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SB 222 (Hernandez)

Access to Medi-Cal for Former Inmates

Purpose

SB 222 will increase access to critical health care services for Medi-Cal beneficiaries immediately after incarceration, a time of increased risk for medical problems, recidivism, and even death.

Background

Many individuals entering California correctional facilities have long, untreated physical and behavioral health needs that require access to intensive health care services. Compared to other individuals in the community, incarcerated individuals are more likely to have chronic physical and mental conditions. For example, they have higher rates of tuberculosis, HIV, Hepatitis B and C, and diabetes. Additionally, they are two to four times more likely to suffer from a serious mental illness and more than 50% have a diagnosable substance abuse disorder. It is vital that access to health care benefits provided prior to incarceration are also available immediately upon release to allow for uninterrupted services. Proper health care has the potential to make a significant difference in the lives of this already vulnerable population by providing critical community services, avoiding crises and unnecessary institutionalization.

California's largest county, Los Angeles, reports that about 35% of individuals entering jail each month are Medi-Cal beneficiaries. While federal law does not allow Medicaid to pay for the cost of health care for individuals while incarcerated (with the exception of certain medical inpatient services provided outside of the correctional facility), the Centers for Medicare & Medicaid Services encourages states to allow individuals to remain enrolled but to have their Medicaid coverage suspended until they leave the correctional facility.

The problem

Under existing state law, Medi-Cal beneficiaries who become justice involved have their benefits suspended for one year or until they are released, whichever comes first. Anyone incarcerated for longer than one year has their Medi-Cal coverage terminated. Individuals who lose coverage due to longer-term incarceration need to reapply for coverage, a time- and labor-intensive process. Although some jails, and all state prisons, provide varying degrees of assistance to help individuals apply for Medi-Cal prior to

release, this process is not efficient for individuals who had their coverage terminated. Terminating benefits prior to release, rather than leaving individuals in a suspended status, increases the likelihood that they will not have adequate access to services upon release from incarceration. According to a report released by the Kaiser Family Foundation, improved access to services and better management of health conditions immediately after release from jail or prison has shown to reduce rates of recidivism, particularly among individuals with mental health and substance abuse disorders. Studies of suspension of Medicaid coverage for justice involved individuals implemented in Florida and Washington found those enrolled in Medicaid at the time of release had 16% fewer incidents of recidivism compared to those not enrolled at the time of release.

This bill

SB 222, sponsored by the County Welfare Directors Association and the Californians for Safety and Justice, will provide individuals who were previously enrolled in Medi-Cal with immediate access to Medi-Cal benefits after their release from jail or prison. Specifically, this bill requires the Department of Health Care Services (DHCS) to extend the suspension of Medi-Cal benefits of justice involved persons until they are released, regardless of the length of the incarceration. This extension of the suspended status allows for prompt return of Medi-Cal benefits after individuals are released, without the need to reapply for coverage. Additionally, to aid in the annual reassessment process of justice involved individuals with suspended Medi-Cal benefits, DHCS is required to develop and implement a simplified renewal procedure.

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