

SB 997 (Lara): #Health4All Kids

Help Kaiser Kids Stay on Kaiser

Last year's historic enactment of Health4All Kids (SB 4 Lara and SB 75 of 2015) allows all low-income California children, regardless of immigration status, to enroll in comprehensive, full-scope Medi-Cal. Starting in May 2016, all income-eligible children will have access to comprehensive, zero-cost or low-cost Medi-Cal benefits, including dental and mental health coverage as well as the full array of health benefits (doctors, hospitals, prescription drugs, and more).

Additional legislation is needed so that undocumented children who currently have coverage through Kaiser Permanente can more easily stay with Kaiser if they chose to. As part of its community benefit efforts, Kaiser has provided coverage to undocumented children who were otherwise uninsured. When Kaiser began this program, there was no reason to expect that these children covered by Kaiser Permanente would be eligible for full-scope Medi-Cal coverage: Kaiser stepped forward to provide coverage to these undocumented children without any requirement of law or expectation that the children would have other options. Now the families have the option of comprehensive Medi-Cal coverage.

[SB 997](#) (Lara) would require the Department of Health Care Services to allow low-income, undocumented children currently covered by Kaiser to remain with Kaiser, if they chose to, while enrolling in full-scope Medi-Cal coverage. SB 997 does not change any of the other rules, regulations or requirements with respect to Medi-Cal managed care, whether it is the default algorithm, the two-plan model or the right of consumers to change plans once a month.

Background

Prior to the passage of SB 4 (Lara) and SB 75, the budget trailer bill, last year, undocumented children were not eligible for comprehensive, full-scope Medi-Cal coverage. Currently, over 120,000 undocumented children are enrolled in restricted scope, emergency-only Medi-Cal. The children on restricted scope Medi-Cal will be shifted to full-scope Medi-Cal when Health4All Kids is implemented in May 2016.

Over 60,000 undocumented children have comprehensive health coverage through Kaiser Permanente. Many of the children in Kaiser's program will also be eligible for full-scope Medi-Cal coverage. This legislation will help make it easier for them remain with Kaiser when they transition to full-scope Medi-Cal. These families should not face unnecessary barriers to keep their children with Kaiser, if they choose to do so.

While moving the kids currently in Kaiser to Medi-Cal seems like it should be an easy thing to do, there are a number of statutory, administrative and logistical barriers. One of the major barriers is that Kaiser is a direct Medi-Cal managed care contractor in only two counties (Sacramento and San Diego). In other counties, Kaiser is a subcontractor of another Medi-Cal managed care plan, making it confusing for families to figure out how to stay with Kaiser.

Preserving Access, Choice and Continuity of Care

Health Access is committed to maintaining the structure and integrity of the existing Medi-Cal managed care rules that strengthen the health care safety net while allowing consumer choice. Ensuring the undocumented children covered by Kaiser can maintain their Kaiser coverage is made

easier for the families if there is an exception to the current rules that govern Medi-Cal managed care in 56 of California's 58 counties, including the two-plan model, the default algorithm and county organized health systems in some counties. This one-time exception will maintain continuity of care and ensure these children continue to have quality, stable health coverage.

The rules for Medi-Cal managed care, which Health Access and other consumer and community groups support, are designed to help the safety net which relies heavily on county hospitals and community clinics. In most counties, Medi-Cal beneficiaries have a choice between two health plans, a public plan grounded in the county health system or a commercial plan. In certain counties, they are required to enroll in a public County Organized Health System plan.

An exception to these rules will help minimize unnecessary barriers so that the undocumented children covered by Kaiser can more easily stay with Kaiser, if they choose to. SB 997 allows for this and is a special exception to the existing rules; all of the other rules related to the two-plan model and County Organized Health Systems, from default algorithms to the requirement to include local initiatives, will be maintained.

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