Division Descriptions

Administration Division
The Administration Division provides an array of central support services to achieve Department of Health Care Services (DHCS) program and operations objectives. Staff provide management information and business control functions for the directorate, helping ensure that the most effective and efficient level of service is achieved. The Administration Division streamlines and simplifies policies and procedures, stressing collaboration and improved communication with program staff; ensures fiscal accountability of programs by overseeing the financial management of DHCS, including budget development and oversight; provides responsive and reliable employee support and human resource management systems; provides guidance and consultation on contract and purchasing services; responsibly manages DHCS physical resources through facilities and telecommunications business services; supports the protection of DHCS employees through the Health and Safety office; and evaluates business processes with attention to improvements in other department-wide support functions.

Audits & Investigations Division (A&I)
The mission of A&I is to protect and enhance the fiscal integrity of the health programs administered by DHCS and ensure a high quality of care is provided to the beneficiaries of these programs. The overall goal of A&I is to improve the efficiency, economy and effectiveness of DHCS and the programs it administers. To carry out its mission, A&I:

- Performs various financial and medical audits as well as post-service, post payment utilization reviews to ensure Medi-Cal program integrity.
- Ensures accountability of state and federal health care funding and identifies funds for recovery, where appropriate.
- Identifies and investigates Medi-Cal provider and beneficiary fraud, waste and abuse, emphasizing fraud prevention.
- Performs internal audits of DHCS programs to ensure the adequacy and effectiveness of internal controls.
- Performs special audits as needed by DHCS executive management, programs, the California Health and Human Services Agency and the Governor’s Office.
- Provides technical assistance and audited data (internally and externally) on various aspects of health care financing and delivery.
- Provides technical assistance (financial and medical) for the development, modification and expansion of DHCS health programs and related policy.
**Benefits Division**
The Benefits Division is responsible for managing and ensuring the uniform promulgation of federal and state laws and regulations regarding Medi-Cal benefits and policies affecting more than 150,000 providers of medical services to 7.6 million Medi-Cal beneficiaries. The division is a primary liaison with the federal Centers for Medicare & Medicaid Services for amendments to the State Medicaid Plan and coordinates with other divisions and state departments to ensure compliance with state and federal requirements under the State Plan. The division also has responsibility for the oversight and management of the Every Woman Counts (EWC) program, the largest breast cancer detection program in the nation, serving more than 260,000 women annually. EWC provides breast clinical services, such as mammograms, clinical breast exams, and diagnostic tests, to low-income California women ages 40 and over with inadequate or no health coverage. EWC also provides cervical clinical services, such as pap smears, HPV (Human Papilloma Virus) tests, and cervical diagnostic tests, for low-income, uninsured, and underinsured California women ages 25 and over. In addition, EWC carries out patient and provider education to increase awareness of the importance of screening and the availability of services for disparate high-risk populations, and it conducts required quality assurance and program evaluation activities. Through a process based upon published scientific, policy, and practice evidence, including systematic reviews, individual studies published in peer-reviewed health journals, evidence-based treatment guidelines published by organizations whose primary mission is to conduct objective analyses of the effectiveness of treatments and interventions, or evidence-based clinical practice guidelines published by professional and scientific societies, the Benefits Division adds, limits, modifies, or eliminates targeted services to increase patient safety, reduce risk, and reduce cost of care. The division consists of the Policy and Benefits Branch and the Cancer Detection and Treatment Branch.

**California Medicaid Management Information System (CA-MMIS) Division**
The CA-MMIS Division is responsible for all activities associated with usage of California’s information technology system, which process and pays approximately $19 billion a year in Medi-Cal fee-for-service (FFS) health care claims, as well as claims for other DHCS health care programs. CA-MMIS processes payments to providers for medical care provided to 7.7 million Medi-Cal beneficiaries in the state. The fiscal intermediary (FI) operates and maintains the system. This division is responsible for the overall administration, management, oversight and monitoring of the FI contract and all services provided under the contract. FI services include the operation of a telephone service center and provider relations functions (publications, outreach and training); system operations, updates and enhancements; processing eligibility inquiry transactions, treatment authorization requests and service authority requests; and processing more than four million claims per week. Under the CA-MMIS Division’s direction and leadership, the FI is also responsible for planning, developing, designing, testing and implementing a new Medicaid Management Information System that will represent current technology and support a service-oriented architecture, consistent with Medicaid Information Technology Architecture.
Capitation Rates Development Division (CRDD)
CRDD is responsible for the accuracy and integrity of data used to calculate and implement capitation rates in compliance with contractual and regulatory requirements. The Actuary Unit calculates and sets the capitation rates for managed care organizations and performs calculations of budget estimates. The actuaries certify that capitation rates for managed care health plans are determined in compliance with federal requirements. The Financial Management Unit performs research functions and rate calculations on Medi-Cal eligibility data, calculates fee-for-service and managed care data costs for all Medi-Cal programs and interprets and analyzes legislative impacts on Medi-Cal managed care programs costs. The Financial Analysis Unit (FAU) ensures correct application and payment of capitation rates with regard to contractual agreements and departmental policy. The FAU also acts as the liaison between DHCS’ Fiscal Forecasting Branch, the federal Centers for Medicare & Medicaid Services, Department of Finance (DOF) and the Legislative Analyst's Office. FAU coordinates the preparation of budget neutrality and quarterly monitoring analyses for managed care programs for federal waivers. The Financial Review Unit ensures the timely reporting of financial and accounting data by managed care organizations and provides financial analysis to stakeholders.

Clinical Assurance and Administrative Support
CAAS is comprised of five branches, two pharmacy sections and an appeals and litigation section. CAAS provides strong, cost-effective utilization controls by reviewing and adjudicating Treatment Authorization Requests (TARs) for certain medical procedures, services and drugs for fee-for-service Medi-Cal beneficiaries prior to payment for services. In 2011, CAAS processed more than 3.2 million TARs. CAAS also responds to all TAR appeals submitted by providers and offers program support to the Office of Legal Services for all litigation resulting from denied TAR appeals. In addition, CAAS is responsible for the Designated Public Hospital Project (DPHP), which allows public hospitals in California to use an evidence-based standardized tool to determine medical necessity for hospital days and services for Medi-Cal beneficiaries in lieu of submitting a TAR to the field office.

Fee-For-Service Rates Development Division (FFSRDD)
FFSRDD is responsible for developing Medi-Cal reimbursement rates for non-institutional and long-term care services, performing analyses for General Fund cost savings/avoidance proposals and rate methodologies and assisting the Office of Legal Services in defending DHCS in legal actions. FFSRDD serves as a point of contact on matters pertaining to Medi-Cal non-institutional and long-term care rate setting matters in negotiation and/or meetings with health care provider representatives, patient advocates, external state agencies, representatives of county, state and federal governments, industry representatives, special interests groups, the media and other high-level officials regarding Medi-Cal rate policies and issues. FFSRDD also crafts legislation and submits State Plan Amendments regarding changes to provider reimbursements. In addition, FFSRDD administers a quality assurance fee program that collects more than $500 million annually.
**Information Management Division (IMD)**
The IMD supports department-wide efforts for accurate and timely information for DHCS programs. Its programs support information access and sharing that considers data as an asset and data as a service. The IMD consists of the Chief Medical Information Officer’s (CMIO’s) Office, the Office of HIPAA Compliance (OHC), and the Office of Health Information Technology (OHIT).

- The CMIO’s Office supports the Medi-Cal Adult Quality Care Improvement program, the Data and Research Committee, the Medicaid Statistical Information System and analytic efforts using the Management Information System/Decision Support System.

- The OHC is responsible for leadership and oversight related to the implementation and maintenance efforts of a range of federally required initiatives, such as the Federal Health Insurance Portability and Accountability Act (HIPAA), to simplify and standardize the administration of health care while protecting the privacy of patients served by DHCS programs. The OHC also serves as the DHCS lead for measuring and monitoring progress against the MITA framework.

- The OHIT is responsible for administration of the Medi-Cal Electronic Health Record (EHR) Incentive Program. This incentive program will improve the quality, safety and efficiency of health care by Medi-Cal hospitals and professionals through incentive payments to encourage the meaningful use of electronic health records.

**Information Technology Services Division (ITSD)**
ITSD provides a secure, reliable information technology environment to support the program and administrative objectives of DHCS, Health and Human Services Agency, California Department of Public Health, Office of Health Information Integrity and Health Benefit Exchange Board. ITSD establishes information technology policy and standards and ensures compliance with state and federal laws and regulations regarding the use of information technology and the safeguarding of electronic information; supports a complex portfolio of program applications, the largest of which is the Medi-Cal Eligibility Data System; provides quality application and data services to DHCS programs; facilitates the successful completion of IT projects undertaken by DHCS; and manages the design, installation, upgrade and support of a complex technology infrastructure, including network, servers, desktops, network devices, messaging systems, Web sites, Web applications and databases.

**Legislative & Governmental Affairs Division (LGA)**
LGA facilitates, coordinates and advocates for the development and enactment of legislation in the interest of public health and health care. As a key player in carrying out DHCS’ mission to protect and advance the health of all Californians, LGA assists in the development and refinement of the state’s health care laws. ([http://www.dhcs.ca.gov/Pages/LGA.aspx](http://www.dhcs.ca.gov/Pages/LGA.aspx))
**Long-Term Care Division (LTCD)**

LTCD is an integral component of California’s *Olmstead Plan* by ensuring the provision of long-term services and supports to Medi-Cal-eligible frail seniors and persons with disabilities to allow them to live in their own homes or community-based settings instead of in facilities. LTCD directly operates and/or administers five home- and community-based services (HCBS) waivers on behalf of DHCS, as the single state Medicaid agency. LTCD also provides monitoring and oversight for four HCBS waivers and the In-Home Supportive Services state plan benefit operated by the Department of Social Services, Department of Aging and Department of Developmental Services. In addition, LTCD operates two managed care programs, Program of All-inclusive Care for the Elderly and Senior Care Action Network, and the California Partnership for Long-Term Care, a long-term care insurance program. In addition, LTCD administers a federal Money Follows the Person grant to transition Medi-Cal-eligible residents from long-term care facilities back to community living arrangements. LTCD works collaboratively with the Medi-Cal Managed Care Division to integrate long-term services and supports for seniors and persons with disabilities and Medicare/Medi-Cal dual eligible beneficiaries in a managed care delivery system.

**Low Income Health Program (LIHP) Division** In November 2010, California received approval from the federal Centers for Medicare & Medicaid Services (CMS) to implement a new section 1115 “Bridge to Reform” Medicaid demonstration. The demonstration includes several programs that will prepare the state for implementation of the Patient Protection and Affordable Care Act. LIHP is responsible for administering and managing approximately $3 billion in federal funding to implement the LIHP, which is a significant component of the demonstration. The program will extend and expand the Health Care Coverage Initiative program to a statewide local program targeting the Medicaid expansion population and the low-income adult population eligible for participation in the Health Benefit Exchange. The division responsibilities include: developing policies and procedures related to the LIHP, reviewing and approving claiming invoices for federal reimbursement to local LIHPs and providing technical assistance. The division also monitors program compliance with contracts, Special Terms and Conditions, and federal requirements; compiles program data for federal and state reporting requirements; and develops contracts and amendments. In addition, the Division collaborates with program stakeholders and other divisions in planning program transition.

**Medi-Cal Dental Services Division (MDSD)**

MDSD is responsible for the provision of dental services to Medi-Cal beneficiaries. Services are provided under fee-for-service (FFS) and managed care models. The division contracts with a dental fiscal intermediary for FFS and 13 managed care plans and prepaid health plans to provide dental care to approximately 7.5 million-plus Medi-Cal beneficiaries. The FFS program is state wide; while the dental managed care plan/prepaid health plans (DMC/PHP) are located in Sacramento and Los Angeles counties.
Medi-Cal Eligibility Division (MCED)
MCED develops statewide policies, procedures and regulations governing Medi-Cal eligibility and ensures eligibility is determined accurately and timely in accordance with state and federal requirements. MCED performs Medi-Cal quality control reviews of county compliance with state and federal eligibility requirements for program integrity and works with the county welfare department consortiums and Information Technology Services Division to develop the business rules necessary to implement eligibility policy and to maintain the records of beneficiaries in both the county eligibility systems and DHCS’ Medi-Cal Eligibility Data System. MCED provides county public social service agencies policy direction via All County Welfare Directors Letters and Medi-Cal Eligibility Information Letters that implement Medi-Cal eligibility policies and procedures. MCED consists of three branches: Policy Development, Policy Operations and Program Review.

Medi-Cal Managed Care Division (MMCD)
MMCD contracts with managed care organizations to arrange for the provision of health care services for approximately 4.4 million Medi-Cal beneficiaries in 30 counties. MMCD has three primary models: Two-Plan, which operates in 14 counties; County Organized Health Systems (COHS), which operate in 14 counties; and Geographic Managed Care, which operates in two counties. MMCD also contracts with a prepaid health plan in one additional county and with two specialty plans. In total, Medi-Cal managed care paid health plans approximately $10.6 billion for rate year 2010-11. MMCD has three branches: Plan Monitoring/Program Integrity, Policy and Financial Management and Plan Management.

Mental Health Services Division (MHSD)
MHSD consists of three branches: Program Policy and Quality Assurance; Fiscal Management and Outcomes Reporting; and Program Oversight and Compliance. MHSD administers, oversees, and monitors community mental health program service delivery and compliance for the Medi-Cal Specialty Mental Health Services program and Mental Health Services Act (MHSA). The division implements program changes related to community mental health services required by state and federal legislation, which includes health care reform. MHSD is the single state liaison with the federal Centers for Medicare & Medicaid Services for mental health services in California and provides mental health program subject matter expertise and technical assistance to other state departments and agencies, mental health plans and other local mental health programs, and managed care health plans. MHSD also provides ombudsman support to Medi-Cal members receiving mental health services. MHSD facilitates county and federal reimbursement processes, establishes program and fiscal policies, administers and distributes federal grants, and oversees the state’s fiscal and outcomes responsibilities for specialty mental health services and the MHSA. MHSD is responsible for state oversight of community mental health programs, facilities, and providers to ensure compliance with state and federal requirements.

Office of Administrative Hearings and Appeals (OAHA)
When required by statute, an appeal right is offered to those who contest program actions taken by the DHCS and, pursuant to interagency agreement, actions taken by other state agencies. On behalf of DHCS, OAHA conducts both informal and formal administrative hearings to resolve disputes arising between DHCS and external entities.
and individuals. Under the supervision of the Deputy Director and Chief Administrative Law Judge and the Chief Hearing Officer, OAHA staff routinely hold settlement conferences with parties, rule on motions, preside over hearings, and write proposed and final decisions. OAHA considers and adjudicates a myriad of sensitive and financially significant issues, including those that involve licensure and certification of nursing facilities and medical personnel, the appropriate delivery of services for disabled children, Medi-Cal provider application denials and enrollment suspensions, the reimbursement of all institutional and non-institutional Medi-Cal providers, and the implementation of and rate setting for Medi-Cal managed care contracts. OAHA hearings are conducted in accordance with the Administrative Procedure Act.

**Office of Civil Rights (OCR)**
OCR is responsible for overseeing compliance with various federal and state civil rights laws and implementing regulations and executive orders pertaining to employment and services by DHCS and its contractors to ensure nondiscrimination in the access and delivery of health care services provided or administered by DHCS. OCR provides departmental guidance, coordination, monitoring, training and investigation of issues relating to DHCS employees through the Internal Equal Employment Opportunity Program (Title VII), External Civil Rights Compliance Program (Title VI) and Reasonable Accommodation Program. Also, OCR coordinates and develops technical, prevention and sensitivity awareness training that deals with Equal Employment Opportunity and disability issues and resolves complaints of discrimination via counseling, informal reviews, investigations and mediations filed by DHCS applicants and employees.

**Office of Family Planning (OFP)**
The Office of Family Planning (OFP) is charged by the California Legislature “to make available to citizens of the state who are of childbearing age comprehensive medical knowledge, assistance, and services relating to the planning of families.” The purpose of family planning is to provide women and men a means by which they decide for themselves the number, timing, and spacing of their children. The OFP administers the Family Planning, Access, Care, and Treatment (Family PACT) program. Family PACT is California’s innovative approach to provide comprehensive family planning services to eligible low-income (under 200% of the federal poverty level) men and women. Family PACT serves 1.8 million income eligible men and women of childbearing age through a network of 2,400 public and private providers.

**Office of Legal Services (OLS)**
OLS provides comprehensive legal services to DHCS and its employees and legal support to all departmental programs. OLS’s 50 attorneys and nine paralegals are distributed among five large legal teams, each of which focuses on a particular area of departmental legal work:

- The Administrative Litigation Unit represents DHCS in administrative hearings before the Office of Administrative Hearings and Appeals, the State Personnel Board and other state entities, and handles the bulk of DHCS’ legal personnel functions.
  
- The Medi-Cal House Counsel Team serves as DHCS’ primary provider of legal
support for programmatic functions, including the drafting and reviewing of much of DHCS’ proposed legislation.

- The Medi-Cal Litigation Team provides programmatic legal support, but also serves as DHCS’ liaison to the California Attorney General’s Office and other external entities about litigation involving DHCS, and this team provides litigation support for active cases.

- The Special Projects Team handles legal assignments that emanate primarily from the directorate, such as implementation projects related to the Affordable Care Act.

- The newly created Medi-Cal Financing and Rates Team specializes in its namesake subject matter.

OLS also contains two sub-specialty programs: the Privacy Office, staffed by attorneys dedicated to privacy legal compliance; and the Office of Regulations, which is responsible for ensuring the consistency and accuracy of all regulations that DHCS promulgates.

**Office of Medi-Cal Procurement (OMCP)**
OMCP is an internal consulting and advisory group within DHCS. OMCP’s function is to conduct major procurements and write contracts in support of the various divisions and offices of the Medi-Cal program. These procurements may take the form of Requests for Proposal (RFP) and Requests for Application (RFA), depending upon the services being sought. OMCP is responsible for the entire process from the development of the procurement documents to the evaluation of any proposals received in response to those documents through to the development and approval (from the Department of General Services and Centers for Medicare & Medicaid Services) of the contract documents. All Medi-Cal procurement and contracting procedures are conducted with the highest integrity, with the goal of producing procurement documents and contracts that are effective and cost-efficient for the Medi-Cal program.

**Office of Public Affairs (OPA)**
OPA is responsible for overall communications and outreach activities associated with DHCS and serves as the central conduit of information for the department. Staff responds to inquiries, drafts and finalizes approved responses and delivers responses to various stakeholders, the public and media. Staff also assess the impact of actions or situations involving the department and provide guidance on the appropriate message and method of response. OPA crafts statements and press releases, conducts interviews and background briefings and stages press conferences. Staff works to engage the general public and media with compelling, informative features on the home page of the DHCS website and communicates with internal staff primarily through the *DHCS Times* department newsletter. OPA also assists with DHCS’ public education and outreach programs, such as the California Partnership for Long-Term Care.
**Office of Workforce Planning & Development (OWPD)**

OWPD was established in 2008 to lead the workforce planning and recruitment efforts for DHCS. The OWPD ensures that divisions have a resource to better enhance their efforts to recruit, retain, train and successfully prepare employees for the future. Specifically, OWPD assists with:

- **Recruiting** – Researching, evaluating and acting on opportunities to enhance DHCS’ efforts to decrease vacancy rates.

- **Retaining** – Working with divisions to develop systems to increase DHCS’ retention rates and employee satisfaction.

- **Succession Planning** – Identifying effective processes for knowledge transfer and providing opportunities for employees to matriculate successfully upward in DHCS.

**Pharmacy Benefits Division (PBD)**

PBD is responsible for DHCS’ Medi-Cal fee-for-service (FFS) drug program and for the management of the Medi-Cal managed care pharmacy program. PBD is comprised of four branches: Pharmacy Policy, Enteral and Medical Supplies, Drug Contracting and Drug Rebates. In addition, the Vision Services program and the CalMEND program fall under the purview of the division. PBD has primary responsibility for ensuring that prescription drug coverage is provided to FFS Medi-Cal beneficiaries. PBD contracts with drug and medical supply manufacturers and providers to ensure they meet specific criteria, including safety, effectiveness and essential need, and to eliminate the potential for misuse. In exchange for the ability to contract with Medi-Cal, manufacturers provide rebates to the program, which in 2010-11 was approximately $1.7 billion in total rebates (federal and state). California’s rebate program is considered one of the most aggressive in the country. PBD is also responsible for the Medi-Cal FFS vision program and CalMEND, funded primarily with funding from the Mental Health Services Act (Prop. 63) and charged with improving the health of Medi-Cal beneficiaries with mental illness.

**Primary, Rural and Indian Health Division (PRIHD)**

The mission of PRIHD is to improve the health status of diverse population groups living in medically underserved urban and rural areas. PRIHD administers seven programs that seek to improve and make accessible comprehensive primary care services and other public health services for persons at risk, including the uninsured or indigent, and those who would otherwise have limited or no access to services due to geographical, cultural or language barriers. Those programs are: Rural Health Services Development (RHSD), Seasonal and Agricultural Workers (SAMW), Indian Health (IH), California State Office of Rural Health (CalSORH), Medicare Rural Hospital Flexibility/Critical Access Hospital (FLEX/CAH), Small Rural Hospital Improvement (SHIP) and J-1 Visa Waiver. The division functions as the primary liaison for providers and other stakeholders concerned with rural health, Indian health and primary care clinics. PRIHD works with rural health constituents to provide training and technical assistance to strengthen the rural health care infrastructure. PRIHD has lead responsibility in ensuring that DHCS complies with federal requirements to seek regular and ongoing advice from tribes and Indian health program designees on proposed changes to the
Medi-Cal program that have a direct impact on Indians and Indian health providers. PRIHD also provides training and technical assistance to Indian health programs as well as administers the American Indian Infant Health Initiative (AIHI) and Federal Emergency Preparedness activities. Additionally, PRIHD assists in the development of Medi-Cal policies affecting Federally Qualified Health Centers, Rural Health Clinics and Indian Health clinics.

Provider Enrollment Division (PED)
PED is responsible for the review and appropriate action of fee-for-service provider applications seeking to participate in the Medi-Cal program, including ensuring that all applicants meet licensure requirements and participation standards defined by federal and state statutes and regulations. PED also conducts re-enrollment functions of current providers to ensure continued compliance with program requirements and standards of participation. PED has responsibility for updating and maintaining the Provider Master File database that is used in the claims payment process. PED is actively involved in Medi-Cal anti-fraud efforts aimed at preventing fraud, waste and abuse in the Medi-Cal program.

Safety Net Financing Division (SNFD)
SNFD administers supplemental payments in accordance with the “Bridge to Reform” Section 1115 Medicaid Waiver and the Medicaid State Plan. The Medi-Cal Supplemental Payment Section (MSPS) processes and monitors payments for hospitals and other types of providers for various supplemental programs and administers the Quality Assurance Fee (QAF) program. The Hospital/Uninsured Care Demonstration Section (HUCDS) evaluates designated public hospital costs and rates, oversees the development of California’s new comprehensive waiver, oversees the implementation of the Diagnostic Related Group (DRG) inpatient hospital’s reimbursement methodology and administers the Subacute Care Program. The Administrative Claiming, Local and School Services Branch provides federal reimbursement to counties and school districts for administrative activities, targeted case management and certain medically necessary school-based services. The Disproportionate Share Hospital Financing and Non-Contract Hospital Recoupment Branch reimburses eligible hospitals for uncompensated care costs for hospital services and recoups overpayments for inpatient hospital services provided by non-contract hospitals.

Substance Use Disorder (SUD) Compliance Division
The SUD Compliance Division focuses on compliance with state and federal laws, regulations, and other governing requirements. The division oversees the licensing and certification functions, monitoring, and complaints for Driving Under the Influence programs, Drug Medi-Cal, Narcotic Treatment Programs, and outpatient and residential providers. The division also ensures compliance with the statewide criminal justice treatment programs and counselor certification.

SUD Prevention, Treatment & Recovery Services Division (PTRSD)
The SUD/PTRSD provides leadership and coordination in the planning, development, implementation, and evaluation of a comprehensive statewide SUD prevention, treatment, and recovery system. The division plans, administers, oversees, monitors, and accounts for California’s statewide network of publicly funded prevention, treatment, and recovery services. Key responsibilities and activities of the division include:
• Administering the federal Substance Abuse Prevention and Treatment Block Grant from the Substance Abuse and Mental Health Services Administration.

• Administering and developing programmatic and fiscal policy of the Drug Medi-Cal program and contracts with counties and/or certified providers for the delivery of treatment services to eligible clients.

• Administering discretionary grants, such as the Strategic Prevention Framework State Incentive grant and the federal Access to Recovery grant.

• Conducting county-level performance assessments by analyzing data provided by counties through a web-based reporting system.

**Systems of Care for Children and Adults Division (SCD)**
SCD creates effective and efficient comprehensive systems of care for vulnerable populations with chronic conditions to better improve or maintain their health care status and reduce health care costs. SCD is comprised of two major branches: Statewide Medical Services Branch (SMSB) and Program Operations Branch (POB). SMSB is comprised of medical professionals who have oversight of several programs, including: Medical Therapy, serving 27,000 clients; High-Risk Infant Follow-Up; Child Health and Disability Prevention, serving two million children; Genetically Handicapped Persons, serving 1,500 clients; Newborn Hearing Screening, which screens about 425,000 annually; and Health Care Program for Children in Foster Care Programs. The POB has administrative oversight of these same programs. POB is also responsible for the development and implementation of the California Children’s Services demonstration pilot program as a component of DHCS’ Section 1115 Medicaid “Bridge to Reform” waiver.

**Third Party Liability and Recovery Division (TPLRD)**
TPLRD ensures that the Medi-Cal program complies with state and federal laws and regulations requiring that Medi-Cal be the payer of last resort. TPLRD accomplishes this by recovering Medi-Cal expenses from liable third parties and avoiding Medi-Cal cost by identifying or purchasing alternative health care coverage. TPLRD’s recovery programs, Estate Recovery, Personal Injury and Overpayments, account for $300 million in annual revenue. TPLRD cost avoidance programs annually process more than 300 million commercial insurance records and pay Medicare premiums for 1.1 million dual eligible beneficiaries, avoiding more than $3 billion in Medi-Cal costs. In addition to the coordination of benefits programs, TPLRD is also responsible for the collection of the provider Quality Assurance Fee, totaling approximately $4 billion annually.