GENETICALLY HANDICAPPED PERSONS PROGRAM
Funding Summary

FY 2013-14, May 2014 Estimate Compared to November 2013 Estimate

	Nov. 2013 Est. FY 2013-14	May 2014 Est. FY 2013-14	Difference Incr./(Decr.)
State-Only Caseload:	967	995	28
Net Dollars:			
4260-111-0001 (General Fund)	$17,345,900	$11,566,900	($5,779,000)
4260-601-7503 (Federal Title XIX HCSF)	$46,719,000	$59,537,000	$12,818,000
4260-601-0995 (Enrollment Fees)	$452,700	$438,800	($13,900)
4260-601-3079 (Rebate Special Fund)	$36,979,000	$31,091,000	($5,888,000)
Total	**$101,496,600**	**$102,633,700**	**$1,137,100**

FY 2014-15, May 2014 Estimate Compared to November 2013 Estimate

	Nov. 2013 Est. FY 2014-15	May 2014 Est. FY 2014-15	Difference Incr./(Decr.)
State-Only Caseload:	987	1,024	37
Net Dollars:			
4260-111-0001 (General Fund)	$63,609,300	$72,473,200	$8,863,900
4260-601-7503 (Federal Title XIX HCSF)	$48,271,000	$47,827,000	($444,000)
4260-601-0995 (Enrollment Fees)	$452,700	$438,800	($13,900)
4260-601-3079 (Rebates Special Fund)	$10,000,000	$8,000,000	($2,000,000)
Total	**$122,333,000**	**$128,739,000**	**$6,406,000**

May 2014 Estimate, FY 2013-14 Compared to FY 2014-15

	May 2014 Est. FY 2013-14	May 2014 Est. FY 2014-15	Difference Incr./(Decr.)
State-Only Caseload:	995	1,024	29
Net Dollars:			
4260-111-0001 (General Fund)	$11,566,900	$72,473,200	$60,906,300
4260-601-7503 (Federal Title XIX HCSF)	$59,537,000	$47,827,000	($11,710,000)
4260-601-0995 (Enrollment Fees)	$438,800	$438,800	$0
4260-601-3079 (Rebates Special Fund)	$31,091,000	$8,000,000	($23,091,000)
Total	**$102,633,700**	**$128,739,000**	**$26,105,300**

GENETICALLY HANDICAPPED PERSONS PROGRAM

Funding Summary

Fiscal Years 2013-14 and 2014-15 Compared to Appropriation

FY 2013-14, May 2014 Estimate Compared to Appropriation

	Appropriation FY 2013-14	May 2014 Est. FY 2013-14	Difference Incr./(Decr.)
State-Only Caseload:	944	995	51
Net Dollars:			
4260-111-0001 (General Fund)	$24,338,800	$11,566,900	($12,771,900)
4260-601-7503 (Federal Title XIX HCSF)	$43,868,000	$59,537,000	$15,669,000
4260-601-0995 (Enrollment Fees)	$376,000	$438,800	$62,800
4260-601-3079 (Rebates Special Fund)	$42,158,000	$31,091,000	-$11,067,000
Total	**$110,740,800**	**$102,633,700**	**($8,107,100)**

May 2014 Estimate for FY 2014-15 Compared to FY 2013-14 Appropriation

	Appropriation FY 2013-14	May 2014 Est. FY 2014-15	Difference Incr./(Decr.)
State-Only Caseload:	944	1,024	80
Net Dollars:			
4260-111-0001 (General Fund)	$24,338,800	$72,473,200	$48,134,400
4260-601-7503 (Federal Title XIX HCSF)	$43,868,000	$47,827,000	$3,959,000
4260-601-0995 (Enrollment Fees)	$376,000	$438,800	$62,800
4260-601-3079 (Rebates Special Fund)	$42,158,000	$8,000,000	-$34,158,000
Total	**$110,740,800**	**$128,739,000**	**$17,998,200**

GENETICALLY HANDICAPPED PERSONS PROGRAM
Funding Sources By Component
Fiscal Year 2013-14

May 2014 Estimate Compared to November 2013 Estimate, Total Funds

	Nov. 2013 Est. FY 2013-14	May 2014 Est. FY 2013-14	Difference Incr./(Decr.)
1. Base Expenditure Estimate	$ 111,985,000	$ 112,938,000	$ 953,000
2. Policy Changes	$ (10,561,400)	$ (10,369,300)	$ 192,100
Total for Services	**$ 101,423,600**	**$ 102,568,700**	**$ 1,145,100**
Fiscal Intermediary	$ 73,000	$ 65,000	$ (8,000)
Total GHPP Program	**$ 101,496,600**	**$ 102,633,700**	**$ 1,137,100**

May 2014 Estimate Compared to November 2013 Estimate, General Fund

	Nov. 2013 Est. FY 2013-14	May 2014 Est. FY 2013-14	Difference Incr./(Decr.)
1. Base Expenditure Estimate	$ 111,985,000	$ 112,938,000	$ 953,000
2. Policy Changes	$ (94,712,100)	$ (101,436,100)	$ (6,724,000)
Total for Services	**$ 17,272,900**	**$ 11,501,900**	**$ (5,771,000)**
Fiscal Intermediary	$ 73,000	$ 65,000	$ (8,000)
Total GHPP Program	**$ 17,345,900**	**$ 11,566,900**	**$ (5,779,000)**

May 2014 Estimate Compared to November 2013 Estimate, Federal Funds

	Nov. 2013 Est. FY 2013-14	May 2014 Est. FY 2013-14	Difference Incr./(Decr.)
1. Base Expenditure Estimate	-	-	-
2. Policy Changes	$ 46,719,000	$ 59,537,000	$ 12,818,000
Total for Services	**$ 46,719,000**	**$ 59,537,000**	**$ 12,818,000**
Fiscal Intermediary	-	-	-
Total GHPP Program	**$ 46,719,000**	**$ 59,537,000**	**$ 12,818,000**

GENETICALLY HANDICAPPED PERSONS PROGRAM
Funding Sources By Component
Fiscal Year 2014-15

May 2014 Estimate Compared to November 2013 Estimate, Total Funds

	Nov. 2013 Est. FY 2014-15	May 2014 Est. FY 2014-15	Difference Incr./(Decr.)
1. Base Expenditure Estimate	$ 122,960,000	$ 129,192,000	$ 6,232,000
2. Policy Changes	$ (719,000)	$ (538,000)	$ 181,000
Total	**$ 122,241,000**	**$ 128,654,000**	**$ 6,413,000**
Fiscal Intermediary	$ 92,000	$ 85,000	$ (7,000)
Total GHPP Program	**$ 122,333,000**	**$ 128,739,000**	**$ 6,406,000**

May 2014 Estimate Compared to November 2013 Estimate, General Fund

	Nov. 2013 Est. FY 2014-15	May 2014 Est. FY 2014-15	Difference Incr./(Decr.)
1. Base Expenditure Estimate	$ 122,960,000	$ 129,192,000	$ 6,232,000
2. Policy Changes	$ (59,442,700)	$ (56,803,800)	$ 2,638,900
Total for Services	**$ 63,517,300**	**$ 72,388,200**	**$ 8,870,900**
Fiscal Intermediary	$ 92,000	$ 85,000	$ (7,000)
Total GHPP Program	**$ 63,609,300**	**$ 72,473,200**	**$ 8,863,900**

May 2014 Estimate Compared to November 2013 Estimate, Federal Funds

	Nov. 2013 Est. FY 2014-15	May 2014 Est. FY 2014-15	Difference Incr./(Decr.)
1. Base Expenditure Estimate	-	-	-
2. Policy Changes	48,271,000	$ 47,827,000	$ (444,000)
Total for Services	48,271,000	**$ 47,827,000**	**$ (444,000)**
Fiscal Intermediary	-	-	-
Total GHPP Program	48,271,000	**$ 47,827,000**	**$ (444,000)**

GENETICALLY HANDICAPPED PERSONS PROGRAM

Funding Sources By Component
Current Year vs Budget Year

May 2014 Estimate, FY 2013-14 Compared to FY 2014-15, Total Funds

	May 2014 Est. FY 2013-14	May 2014 Est. FY 2014-15	Difference Incr./(Decr.)
1. Base Expenditure Estimate	$ 112,938,000	$ 129,192,000	$ 16,254,000
2. Policy Changes	$ (10,369,300)	$ (538,000)	$ 9,831,300
Total for Services	**$ 102,568,700**	**$ 128,654,000**	**$ 26,085,300**
Fiscal Intermediary	$ 65,000	$ 85,000	$ 20,000
Total GHPP Program	**$ 102,633,700**	**$ 128,739,000**	**$ 26,105,300**

May 2014 Estimate, FY 2013-14 Compared to FY 2014-15, General Fund

	May 2014 Est. FY 2013-14	May 2014 Est. FY 2014-15	Difference Incr./(Decr.)
1. Base Expenditure Estimate	$ 112,938,000	$ 129,192,000	$ 16,254,000
2. Policy Changes	$ (101,436,100)	$ (56,803,800)	$ 44,632,300
Total for Services	**$ 11,501,900**	**$ 72,388,200**	**$ 60,886,300**
Fiscal Intermediary	$ 65,000	$ 85,000	$ 20,000
Total GHPP Program	**$ 11,566,900**	**$ 72,473,200**	**$ 60,906,300**

May 2014 Estimate, FY 2013-14 Compared to FY 2014-15, Federal Funds

	May 2014 Est. FY 2013-14	May 2014 Est. FY 2014-15	Difference Incr./(Decr.)
1. Base Expenditure Estimate	-	-	-
2. Policy Changes	$ 59,537,000	$ 47,827,000	$ (11,710,000)
Total for Services	**$ 59,537,000**	**$ 47,827,000**	**$ (11,710,000)**
Fiscal Intermediary	-	-	-
Total GHPP Program	**$ 59,537,000**	**$ 47,827,000**	**$ (11,710,000)**

GENETICALLY HANDICAPPED PERSONS PROGRAM

Base Expenditures for Specified Diseases

Fiscal Year	Diagnosis	Average GHPP Only Caseload 1/	Average Annual Cost/Case	Total Program Expenditures 1/
2012-13 Actuals	**Hemophilia**	359	$ 247,300	$ 88,791,000
	Cystic Fibrosis	317	21,800	6,916,000
	Sickle Cell	124	13,800	1,715,000
	Huntington's	66	5,900	390,000
	Metabolic 2/	40	4,400	177,000
		906	$ 108,200	$ 97,989,000
2013-14 Estimate /3	**Hemophilia**	391	$ 274,900	$ 107,483,000
	Cystic Fibrosis	349	12,100	4,223,000
	Sickle Cell	132	7,500	989,000
	Huntington's	74	1,400	106,000
	Metabolic 2/	49	2,800	137,000
		995	$ 113,500	$ 112,938,000
2014-15 Estimate	**Hemophilia**	402	$ 305,500	$ 122,821,000
	Cystic Fibrosis	357	14,000	5,012,000
	Sickle Cell	134	8,800	1,176,000
	Huntington's	76	900	71,000
	Metabolic 2/	55	2,000	112,000
		1,024	$ 126,200	$ 129,192,000

1/ Actual expenditure data is complete through February 2014.
Actual caseload data is complete through February 2014.

2/ Metabolic conditions category includes Von Hippel Lindau syndrome.

3/ Starting in FY 2013-14, a methodology change was made, shifting approved claims without a recognized diagnosis code to Hemophilia only rather than allocated to all diagnoses.

GENETICALLY HANDICAPPED PERSONS PROGRAM

Base Estimate Comparisons for Fiscal Years 2013-14 and 2014-15

FY 2013-14, May 2014 Estimate Compared to November 2013 Estimate

	Nov. 2013 Est. FY 2013-14	May 2014 Est. FY 2013-14	Difference Incr./(Decr.)
Hemophilia	$ 102,875,000	$ 107,483,000	$ 4,608,000
Cystic Fibrosis	7,042,000	4,223,000	(2,819,000)
Sickle Cell	1,464,000	989,000	(475,000)
Huntington's	293,000	106,000	(187,000)
Metabolic	311,000	137,000	(174,000)
TOTAL	**$ 111,985,000**	**$ 112,938,000**	**$ 953,000**

May 2014 Estimate, FY 2013-14 Compared to FY 2014-15

	May 14 Est. FY 2013-14	May 2014 Est. FY 2014-15	Difference Incr./(Decr.)
Hemophilia	$ 107,483,000	$ 122,821,000	$ 15,338,000
Cystic Fibrosis	4,223,000	5,012,000	789,000
Sickle Cell	989,000	1,176,000	187,000
Huntington's	106,000	71,000	(35,000)
Metabolic	137,000	112,000	(25,000)
TOTAL	**$ 112,938,000**	**$ 129,192,000**	**$ 16,254,000**

FY 2014-15, May 2014 Estimate Compared to November 2013 Estimate

	Nov. 2013 Est. FY 2014-15	May 2014 Est. FY 2014-15	Difference Incr./(Decr.)
Hemophilia	$ 112,253,000	$ 122,821,000	$ 10,568,000
Cystic Fibrosis	8,285,000	5,012,000	(3,273,000)
Sickle Cell	1,755,000	1,176,000	(579,000)
Huntington's	304,000	71,000	(233,000)
Metabolic	363,000	112,000	(251,000)
TOTAL	**$ 122,960,000**	**$ 129,192,000**	**$ 6,232,000**

GENETICALLY HANDICAPPED PERSONS PROGRAM

Current and Budget Year Base Estimates Compared to Appropriation

FY 2013-14, May 2014 Estimate Compared to Appropriation

	Appropriation FY 2013-14	May 2014 Est. FY 2013-14	Difference Incr./(Decr.)
Hemophilia	$ 100,633,000	$ 107,483,000	$ 6,850,000
Cystic Fibrosis	9,113,000	4,223,000	(4,890,000)
Sickle Cell	2,218,000	989,000	(1,229,000)
Huntington's	307,000	106,000	(201,000)
Metabolic	293,000	137,000	(156,000)
TOTAL	$ 112,564,000	$ 112,938,000	$ 374,000

May 2014 Estimate for FY 2014-15 Compared to FY 2013-14 Appropriation

	Appropriation FY 2013-14	May 2014 Est. FY 2014-15	Difference Incr./(Decr.)
Hemophilia	$ 100,633,000	$ 122,821,000	$ 22,188,000
Cystic Fibrosis	9,113,000	5,012,000	(4,101,000)
Sickle Cell	2,218,000	1,176,000	(1,042,000)
Huntington's	307,000	71,000	(236,000)
Metabolic	293,000	112,000	(181,000)
TOTAL	$ 112,564,000	$ 129,192,000	$ 16,628,000

GENETICALLY HANDICAPPED PERSONS PROGRAM
Average Monthly Caseload Estimate

Fiscal Year 2013-14

	Total Caseload	Medi-Cal Caseload	GHPP Only Caseload
Hemophilia	576	185	391
Cystic Fibrosis	520	171	349
Sickle Cell	360	228	132
Huntington's	157	83	74
Metabolic	120	71	49
Total	**1,733**	**738**	**995**

Fiscal Year 2014-15

	Total Caseload	Medi-Cal Caseload	GHPP Only Caseload
Hemophilia	601	199	402
Cystic Fibrosis	539	182	357
Sickle Cell	376	242	134
Huntington's	161	85	76
Metabolic	132	77	55
Total	**1,809**	**785**	**1,024**

GENETICALLY HANDICAPPED PERSONS PROGRAM

Average Monthly State-Only Caseload Comparison

FY 2013-14, May 2014 Estimate Compared to November 2013 Estimate

	Nov. 2013 Est. FY 2013-14	May 2014 Est. FY 2013-14	Difference Incr./(Decr.)
Hemophilia	389	391	2
Cystic Fibrosis	332	349	17
Sickle Cell	130	132	2
Huntington's	69	74	5
Metabolic	47	49	2
Total	**967**	**995**	**28**

Fiscal Year 2013-14 Compared to Fiscal Year 2014-15

	May 2014 Est. FY 2013-14	May 2014 Est. FY 2014-15	Difference Incr./(Decr.)
Hemophilia	391	402	11
Cystic Fibrosis	349	357	8
Sickle Cell	132	134	2
Huntington's	74	76	2
Metabolic	49	55	6
Total	**995**	**1,024**	**29**

GENETICALLY HANDICAPPED PERSONS PROGRAM
Average Monthly Medi-Cal Caseload Comparison

FY 2013-14, May 2014 Estimate Compared to November 2013 Estimate

	Nov. 2013 Est. FY 2013-14	May 2014 Est. FY 2013-14	Difference Incr./(Decr.)
Hemophilia	174	185	11
Cystic Fibrosis	174	171	(3)
Sickle Cell	228	228	0
Huntington's	82	83	1
Metabolic	65	71	6
Total	**723**	**738**	**15**

Fiscal Year 2013-14 Compared to Fiscal Year 2014-15

	May 2014 Est. FY 2013-14	May 2014 Est. FY 2014-15	Difference Incr./(Decr.)
Hemophilia	185	199	14
Cystic Fibrosis	171	182	11
Sickle Cell	228	242	14
Huntington's	83	85	2
Metabolic	71	77	6
Total	**738**	**785**	**47**

GENETICALLY HANDICAPPED PERSONS PROGRAM
Comparison of Assumed Fiscal Impacts of Policy Changes

Fiscal Year 2013-14, Comparison of May 2014 and November 2013 Estimates

POLICY CHG. TYPE	NO.	DESCRIPTION		NOVEMBER 2013 ESTIMATE TOTAL FUNDS	NOVEMBER 2013 ESTIMATE STATE FUNDS	MAY 2014 ESTIMATE TOTAL FUNDS	MAY 2014 ESTIMATE STATE FUNDS	DIFFERENCE, Incr./(Decr.) TOTAL FUNDS	DIFFERENCE, Incr./(Decr.) STATE FUNDS
Other	1	ENROLLMENT FEES		$0	$0	$0	$0	$0	$0
FI	2	FISCAL INTERMEDIARY EXPENDITURES - GHPP		$73,000	$73,000	$65,000	$65,000	-$8,000	-$8,000
Benefits	3	BLOOD FACTOR DRUG REBATES AND CONTRACT SAVINGS		$0	$0	$0	$0	$0	$0
Other	4	MH/UCD & BTR - SAFETY NET CARE POOL	1	$0	$0	$0	$0	$0	$0
Other	5	GHPP PREMIUM COSTS		$76,000	$76,000	$88,000	$88,000	$12,000	$12,000
Benefits	6	GHPP PREMIUM SAVINGS		-$98,000	-$98,000	-$4,400	-$4,400	$93,600	$93,600
Benefits	8	DRG - INPATIENT HOSPITAL PAYMENT METHODLOGY		-$119,400	-$119,400	-$32,900	-$32,900	$86,500	$86,500
Benefits	9	UNITED STATES OF AMERICA V. BIO-MED PLUS, INC.		-$10,420,000	-$10,420,000	-$10,420,000	-$10,420,000	$0	$0
		GHPP TOTAL		-$10,488,400	-$10,488,400	-$10,304,300	-$10,304,300	$184,100	$184,100

Fiscal Year 2014-15, Comparison of May 2014 and November 2013 Estimates

POLICY CHG. TYPE	NO.	DESCRIPTION		NOVEMBER 2013 ESTIMATE TOTAL FUNDS	NOVEMBER 2013 ESTIMATE STATE FUNDS	MAY 2014 ESTIMATE TOTAL FUNDS	MAY 2014 ESTIMATE STATE FUNDS	DIFFERENCE, Incr./(Decr.) TOTAL FUNDS	DIFFERENCE, Incr./(Decr.) STATE FUNDS
Other	1	ENROLLMENT FEES		$0	$0	$0	$0	$0	$0
FI	2	FISCAL INTERMEDIARY EXPENDITURES - GHPP		$92,000	$92,000	$85,000	$85,000	-$7,000	-$7,000
Benefits	3	BLOOD FACTOR DRUG REBATES AND CONTRACT SAVINGS		$0	$0	$0	$0	$0	$0
Other	4	MH/UCD & BTR - SAFETY NET CARE POOL	1	$0	$0	$0	$0	$0	$0
Other	5	GHPP PREMIUM COSTS		$112,000	$112,000	$89,000	$89,000	-$23,000	-$23,000
Benefits	6	GHPP PREMIUM SAVINGS		-$500,200	-$500,200	-$425,500	-$425,500	$74,700	$74,700
Benefits	8	DRG - INPATIENT HOSPITAL PAYMENT METHODLOGY		-$330,800	-$330,800	-$201,500	-$201,500	$129,300	$129,300
		GHPP TOTAL		-$627,000	-$627,000	-$453,000	-$453,000	$174,000	$174,000

[1] Funds are referenced separately in the GHPP Funding Summary pages.

ENROLLMENT FEES

POLICY CHANGE NUMBER: 1
IMPLEMENTATION DATE: 7/1993
ANALYST: Stephanie Hockman

		FY 2013-14	FY 2014-15
FULL YEAR COST	- TOTAL FUNDS	$0	$0
	- GENERAL FUND	-$438,800	-$438,800
	- ENROLLMENT FEES FUND	$438,800	$438,800
PAYMENT LAG		1.0000	1.0000
% REFLECTED IN BASE		0.00%	0.00%
APPLIED TO BASE	- TOTAL FUNDS	$0	$0
	- GENERAL FUND	-$438,800	-$438,800
	- ENROLLMENT FEES FUND	$438,800	$438,800

Purpose:
The policy change estimates the Genetically Handicapped Persons Program (GHPP) enrollment fees.

Authority:
Health & Safety Code 125166

Interdependent Policy Changes:
Not Applicable

Background:
Families that receive GHPP services may be assessed enrollment fees. As part of automating GHPP case management with the Children's Medical Services Net, collection of enrollment fees occurs on each client's enrollment anniversary date.

GHPP enrollment fees are currently assessed based on a sliding scale. Effective December 1, 2009, the Department increased GHPP enrollment fees to 1.5% of Adjusted Gross Income (AGI) for families with incomes between 200% and 299% of the Federal Poverty Level (FPL), and 3% of AGI for families with incomes 300% or greater than the FPL.

Reason for Change from Prior Estimate:
Updated enrollment fee data became available.

Methodology:

1. Based on actual enrollment fees of $455,867 collected in FY 2012-13, and $311,951 collected in the first nine months of FY 2013-14, base fee collections are estimated to be approximately $438,800 for FY 2013-14 and FY 2014-15.

   FY 2013-14: $(455,867 + 311,951) ÷ 21 x 12 = $438,753 ($438,800 GF)
   FY 2014-15: $(455,867 + 311,951) ÷ 21 x 12 = $438,753 ($438,800 GF)

Funding:
100% GF (4260-111-0001)

FISCAL INTERMEDIARY EXPENDITURES - GHPP

POLICY CHANGE NUMBER: 2
IMPLEMENTATION DATE: 7/2003
ANALYST: Raman Pabla

		FY 2013-14	FY 2014-15
FULL YEAR COST	- TOTAL FUNDS	$65,000	$85,000
	- GENERAL FUND	$65,000	$85,000
PAYMENT LAG		1.0000	1.0000
% REFLECTED IN BASE		0.00%	0.00%
APPLIED TO BASE	- TOTAL FUNDS	$65,000	$85,000
	- GENERAL FUND	$65,000	$85,000

Purpose:
This policy change estimates the expenditures paid to the fiscal intermediary (FI) for the administrative cost of adjudicating Genetically Handicapped Persons Program (GHPP) medical and dental claims.

Authority:
Health & Safety Code 125130

Interdependent Policy Changes:
Not Applicable

Backgound:
GHPP medical and dental claims are paid by the FI. Administrative costs are reimbursed based on cost per adjudicated claim line (ACL) and Treatment Authorization Requests (TARs).

Reason for Change from Prior Estimate:
Updated data became available for claim months.

Methodology:

1. The estimated medical FI administrative costs are:

FY 2013-14	Estimated ACLs		Ave Cost per ACLs		Estimated ACL Expenditure
General ACLs	58,607	$	0.75	$	44,000
Online ACLs	45,240	$	0.44	$	20,000
Total FY 2013-14				$	64,000

FY 2014-15	Estimated ACLs		Ave Cost per ACLs		Estimated ACL Expenditure
General ACLs	60,315	$	0.88	$	53,000
Online ACLs	46,558	$	0.67	$	31,000
Total FY 2014-15				$	84,000

2. The estimated dental FI administrative costs are:

FY 2013-14	Estimated Claims		Rates		Estimated Expenditure
ACLs	229	$	1.41	$	323
TARs	54	$	8.24	$	445
Total FY 2013-14				$	768
FY 2014-15					
ACLs	325	$	1.44	$	468
TARs	54	$	8.42	$	455
Total FY 2014-15				$	859

	FY 2013-14		FY 2014-15	
Medical	$	64,000	$	84,000
Dental	$	1,000	$	1,000
Total	**$**	**65,000**	**$**	**85,000**

Funding:

100% GF (4260-111-0001)

BLOOD FACTOR DRUG REBATES AND CONTRACT SAVINGS

POLICY CHANGE NUMBER: 3
IMPLEMENTATION DATE: 7/2003
ANALYST: Raman Pabla

		FY 2013-14	FY 2014-15
FULL YEAR COST	- TOTAL FUNDS	$0	$0
	- GENERAL FUND	-$31,091,000	-$8,000,000
	- REBATE SPECIAL FUND	$31,091,000	$8,000,000
PAYMENT LAG		1.0000	1.0000
% REFLECTED IN BASE		0.00%	0.00%
APPLIED TO BASE	- TOTAL FUNDS	$0	$0
	- GENERAL FUND	-$31,091,000	-$8,000,000
	- REBATE SPECIAL FUND	$31,091,000	$8,000,000

Purpose:
This policy change estimates the savings for Genetically Handicapped Persons Program (GHPP) drug rebates.

Authority:
SB 1100 (Chapter 560, Statutes of 2005)
Medi-Cal Hospital/Uninsured Care Section 1115(a) Medicaid Demonstration (MH/UCD)
California Bridge to Reform Section 1115(a) Medicaid Demonstration (BTR)

Interdependent Policy Changes:
Not Applicable

Background:
Effective September 1, 2005, the Department began claiming Title XIX federal reimbursement for GHPP State-Only service expenditures as certified public expenditures through the Safety Net Care Pool. Because of this federal funding, the program no longer qualifies as a State Pharmaceutical Assistance Program and is ineligible to collect rebates under its independent rebate contracts. However, it enabled GHPP to participate in the Medi-Cal factor rebates.

Reason for Change from Prior Estimate:
The change is due to a decrease in GHPP receipts and a reimbursement for California Children's Services county share.

Methodology:

1. The estimate is based on rebates received in FY 2013-14.

2. The Department anticipates to collect $31,091,000 in FY 2013-14 and $8,000,000 in FY 2014-15 for GHPP rebates.

Funding:

Rebates Special Fund (4260-601-3079)

MH/UCD & BTR - SAFETY NET CARE POOL

POLICY CHANGE NUMBER: 4
IMPLEMENTATION DATE: 9/2005
ANALYST: Cang Ly

		FY 2013-14	FY 2014-15
FULL YEAR COST	- TOTAL FUNDS	$0	$0
	- GENERAL FUND	$0	$0
PAYMENT LAG		1.0000	1.0000
% REFLECTED IN BASE		0.00%	0.00%
APPLIED TO BASE	- TOTAL FUNDS	$0	$0
	- GENERAL FUND	$0	$0

Purpose:
This policy change reflects the federal reimbursement received by the Department for a portion of the Genetically Handicapped Persons Program (GHPP) claims based on the certification of public expenditures (CPEs).

Authority:
SB 1100 (Chapter 560, Statutes of 2005), Welfare & Institutions Code 14166.22
Medi-Cal Hospital/Uninsured Care Section 1115(a) Medicaid Demonstration (MH/UCD)
California Bridge to Reform Section 1115(a) Medicaid Demonstration (BTR)

Interdependent Policy Changes:
Not Applicable

Background:
Effective September 1, 2005, based on the Special Terms and Conditions of MH/UCD, the Department may claim federal reimbursement for the GHPP from the Safety Net Care Pool (SNCP) funding established by the MH/UCD. The GHPP program provides comprehensive health care coverage for persons over 21 with specified genetic diseases including: cystic fibrosis; hemophilia; sickle cell disease and thalassemia; and chronic degenerative neurological diseases, including phenylketonuria.

The MH/UCD was extended for two months until October 31, 2010. Effective November 1, 2010, CMS approved a new five-year demonstration, the BTR. The Special Terms and Conditions of the new demonstration allow the State to claim federal financial participation (FFP) using the CPEs of approved Designated State Health Programs (DSHP). The GHPP program are included in the list of DSHP. Funding for the two-month extension of the prior MH/UCD SNCP is included in the BTR. This policy change includes the impact of the BTR.

Reason for Change from Prior Estimate:
The change is due to updated program expenditures.

Methodology:

1. Total eligible expenditures have been reduced by 17.79% under the MH/UCD and 13.95% under the BTR to adjust for services provided to undocumented persons. The FFP received for GHPP will be deposited in the Health Care Support Fund, Item 4260-601-7503. These funds are transferred to the Family Health Estimate. The GF savings is reflected in the Family Health Estimate. The GF savings created will be used to support safety net hospitals under the MH/UCD and BTR.

2. Under the American Recovery and Reinvestment Act of 2009 (ARRA), California's Financial Medical Assistance Percentage (FMAP) increased from 50% to 61.59% for October 1, 2008 through December 31, 2010. The Education, Jobs and Medicaid Assistance Act of 2010 added six additional months of increased FMAP. California's FMAP was 58.77% for January 1, 2011 through March 31, 2011, and 56.88% for April 1, 2011 through June 30, 2011. Because of the increased FMAP, the annual SNCP federal funds allotment increased for expenditures incurred from October 1, 2008 to August 31, 2010, resulting in additional $423.769 million federal funds available in the SNCP. The Department claimed these funds using certified public expenditures. This policy change budgets those federal funds that are claimed using CPEs from the GHPP program.

3. The Department will conduct the final reconciliations for Demonstration Year (DY) 2010-11 in FY 2013-14 and estimates that the Department will claim an additional $15.099 million in federal funds in FY 2013-14.

4. The final reconciliation for DY 2011-12 is anticipated to be completed in FY 2014-15. The Department estimates to claim an additional $3.389 million in federal funds in FY 2014-15.

(Dollars in Thousands)

FY 2013-14	CCS	**GHPP**	Total
DSHP-BTR (DY 2013-14)	$ 77,038	$ 44,438	$ 121,476
DY 2010-11 Final Reconciliation	$ (2,010)	$ 15,099	$ 13,089
FY 2013-14	$ 75,028	**$ 59,537**	$ 134,565
FY 2014-15			
DSHP-BTR (DY 2014-15)	$ 77,038	$ 44,438	$ 121,476
DY 2011-12 Final Reconciliation	$ (7,707)	$ 3,389	$ (4,318)
FY 2014-15	$ 69,331	**$ 47,827**	$ 117,158

Funding:
100% Health Care Support Fund (4260-601-7503)
100% GF (4260-111-0001)

GHPP PREMIUM COSTS

POLICY CHANGE NUMBER: 5
IMPLEMENTATION DATE: 12/2009
ANALYST: Stephanie Hockman

		FY 2013-14	FY 2014-15
FULL YEAR COST	- TOTAL FUNDS	$88,000	$89,000
	- GENERAL FUND	$88,000	$89,000
PAYMENT LAG		1.0000	1.0000
% REFLECTED IN BASE		0.00%	0.00%
APPLIED TO BASE	- TOTAL FUNDS	$88,000	$89,000
	- GENERAL FUND	$88,000	$89,000

Purpose:
This policy change estimates the cost of the premium payments for the Genetically Handicapped Persons Program (GHPP) clients who enroll in a commercial insurance plan.

Authority:
Health & Safety Code 125157(c)

Interdependent Policy Changes:
GHPP Premium Savings

Background:
Effective December 1, 2009, GHPP implemented a health insurance premium reimbursement program for GHPP clients, who are eligible to enroll in or are enrolled in commercial insurance product lines. The program funds premium payments for insurance coverage that reimburses a GHPP client's full range of health care services. Program savings for GHPP clients who enroll in a commercial insurance plan is budgeted in the GHPP Premium Savings policy change.

The Department may, when it determines that it is cost effective, pay the premium for, or otherwise subsidize the subscriber cost-sharing obligation for third-party health coverage.

Reason for Change from Prior Estimate:
The current number of beneficiaries enrolled in Fiscal Year 2013-14 is eight, nine less than the prior estimate. Also, average monthly costs have increased: Hemophilia is up $170; Sickle Cell is up $74; and Cystic Fibrosis is up $493. These increases are due to the small number of beneficiaries in the Health Insurance Premium Reimbursement program.

Methodology:

1. Assume the premium costs are $600 per Hemophilia enrollee, $400 per Sickle Cell Disease enrollee and $700 per Cystic Fibrosis enrollee per month based on prior enrollment records.

2. Eight clients are enrolled as of the 3rd quarter of FY 2013-14, including one new client, a Sickle Cell patient.

3. No clients enrolled in the first quarter of FY 2013-14. Assume one additional client with Cystic Fibrosis will enroll in the last two quarters of FY 2013-14, bringing the 2013-14 program total to nine (9) clients.

4. Assume three clients will enroll in FY 2014-15, one client with Hemophilia and two clients with Cystic Fibrosis.

	TF	GF
FY 2013-14	**$ 88,000**	**$ 88,000**
FY 2014-15	**$ 89,000**	**$ 89,000**

Funding:
100% GF (4260-111-0001)

GHPP PREMIUM SAVINGS

POLICY CHANGE NUMBER: 6
IMPLEMENTATION DATE: 12/2009
ANALYST: Stephanie Hockman

		FY 2013-14	FY 2014-15
FULL YEAR COST	- TOTAL FUNDS	-$782,000	-$1,126,000
	- GENERAL FUND	-$782,000	-$1,126,000
PAYMENT LAG		0.9991	0.9829
% REFLECTED IN BASE		99.44%	61.55%
APPLIED TO BASE	- TOTAL FUNDS	-$4,400	-$425,500
	- GENERAL FUND	-$4,400	-$425,500

Purpose:
This policy change estimates the program savings for the Genetically Handicapped Persons Program (GHPP) clients covered by a commercial insurance plan.

Authority:
Health & Safety Code 125157(c)

Interdependent Policy Changes:
GHPP Premium Costs

Background:
Effective December 1, 2009, GHPP implemented a health insurance premium reimbursement program for GHPP clients, who are eligible to enroll in or are enrolled in commercial insurance product lines. The program funds premium payments for insurance coverage that reimburses a GHPP client's full range of health care services.

Reason for Change from Prior Estimate:
The estimated number of beneficiaries enrolled in Fiscal Year 2013-14 is nine clients, eight current and one anticipated, eight less than the prior estimate.

Methodology:

1. Fifteen clients were enrolled in FY 2012-13. Eight clients remain in the program after the third quarter of FY 2013-14.

2. No clients enrolled in the first quarter of FY 2013-14. Assume one additional client with Cystic Fibrosis will enroll in the last two quarters of FY 2013-14.

3. Assume three clients will enroll in FY 2013-14, one client with Hemophilia, and two clients with Cystic Fibrosis.

4. Assume the savings per client enrolled is equal to the Annual Cost per Case in the November 2013 Family Health Estimate:

	FY 2013-14	FY 2014-15
Hemophilia	**$ 274,900**	**$ 305,500**
Cystic Fibrosis	**$ 12,100**	**$ 14,000**
Sickle Cell	**$ 7,500**	**$ 8,800**

5. Projected Savings (Rounded):

	FY 2013-14	FY 2014-15
Total Funds	**$ 782,000**	**$ 1,126,000**
General Funds	**$ 782,000**	**$ 1,126,000**

Funding:
100% GF (4260-111-0001)

DRG - INPATIENT HOSPITAL PAYMENT METHODLOGY

POLICY CHANGE NUMBER: 8
IMPLEMENTATION DATE: 7/2013
ANALYST: Cang Ly

		FY 2013-14	FY 2014-15
FULL YEAR COST	- TOTAL FUNDS	-$179,000	-$357,000
	- GENERAL FUND	-$179,000	-$357,000
PAYMENT LAG		0.7595	0.8732
% REFLECTED IN BASE		75.78%	35.37%
APPLIED TO BASE	- TOTAL FUNDS	-$32,900	-$201,500
	- GENERAL FUND	-$32,900	-$201,500

Purpose:
This policy change estimates savings that will occur in the Genetically Handicapped Person's Program (GHPP) by implementing the Diagnosis Related Group (DRG) payment methodology for private and Non-Designated Public Hospital (NDPH) hospital inpatient services and freezing rates at the July 1, 2013 level.

Authority:
SB 853 (Chapter 717, Statutes of 2010), Welfare & Institutions (W&I) Code, section 14105.28

Interdependent Policy Changes:
Not Applicable

Background:
SB 853 mandated the design and implementation of a new payment methodology for hospital inpatient services provided to Medi-Cal beneficiaries based upon DRGs. The DRG payment methodology replaces the previous payment methods.

Previously, private hospitals and NDPHs received reimbursement for Medi-Cal fee-for-service (FFS) acute inpatient services according to the negotiated per-diem rates under the Selective Provider Contracting Program (SPCP). Contract hospitals bill for some services carved-out of the per-diem charges separately. For non-contract hospitals, Medi-Cal reimburses FFS inpatient services with cost-based interim per-diem rates.

Under the previous payment system, these hospitals billed Medi-Cal the daily inpatient service charges on a per day usage. Providers received payment for the actual number of days a beneficiary remained in their care, and not on a diagnosis or treatment strategy basis.

On July 1, 2013, the Department transitioned private hospitals to a DRG payment system which correlates reimbursement to the Medi-Cal beneficiary's assigned DRG. DRG reimbursement is designed to treat all patients assigned to a specific DRG as having a similar clinical condition requiring similar interventions.

NDPHs continued to receive payments under the current methodology through December 31, 2013. These hospitals transitioned to a DRG payment system on January 1, 2014.

Pursuant to section 14105.18 of the W&I Code, payments to hospitals in the GHPP program are to be identical to the rates paid to Medi-Cal providers.

Reason for Change from Prior Estimate:
The change is due to updated payment data.

Methodology:

1. The DRG payment methodology was implemented beginning July 1, 2013 for private hospitals.

2. The DRG payment methodology was implemented beginning January 1, 2014 for NDPHs.

3. Assume GHPP annual savings are as follows:

Annual	TF	GF
FY 2013-14	**($179,000)**	**($179,000)**

Annual	TF	GF
FY 2014-15	**($357,000)**	**($357,000)**

Funding:
100% General Fund (4260-111-0001)

UNITED STATES OF AMERICA V. BIO-MED PLUS, INC.

POLICY CHANGE NUMBER: 9
IMPLEMENTATION DATE: 8/2013
ANALYST: Raman Pabla

		FY 2013-14	FY 2014-15
FULL YEAR COST	- TOTAL FUNDS	-$10,420,000	$0
	- GENERAL FUND	-$10,420,000	$0
PAYMENT LAG		1.0000	0.0000
% REFLECTED IN BASE		0.00%	0.00%
APPLIED TO BASE	- TOTAL FUNDS	-$10,420,000	$0
	- GENERAL FUND	-$10,420,000	$0

Purpose:
This policy change estimates the settlement amount expected to be received by the Department from Bio-Med Plus, Inc. related to provider fraud against the Genetically Handicapped Person Program (GHPP).

Authority:
Not Applicable

Interdependent Policy Changes:
Not Applicable

Background:
The Department will receive restitution as the result of a federal criminal conviction in an inter-state conspiracy to defraud health insurers including GHPP and Medi-Cal.

The 11th Circuit Court of Appeals affirmed the convictions of all defendants on June 29, 2011. In September 2011, the 11th Circuit denied the defendants request for an en banc review. The defendants have filed a petition for a writ of certiorari with the U.S. Supreme Court.

On January 30, 2013, the Court entered a final order of forfeiture and an order terminating the receivership. On August 8, 2013, the Department collected $10,420,000 in restitution.

Reason for Change from Prior Estimate:
There is no change.

Methodology:
Not Applicable

Funding:
100% General Fund (4260-111-0001)

GHPP Trend Report
(Includes Actuals & Projected Base Values)

Total

Quarter	Total Caseload	Medi-Cal Caseload	GHPP Only Caseload	Total GHPP Only Payments
1	1,601	774	827	$ 20,831,485
2	1,495	685	810	22,919,037
3	1,528	691	837	20,413,182
4	1,549	710	839	21,752,552
2011-12	**1,543**	**715**	**828**	**$ 85,916,000**
1	1,578	723	855	$ 25,921,301
2	1,621	717	904	23,131,414
3	1,625	706	919	25,807,167
4	1,644	700	944	23,128,148
2012-13	**1,617**	**711**	**906**	**$ 97,989,000**
1	1,673	709	964	$ 24,986,498
2	1,728	727	1,001	24,872,626
3	1,761	754	1,007	32,157,922
4	1,774	762	1,012	30,921,423
2013-14	**1,733**	**738**	**995**	**$ 112,938,000**
1	1,787	771	1,016	$ 31,471,940
2	1,802	780	1,022	32,022,455
3	1,817	790	1,027	32,572,971
4	1,831	798	1,033	33,123,489
2014-15	**1,809**	**785**	**1,024**	**$ 129,192,000**

Note: 1) Expenditures reflect Total Cash Payments, Not accrued expenses.
2) FY 2013-14 reflects actuals and projected base estimate values.
3) FY 2014-15 reflects projected base estimate values.

GHPP Trend Report
(Includes Actuals & Projected Base Values)

Hemophilia

Quarter	Total Caseload	Medi-Cal Caseload	GHPP Only Caseload	Total GHPP Only Payments
1	498	163	335	$ 17,743,614
2	480	159	321	19,747,628
3	491	159	332	17,543,139
4	496	164	332	19,214,858
2011-12	**491**	**161**	**330**	**$ 74,249,000**
1	506	165	341	$ 23,256,880
2	525	164	361	21,037,187
3	528	167	361	23,549,035
4	541	168	373	20,948,048
2012-13	**525**	**166**	**359**	**$ 88,791,000**
1	557	173	384	$ 23,643,740
2	573	178	395	23,554,809
3	584	193	391	30,792,683
4	591	195	396	29,491,845
2013-14	**576**	**185**	**391**	**$ 107,483,000**
1	595	197	398	$ 29,977,188
2	599	198	401	30,462,531
3	603	200	403	30,947,874
4	607	201	406	31,433,217
2014-15	**601**	**199**	**402**	**$ 122,821,000**

Note: 1) Expenditures reflect Total Cash Payments, Not accrued expenses.
2) FY 2013-14 reflects actuals and projected base estimate values.
3) FY 2014-15 reflects projected base estimate values.

GHPP Trend Report
(Includes Actuals & Projected Base Values)

Cystic Fibrosis

Quarter	Total Caseload	Medi-Cal Caseload	GHPP Only Caseload	Total GHPP Only Payments
1	477	182	295	$ 2,497,032
2	474	183	291	2,578,745
3	478	182	296	2,220,199
4	483	182	301	1,963,878
2011-12	**478**	**182**	**296**	**$ 9,260,000**
1	485	183	302	$ 2,029,112
2	490	177	313	1,620,111
3	495	171	324	1,703,232
4	496	166	330	1,563,081
2012-13	**491**	**174**	**317**	**$ 6,916,000**
1	502	168	334	$ 961,430
2	518	166	352	1,016,564
3	530	175	355	1,115,064
4	532	176	356	1,129,709
2013-14	**520**	**171**	**349**	**$ 4,223,000**
1	534	178	356	$ 1,179,054
2	538	181	357	1,228,398
3	541	184	357	1,277,742
4	544	186	358	1,327,087
2014-15	**539**	**182**	**357**	**$ 5,012,000**

Note: 1) Expenditures reflect Total Cash Payments, Not accrued expenses.
2) FY 2013-14 reflects actuals and projected base estimate values.
3) FY 2014-15 reflects projected base estimate values.

GHPP Trend Report
(Includes Actuals & Projected Base Values)

Sickle Cell

Quarter	Total Caseload	Medi-Cal Caseload	GHPP Only Caseload	Total GHPP Only Payments
1	356	251	105	$ 514,400
2	305	202	103	504,572
3	315	205	110	530,761
4	323	212	111	483,669
2011-12	**325**	**218**	**107**	**$ 2,033,000**
1	337	223	114	$ 482,220
2	350	226	124	356,652
3	349	222	127	461,815
4	350	222	128	413,908
2012-13	**347**	**223**	**124**	**$ 1,715,000**
1	353	222	131	$ 230,526
2	362	230	132	271,501
3	361	227	134	222,106
4	365	233	132	264,728
2013-14	**360**	**228**	**132**	**$ 989,000**
1	370	237	133	$ 276,403
2	374	240	134	288,078
3	379	244	135	299,754
4	383	247	136	311,429
2014-15	**376**	**242**	**134**	**$ 1,176,000**

Note: 1) Expenditures reflect Total Cash Payments, Not accrued expenses.
2) FY 2013-14 reflects actuals and projected base estimate values.
3) FY 2014-15 reflects projected base estimate values.

GHPP Trend Report
(Includes Actuals & Projected Base Values)

Huntington

Quarter	Total Caseload	Medi-Cal Caseload	GHPP Only Caseload	Total GHPP Only Payments
1	156	101	55	$ 16,713
2	141	80	61	15,490
3	145	84	61	23,750
4	146	88	58	16,142
2011-12	**147**	**88**	**59**	**$ 72,000**
1	149	88	61	$ 137,875
2	153	86	67	70,826
3	150	83	67	82,348
4	150	82	68	98,701
2012-13	**151**	**85**	**66**	**$ 390,000**
1	151	81	70	$ 63,870
2	155	83	72	13,306
3	162	85	77	14,086
4	160	84	76	15,173
2013-14	**157**	**83**	**74**	**$ 106,000**
1	160	84	76	$ 16,159
2	161	85	76	17,144
3	161	85	76	18,129
4	162	86	76	19,114
2014-15	**161**	**85**	**76**	**$ 71,000**

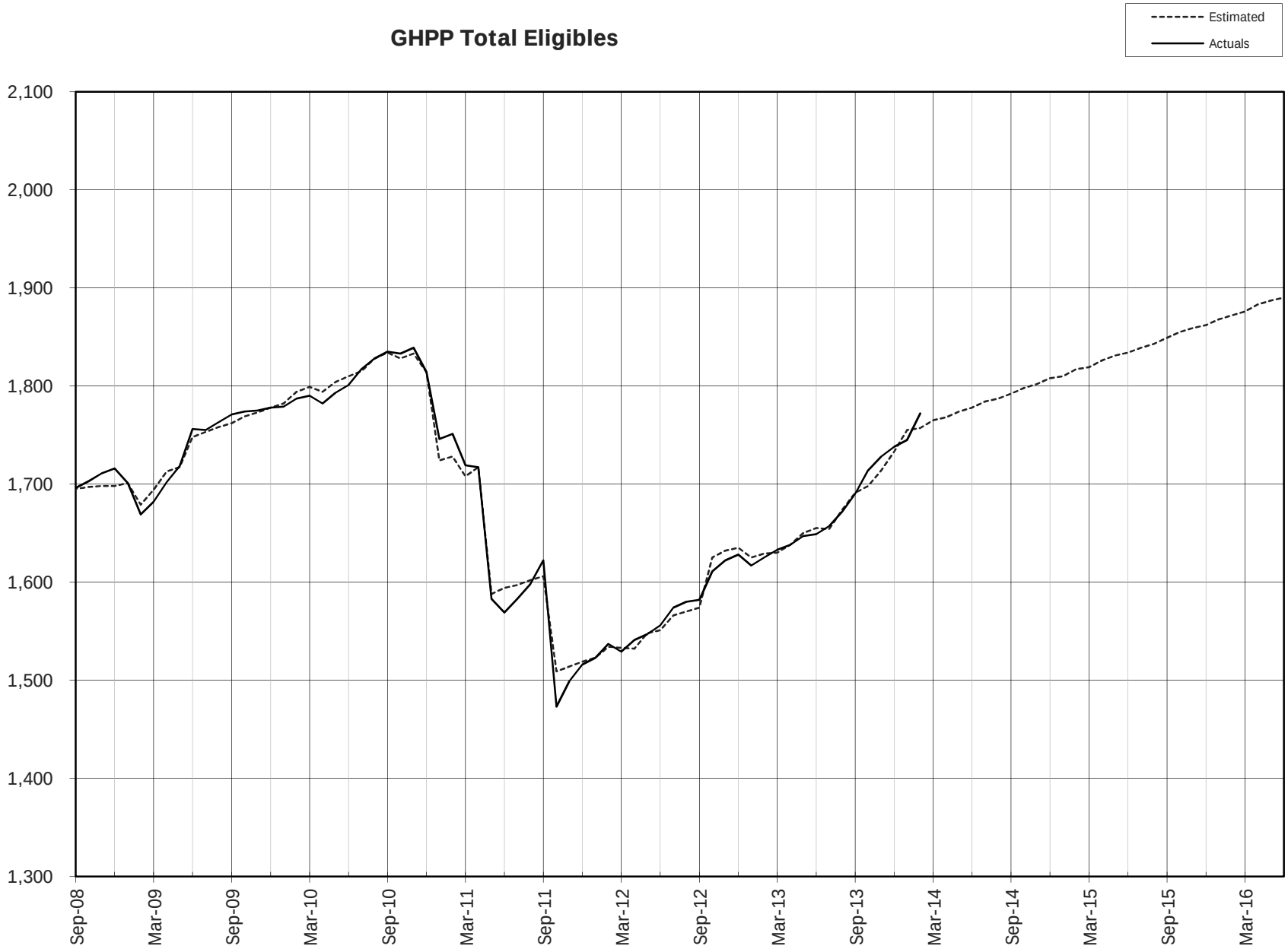
Note: 1) Expenditures reflect Total Cash Payments, Not accrued expenses.
2) FY 2013-14 reflects actuals and projected base estimate values.
3) FY 2014-15 reflects projected base estimate values.

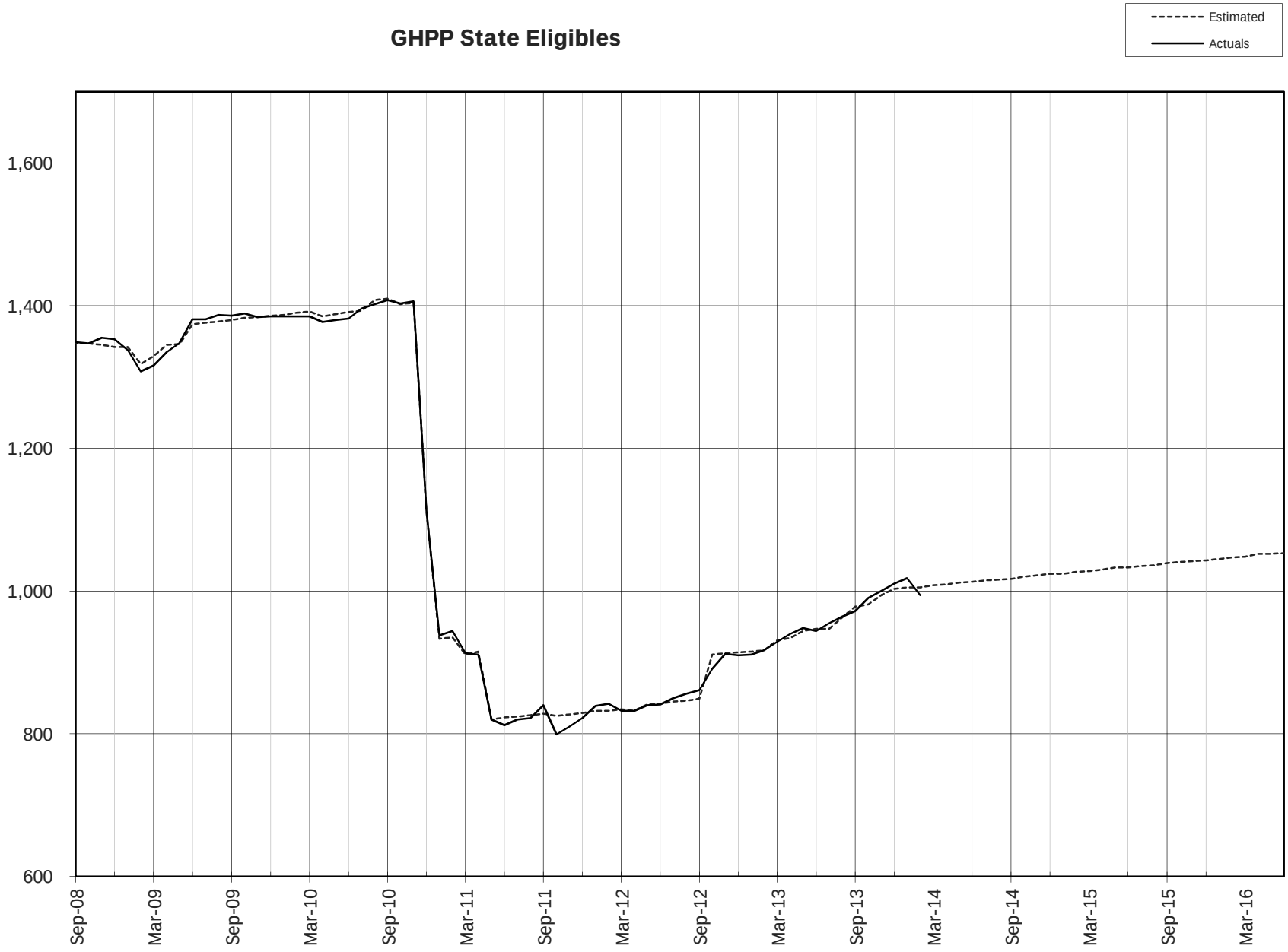
GHPP Trend Report
(Includes Actuals & Projected Base Values)

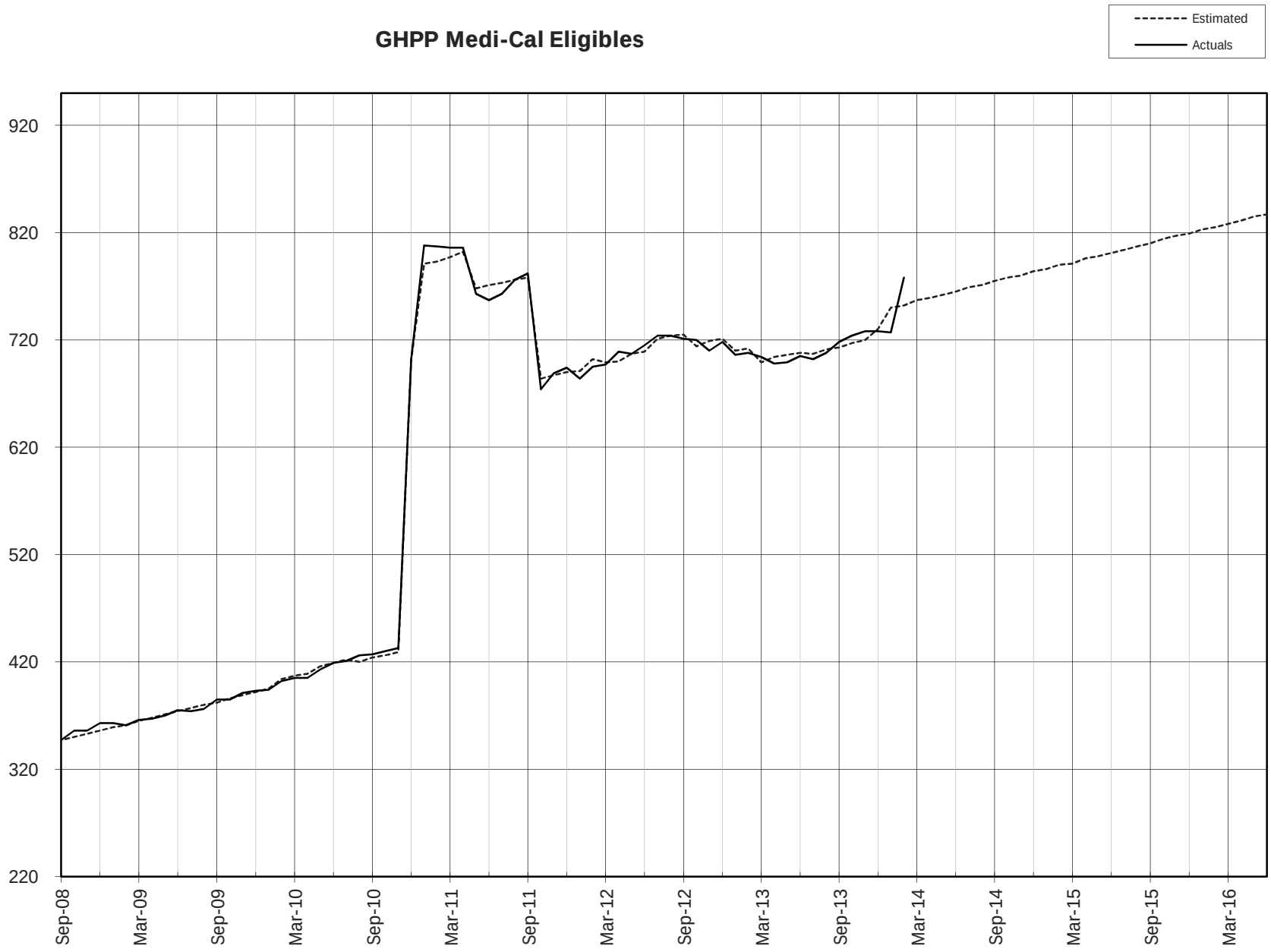
Metabolic

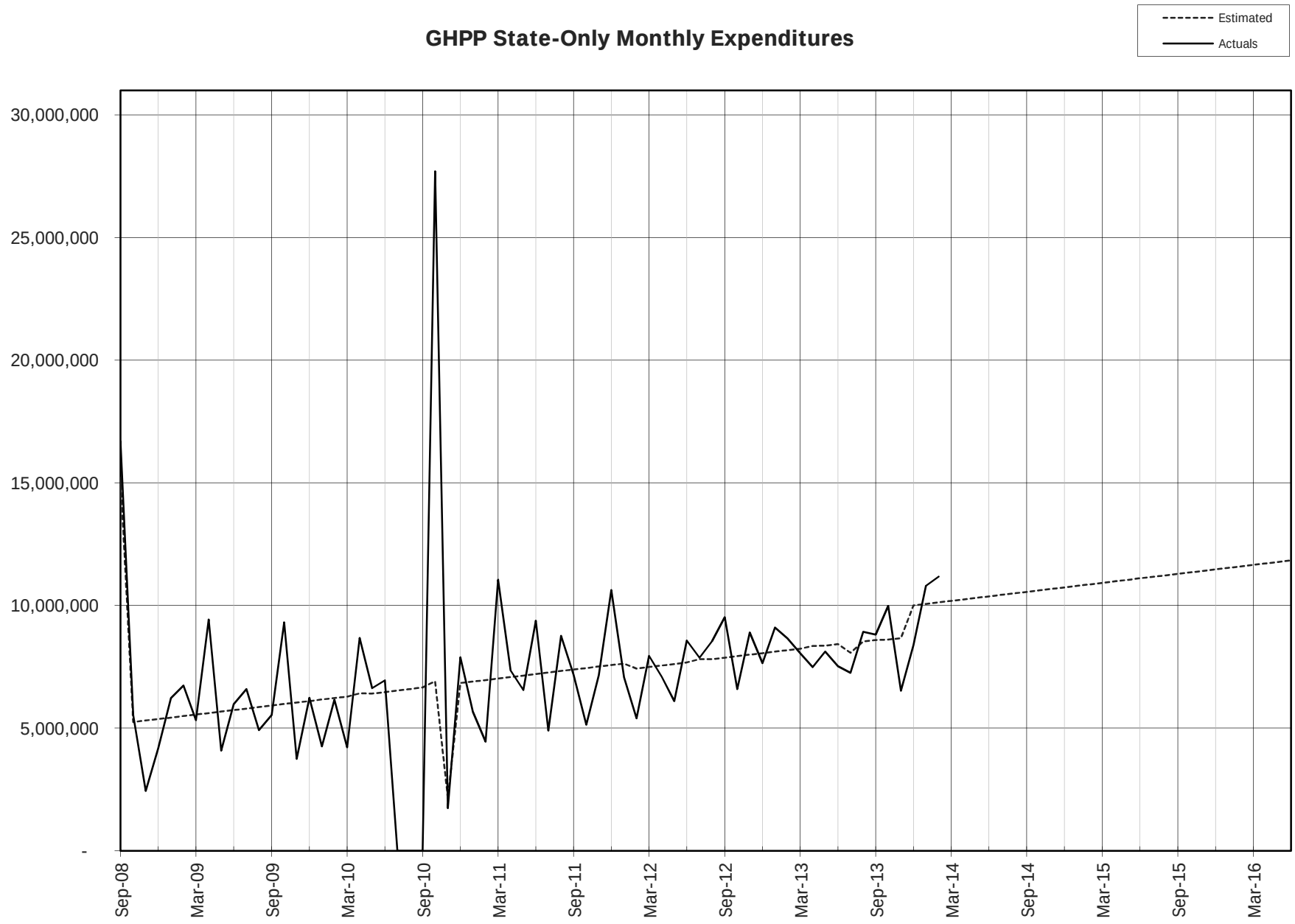
Quarter	Total Caseload	Medi-Cal Caseload	GHPP Only Caseload	Total GHPP Only Payments
1	114	77	37	$ 59,726
2	95	61	34	72,602
3	99	61	38	95,333
4	101	64	37	74,005
2011-12	**102**	**66**	**36**	**$ 302,000**
1	101	64	37	$ 15,214
2	103	64	39	46,638
3	103	63	40	10,737
4	107	62	45	104,410
2012-13	**103**	**63**	**40**	**$ 177,000**
1	110	65	45	$ 86,932
2	120	70	50	16,446
3	124	74	50	13,983
4	126	74	52	19,968
2013-14	**120**	**71**	**49**	**$ 137,000**
1	128	75	53	$ 23,136
2	130	76	54	26,304
3	133	77	56	29,472
4	135	78	57	32,642
2014-15	**132**	**77**	**55**	**$ 112,000**

Note: 1) Expenditures reflect Total Cash Payments, Not accrued expenses.
2) FY 2013-14 reflects actuals and projected base estimate values.
3) FY 2014-15 reflects projected base estimate values.


GHPP Total Eligibles
Estimated
Actuals
2,100
2,000
1,900
1,800
1,700
1,600
1,500
1,400
1,300
Sep-08
Mar-09
Sep-09
Mar-10
Sep-10
Mar-11
Sep-11
Mar-12
Sep-12
Mar-13
Sep-13
Mar-14
Sep-14
Mar-15
Sep-15
Mar-16


GHPP State Eligibles
Estimated
Actuals
1,600
1,400
1,200
1,000
800
600
Sep-08
Mar-09
Sep-09
Mar-10
Sep-10
Mar-11
Sep-11
Mar-12
Sep-12
Mar-13
Sep-13
Mar-14
Sep-14
Mar-15
Sep-15
Mar-16


GHPP Medi-Cal Eligibles
Estimated
Actuals
920
820
720
620
520
420
320
220
Sep-08
Mar-09
Sep-09
Mar-10
Sep-10
Mar-11
Sep-11
Mar-12
Sep-12
Mar-13
Sep-13
Mar-14
Sep-14
Mar-15
Sep-15
Mar-16


GHPP State-Only Monthly Expenditures
Estimated
Actuals
30,000,000
25,000,000
20,000,000
15,000,000
10,000,000
5,000,000
-
Sep-08
Mar-09
Sep-09
Mar-10
Sep-10
Mar-11
Sep-11
Mar-12
Sep-12
Mar-13
Sep-13
Mar-14
Sep-14
Mar-15
Sep-15
Mar-16