

**4260 Department of Health Care Services**

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<b>Issue</b>	<b>Description</b>	<b>Senate</b>	<b>Assembly</b>	<b>Difference</b>	<b>Conference Action</b>
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**4260-101-0001 Department of Health Care Services—Medi-Cal Program, Local Assistance**

208	<b>HIV/AIDS Pharmacy Pilot Project.</b>	1,300,000	2,600,000	1,300,000	
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Senate approved as budgeted (half-year funding).

Assembly added \$1.3 million (General Fund, as adjusted for May Revision) for full-year funding and approved Trailer Bill language to extend the pilot project sunset to June 30, 2008.

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Issue	Description	Senate	Assembly	Difference	Conference Action
212	<p><b>Drug Reimbursement Methodology.</b></p> <p>Senate reduced savings by \$20 million (total funds) as offset for increased pharmacy dispensing fees. Also adopted in concept Administration Trailer Bill language to use Average Manufacturer Price (AMP) as the basis for the drug ingredient payment and added requirement for recalculation of dispensing fees within 30 days of change to AMP –based reimbursement (Increase of \$10,000,000 in Item 4260-101-0890)</p> <p>Assembly approved May Revision savings of \$77.4 million (total funds). Also adopted placeholder Trailer Bill language for change to AMP basis and potential adjustment of dispensing fees.</p>	10,000,000	0	10,000,000	

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<b>Issue</b>	<b>Description</b>	<b>Senate</b>	<b>Assembly</b>	<b>Difference</b>	<b>Conference Action</b>
222	<b>Non-Emergency Medical Transportation.</b>  Senate did not adopt language.  Assembly adopted Budget Bill language to require a report on the adequacy of Medi-Cal rates for non-emergency medical transportation and adequacy of access to those services.	0	BBL	BBL	

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505	<b>Managed Care Rate Methodology—Shift of Rate-Setting Authority.</b>	TBL	TBL		
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Senate approved Administration Trailer Bill proposal to shift rate-setting for County Organized Health Systems (COHS) from the California Medical Assistance Commission to the Department of Health Care Services, and also included Medi-Cal Geographic Managed Care arrangements in the shift.

Assembly approved Administration request to shift COHS rate-setting.

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540	<b>Rate Cap Adjustment for Nursing Homes.</b>	TBL	TBL	TBL	
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Senate adopted Trailer Bill language to extend the current rate methodology and quality assurance fee through 2008-09 with growth in rates after 2007-08 capped at the greater of 5.5 percent or the medical consumer price increase.

Assembly adopted the same Trailer Bill language, but with a single 2008-09 rate growth cap of 5.5percent.

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666	<b>County Equipment Replacement.</b>	2,130,000	0	2,130,000	
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Senate increased by \$4,260,000 (total funds) for hardware replacement of the Statewide Automated Welfare System (SAWS). (Increase Item 4260-101-0890 by \$2,130,000)

(Conforms with Item 5180-151-0001, Issue #666)

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TBL	<b>Protection of Director's Right to Recover Medi-Cal Expenses.</b>	TBL	o	TBL	
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Senate adopted modified Administration TBL to protect Medi-Cal's ability to recover treatment costs from personal injury lawsuit awards.

Assembly deferred consideration to Conference.

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Issue	Description	Senate	Assembly	Difference	Conference Action
TBL	<p data-bbox="216 435 701 557"><b>Personalized Provider Directories for Medi-Cal Recipients.</b></p> <p data-bbox="216 605 701 987">Senate adopted placeholder Trailer Bill language for Administration proposal to provide personalized directories of providers available through Medi-Cal managed care plans in two counties as a pilot, with a separate provider booklet for each plan.</p> <p data-bbox="216 1036 701 1110">Assembly deferred consideration to Conference.</p>	TBL	0	TBL	



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TBL	<b>Contract Lists for Enteral Nutrition, Incontinence Supplies and Medical Supplies.</b>	TBL	0	TBL	
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Senate approved in concept proposed Trailer Bill language to place in statute programmatic rules for the establishment and maintenance of Medi-Cal contract lists for the specified items.

Assembly deferred consideration to Conference.

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TBL	<b>Conlan vs. Shewry.</b>	TBL	0	TBL	
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Senate adopted Trailer Bill language to require the DHCS to issue information regarding the court-approved Conlan Plan, including a posting on the DHCS website as to the requirements of the plan and how individuals can be reimbursed.

Assembly did not consider.

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Issue	Description	Senate	Assembly	Difference	Conference Action
TBL	<b>Contracting for Hearing Aids.</b>  Senate did not adopt language.  Assembly adopted Trailer Bill language requiring the department, by June 30, 2008, to enter into either exclusive or nonexclusive contracts for purchase of hearing aids using either a bid or negotiated basis.	0	TBL	TBL	

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TBL	<p><b>State-County Partnership Improvements.</b></p> <p>Rejected Administration's proposed increase in county performance standard for accuracy and timeliness from 90 percent to 95 percent. Instead, adopted Trailer Bill language to require the department to provide technical assistance and training to counties regarding administration of Medi-Cal eligibility, including checklists, and identification and dissemination of best practices; and to organize the myriad complex eligibility rules and procedures into a single comprehensive system.</p> <p>Assembly deferred issue to Conference.</p>	TBL	0	TBL	