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## FACT SHEET

### **SBX4 13, Ducheny (Chapter 22, Statutes of 2009) Relating to Medical Services Reimbursement Rates under Penal Code section 5023.5**

Effective July 28, 2009, SBX4 13 (Chapter 22, Statutes of 2009) amended Penal Code §5023.5 to specify maximum reimbursement rates for medical services contracts. This legislation allows CPHCS to provide access to a constitutional level of medical care, as well as align the cost of this medical care with that provided to the general public under the Medicare Reimbursement System.

#### **Maximum Reimbursement Rates Allowed under Penal Code §5023.5, as amended:**

The following figures represent maximum amounts payable to contract providers in accordance with this legislation:

- Physician Services 110% of Medicare Fee Schedule
- Ambulance Services 120% of Medicare Fee Schedule
- Hospital Services 130% of Medicare Fee Schedule

Noncontracted providers of hospital or physician services may only be reimbursed at a rate equal to or less than the amount payable under the Medicare Fee Schedule regardless of whether the hospital is located within or outside of California. Noncontracted providers of ambulance or any other emergency or nonemergency response service may only be reimbursed at the rate payable under the Medicare Fee Schedule regardless of whether the provider is located within or outside of California.

#### **Exemptions To The Maximum Reimbursement Rates:**

The maximum rates do not apply to reimbursements for the following:

- Administrative days
- Transplant services
- Services provided pursuant to competitively bid contracts
- Services provided pursuant to a contract executed prior to September 1, 2009
- Services provided through a future CPHCS designated health care network provider

#### **For Additional Information:**

- Visit the CPHCS web site at [www.cphcs.ca.gov](http://www.cphcs.ca.gov). Information regarding implementation of the legislation will be posted continuously, as it becomes available.
- Contact the CPHCS Medical Contracts Help Desk at [cphcshealthcarecontractshelpdesk@cdcr.ca.gov](mailto:cphcshealthcarecontractshelpdesk@cdcr.ca.gov). All inquiries should be submitted to this Help Desk. 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.