

AUGUST HEALTH OMNIBUS TRAILER BILL SUMMARY – AB 204

Please note, the below summary only highlights items anticipated to be of interest to local health departments.

Clinic Workforce Stabilization Retention Payments (See also August Budget Bill Jr. Summary)

- Requires DHCS, upon appropriation by the Legislature, to establish a clinic workforce stabilization retention payment program to provide funds to eligible qualified clinics to make retention payments to eligible employees.
- Defines eligible qualified clinics as FQHCs, FQHC look-alikes, free clinics, Indian health clinics, intermittent clinics, and rural health clinics.
- Defines eligible employee as a person who is employed by an eligible qualified clinic as of the date of record and is not a manager or supervisor.
- Within 90 days of the effective date, requires DHCS to notify all qualified clinics of conditions and data reporting requirements for qualified clinics to be eligible to receive funds.
- Requires qualified clinics intending to request funding to submit specified employee information to DHCS no later than 30 days after the date of record.
- Requires an attestation, made under penalty of perjury, that the qualified clinic employee did not receive funds through the Hospital and Skilled Nursing Facility COVID-19 Retention Pay Program.
- Requires DHCS to distribute funds to each eligible qualified clinic based on the number of eligible employees reported to DHCS. The amount of the payment shall be up to \$1,000 per eligible employee, subject to available funding, and reduced on a pro rata basis if requests exceed amount of funds available.
- Within 60 days of receipt of funds from DHCS, requires a qualified clinic to pay eligible employees a retention payment. Requires qualified clinics that receive funds to attest that all funding received was provided to eligible employees within 60 days of receipt from DHCS.
- Requires DHCS to post on its internet website the amount each clinic site received, as well as the total number of eligible employees reported by each clinic.
- Authorizes Department of Finance Director to transfer any returned or unexpended funds to workforce development programs that support primary care in clinics, including teaching health center residency programs, the State Loan Repayment Program, the Allied Healthcare Scholarship Program, the Allied Healthcare Loan Repayment Program, nurse practitioner postgraduate workforce training slots, or physician assistant postgraduate workforce training slots.
- Specifies payments shall be exempt from any adjustments or deductions made to Medi-Cal payments to qualified clinics, including provider withholds or provider payment reductions.
- Requires HCAI to release guidance to instruct qualified clinics how to report payment revenues through established clinical annual utilization reports.
- Other technical provisions related to retention payment disputes, litigation, and administrative proceedings.

Reproductive Health Access

- Modifies definition of “practical support” under the HCAI Abortion Practical Support Fund to include “financial or in-kind assistance” to help a person access and obtain an abortion in California (previously limited to direct assistance, in-state travel, dependent childcare, doula support, and translation services)
- Clarifies funding uses for programs and services that increase patient access to abortion.

- Specifies legislative intent to support access to abortion in California and build upon its commitment to be a reproductive freedom state.

Medi-Cal Continuous Coverage for Children

- Adds the County Children's Health Insurance Program (CHIP) to the Medi-Cal programs for which children ages zero to four will remain continuously eligible, pursuant to actions adopted in the 2022 Budget Act.

Medi-Cal Copayments

- Repeals statutory authority to impose copayments for services provided in the Medi-Cal program, effective July 1, 2022.

Medi-Cal Share of Cost Reform

- Updates statute to properly reflect the operative date of reforms adopted in the 2022 Budget Act to increase eligibility for Medi-Cal by increasing the maintenance need income level.

Medi-Cal Managed Care Plan Medical Loss Ratio Transfer

- Requires remitted amounts by Medi-Cal managed care plans for noncompliance with medical loss ratio requirements to be transferred to the Medi-Cal Loan Repayment Program Special Fund rather than to the Medically Underserved Account for Physicians for the Steven M. Thompson Physician Corps Loan Repayment Program as required by current law.