dollars in thousands)	Conference Action
4265-111-0001	Local Assistance		
807	Hepatitis C (HCV) Rapid Testing Kits	Senate \$600	
	Governor had no proposal.		
	Senate approved funding to purchase an estimated 33,000 HCV rapid testing kits.	Assembly \$0	
	Assembly had no proposal.	Difference \$600	

Issue	Description	Difference (dollars in thousands)	Conference Action
4265-111-0001	Local Assistance		
809	Pre-Exposure Prophylaxis (PrEP) Access and Outreach Program	Senate \$2,200 GF, +TBL	
	Governor had no proposal.		
	Senate approved funding for the PrEP Access and Outreach Program. This program would provide funding for outreach to individuals at risk for HIV and provide education about PrEP, including information about how to access PrEP.	Assembly \$3,000 GF, +TBL	
	Assembly approved funding for the PrEP Access and Outreach Program. This program would provide funding for outreach to individuals at risk for HIV and provide education about PrEP, including information about how to access PrEP.	Difference \$800	

Issue	Description	Difference (dollars in thousands)	Conference Action
4265-001-3098	Licensing and Certification		
900	Licensing and Certification Timelines		
	<p>Governor proposed an increase of \$19.8 million in 2015-16 for 173 permanent positions and 64 two-year, limited-term positions (237 positions total), and an increase in expenditure authority of \$30.4 million in 2016-17 from the L&C Special Fund to address the licensing and certification workload. No proposal regarding timeframes to complete complaint investigations.</p>	<p>Senate +TBL</p> <p>Assembly \$10 million Special Fund, +TBL</p> <p>Difference +TBL</p>	
	<p>Senate approved the proposed positions/expenditure authority and made all positions permanent. Adopted TBL to establish 90-day timeframes to complete complaint investigations at long-term care facilities and to require DPH to notify hospitals if a complaint investigation would not be completed timely due to extenuating circumstances.</p>		
	<p>Assembly approved the proposed positions/expenditure authority and made all positions permanent. Adopted TBL to establish 45-day timeframes to complete complaint investigations at long-term care facilities. This proposal assumes any increased costs to the program would be covered by a fee increase on these facilities.</p>		