



August 10, 2009

TO: HEALTH CARE ASSOCIATIONS

RE: NOTIFICATION OF AMENDMENT TO PENAL CODE SECTION 5023.5
RELATING TO MEDICAL SERVICES REIMBURSEMENT RATES

To ensure timely communication with our stakeholders in the medical services community, California Prison Health Care Services (CPHCS) is providing this notification of recently enacted legislation (Senate Bill X4 13, Chapter 22, Statutes of 2009) amending Penal Code Section 5023.5. This legislative amendment changes the law relating to medical services contracting with CPHCS for the State's patient-inmate population within the California Department of Corrections and Rehabilitation (CDCR). The full text of the legislation is available at the following two web pages in either pdf or html format:

http://www.leginfo.ca.gov/pub/09-10/bill/sen/sb_0001-0050/sbx4_13_bill_20090728_chaptered.pdf
http://www.leginfo.ca.gov/pub/09-10/bill/sen/sb_0001-0050/sbx4_13_bill_20090728_chaptered.html

Due to the current fiscal climate in the State of California, the enactment of this legislation will help the State contain and reduce the costs of medical care provided to California's patient-inmate population while continuing to provide a constitutional level of care, as well as align the cost of this medical care with that provided to the general public under the Medicare reimbursement system. In addition, this legislation provides the State with the option to contract with medical service providers through a future CPHCS designated Health Care Network provider.

Information regarding implementation of the legislation will be posted, as it becomes available, to the CPHCS internet site at www.cphcs.ca.gov. You are encouraged to visit the site regularly in order to receive the most up-to-date information available regarding implementation of the legislation. Additionally, CPHCS will be contacting health care association representatives to set up discussions regarding the implementation process to ensure implementation is a collaborative effort for both the medical community and the State.

If you have questions regarding this notification, you may contact the CPHCS Medical Contracts Help Desk at: cphcshealthcarecontractshelpdesk@cdcr.ca.gov. To ensure your inquiry is identifiable as related to this legislation, please enter the bill number (SBX4 13) or the code section (Penal Code Section 5023.5) in the subject line.

Thank you.