

**GENETICALLY HANDICAPPED PERSONS PROGRAM  
Funding Summary**

<b>FY 2014-15, November 2014 Estimate Compared to May 2014 Estimate</b>
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	<u>Appropriation FY 2014-15</u>	<u>Nov. 2014 Est. FY 2014-15</u>	<u>Difference Incr./.(Decr.)</u>
<b>State-Only Caseload:</b>	1,024	946	(78)
<b>Net Dollars:</b>			
4260-111-0001 (General Fund)	\$72,473,200	\$67,152,300	(\$5,320,900)
4260-601-7503 (Federal Title XIX HCSF)	\$47,827,000	\$53,289,000	\$5,462,000
4260-601-0995 (Enrollment Fees)	\$438,800	\$473,700	\$34,900
4260-601-3079 (Rebate Special Fund)	\$8,000,000	\$10,000,000	\$2,000,000
<b>Total</b>	<b><u>\$128,739,000</u></b>	<b><u>\$130,915,000</u></b>	<b><u>\$2,176,000</u></b>

<b>November 2014 Estimate, FY 2014-15 Compared to FY 2015-16</b>
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	<u>Nov. 2014 Est. FY 2014-15</u>	<u>Nov. 2014 Est. FY 2015-16</u>	<u>Difference Incr./.(Decr.)</u>
<b>State-Only Caseload:</b>	946	967	21
<b>Net Dollars:</b>			
4260-111-0001 (General Fund)	\$67,152,300	\$118,297,200	\$51,144,900
4260-601-7503 (Federal Title XIX HCSF)	\$53,289,000	\$7,566,000	(\$45,723,000)
4260-601-0995 (Enrollment Fees)	\$473,700	\$473,700	\$0
4260-601-3079 (Rebates Special Fund)	\$10,000,000	\$10,000,000	\$0
<b>Total</b>	<b><u>\$130,915,000</u></b>	<b><u>\$136,336,900</u></b>	<b><u>\$5,421,900</u></b>

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

**November 2014 Estimate Compared to May 2014 Estimate, Total Funds**

	<u>Appropriation FY 2014-15</u>	<u>Nov. 2014 Est. FY 2014-15</u>	<u>Difference Incr./Decr.</u>
1. Base Expenditure Estimate	\$ 129,192,000	\$ 131,043,000	\$ 1,851,000
2. Policy Changes	\$ (538,000)	\$ (195,000)	\$ 343,000
<b>Total for Services</b>	<b>\$ 128,654,000</b>	<b>\$ 130,848,000</b>	<b>\$ 2,194,000</b>
Fiscal Intermediary	\$ 85,000	\$ 67,000	\$ (18,000)
<b>Total GHPP Program</b>	<b>\$ 128,739,000</b>	<b>\$ 130,915,000</b>	<b>\$ 2,176,000</b>

**November 2014 Estimate Compared to May 2014 Estimate, General Fund**

	<u>Appropriation FY 2014-15</u>	<u>Nov. 2014 Est. FY 2014-15</u>	<u>Difference Incr./Decr.</u>
1. Base Expenditure Estimate	\$ 129,192,000	\$ 131,043,000	\$ 1,851,000
2. Policy Changes	\$ (56,803,800)	\$ (63,957,700)	\$ (7,153,900)
<b>Total for Services</b>	<b>\$ 72,388,200</b>	<b>\$ 67,085,300</b>	<b>\$ (5,302,900)</b>
Fiscal Intermediary	\$ 85,000	\$ 67,000	\$ (18,000)
<b>Total GHPP Program</b>	<b>\$ 72,473,200</b>	<b>\$ 67,152,300</b>	<b>\$ (5,320,900)</b>

**November 2014 Estimate Compared to May 2014 Estimate, Federal Funds**

	<u>Appropriation FY 2014-15</u>	<u>Nov. 2014 Est. FY 2014-15</u>	<u>Difference Incr./Decr.</u>
1. Base Expenditure Estimate	-	-	-
2. Policy Changes	\$ 47,827,000	\$ 53,289,000	\$ 5,462,000
<b>Total for Services</b>	<b>\$ 47,827,000</b>	<b>\$ 53,289,000</b>	<b>\$ 5,462,000</b>
Fiscal Intermediary	-	-	-
<b>Total GHPP Program</b>	<b>\$ 47,827,000</b>	<b>\$ 53,289,000</b>	<b>\$ 5,462,000</b>

**GENETICALLY HANDICAPPED PERSONS PROGRAM**  
**Funding Sources By Component**  
**Current Year vs Budget Year**

**November 2014 Estimate, FY 2014-15 Compared to FY 2015-16, Total Funds**

	Nov. 2014 Est. <u>FY 2014-15</u>	Nov. 2014 Est. <u>FY 2015-16</u>	Difference <u>Incr./Decr.</u>
1. Base Expenditure Estimate	\$ 131,043,000	\$ 136,625,000	\$ 5,582,000
2. Policy Changes	\$ (195,000)	\$ (368,100)	\$ (173,100)
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<b>Total for Services</b>	<b>\$ 130,848,000</b>	<b>\$ 136,256,900</b>	<b>\$ 5,408,900</b>
Fiscal Intermediary	\$ 67,000	\$ 80,000	\$ 13,000
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<b>Total GHPP Program</b>	<b>\$ 130,915,000</b>	<b>\$ 136,336,900</b>	<b>\$ 5,421,900</b>

**November 2014 Estimate, FY 2014-15 Compared to FY 2015-16, General Fund**

	Nov. 2014 Est. <u>FY 2014-15</u>	Nov. 2014 Est. <u>FY 2015-16</u>	Difference <u>Incr./Decr.</u>
1. Base Expenditure Estimate	\$ 131,043,000	\$ 136,625,000	\$ 5,582,000
2. Policy Changes	\$ (63,957,700)	\$ (18,407,800)	\$ 45,549,900
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<b>Total for Services</b>	<b>\$ 67,085,300</b>	<b>\$ 118,217,200</b>	<b>\$ 51,131,900</b>
Fiscal Intermediary	\$ 67,000	\$ 80,000	\$ 13,000
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<b>Total GHPP Program</b>	<b>\$ 67,152,300</b>	<b>\$ 118,297,200</b>	<b>\$ 51,144,900</b>

**November 2014 Estimate, FY 2014-15 Compared to FY 2015-16, Federal Funds**

	Nov. 2014 Est. <u>FY 2014-15</u>	Nov. 2014 Est. <u>FY 2015-16</u>	Difference <u>Incr./Decr.</u>
1. Base Expenditure Estimate	-	-	-
2. Policy Changes	\$ 53,289,000	\$ 7,566,000	\$ (45,723,000)
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<b>Total for Services</b>	<b>\$ 53,289,000</b>	<b>\$ 7,566,000</b>	<b>\$ (45,723,000)</b>
Fiscal Intermediary	-	-	-
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<b>Total GHPP Program</b>	<b>\$ 53,289,000</b>	<b>\$ 7,566,000</b>	<b>\$ (45,723,000)</b>

**GENETICALLY HANDICAPPED PERSONS PROGRAM**  
**Base Expenditures for Specified Diseases**

<u>Fiscal Year</u>	<u>Diagnosis</u>	<u>Average GHPP Only Caseload 1/</u>	<u>Average Annual Cost/Case</u>	<u>Total Program Expenditures 1/</u>
<b>2013-14</b> <b>Actuals</b>	<b>Hemophilia</b>	386	\$ 267,800	\$ 103,372,000
	<b>Cystic Fibrosis</b>	344	13,600	4,687,000
	<b>Sickle Cell</b>	129	8,000	1,028,000
	<b>Huntington's</b>	72	1,900	137,000
	<b>Metabolic 2/</b>	48	3,700	176,000
		-----		
		979	\$ 111,700	\$ 109,400,000
<b>2014-15</b> <b>Estimate /3</b>	<b>Hemophilia</b>	374	\$ 332,700	\$ 124,445,000
	<b>Cystic Fibrosis</b>	337	14,700	4,949,000
	<b>Sickle Cell</b>	116	12,000	1,396,000
	<b>Huntington's</b>	67	1,500	102,000
	<b>Metabolic 2/</b>	52	2,900	151,000
		-----		
		946	\$ 138,500	\$ 131,043,000
<b>2015-16</b> <b>Estimate</b>	<b>Hemophilia</b>	384	\$ 337,400	\$ 129,543,000
	<b>Cystic Fibrosis</b>	340	15,500	5,264,000
	<b>Sickle Cell</b>	120	12,600	1,515,000
	<b>Huntington's</b>	67	1,600	105,000
	<b>Metabolic 2/</b>	56	3,500	198,000
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		967	\$ 141,300	\$ 136,625,000

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1/ Actual expenditure data is complete through July 2014.  
 Actual caseload data is complete through July 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 2014-15 and 2015-16****FY 2014-15, November 2014 Estimate Compared to Appropriation**

	<b>Appropriation FY 2014-15</b>	<b>Nov. 2014 Est. FY 2014-15</b>	<b>Difference Incr./(Decr.)</b>
<b>Hemophilia</b>	\$ 122,821,000	\$ 124,445,000	\$ 1,624,000
<b>Cystic Fibrosis</b>	5,012,000	4,949,000	(63,000)
<b>Sickle Cell</b>	1,176,000	1,396,000	220,000
<b>Huntington's</b>	71,000	102,000	31,000
<b>Metabolic</b>	112,000	151,000	39,000
<b>TOTAL</b>	<b>\$ 129,192,000</b>	<b>\$ 131,043,000</b>	<b>\$ 1,851,000</b>

**November 2014 Estimate, FY 2014-15 Compared to FY 2015-16**

	<b>Nov. 14 Est. FY 2014-15</b>	<b>Nov. 2014 Est. FY 2015-16</b>	<b>Difference Incr./(Decr.)</b>
<b>Hemophilia</b>	\$ 124,445,000	\$ 129,543,000	\$ 5,098,000
<b>Cystic Fibrosis</b>	4,949,000	5,264,000	315,000
<b>Sickle Cell</b>	1,396,000	1,515,000	119,000
<b>Huntington's</b>	102,000	105,000	3,000
<b>Metabolic</b>	151,000	198,000	47,000
<b>TOTAL</b>	<b>\$ 131,043,000</b>	<b>\$ 136,625,000</b>	<b>\$ 5,582,000</b>

**GENETICALLY HANDICAPPED PERSONS PROGRAM**  
Average Monthly Caseload Estimate

<b>Fiscal Year 2014-15</b>
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	<u>Total Caseload</u>	<u>Medi-Cal Caseload</u>	<u>GHPP Only Caseload</u>
Hemophilia	607	233	374
Cystic Fibrosis	548	211	337
Sickle Cell	362	246	116
Huntington's	163	96	67
Metabolic	<u>132</u>	<u>80</u>	<u>52</u>
<b>Total</b>	<b>1,812</b>	<b>866</b>	<b>946</b>

<b>Fiscal Year 2015-16</b>
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	<u>Total Caseload</u>	<u>Medi-Cal Caseload</u>	<u>GHPP Only Caseload</u>
Hemophilia	625	241	384
Cystic Fibrosis	560	220	340
Sickle Cell	381	261	120
Huntington's	165	98	67
Metabolic	<u>141</u>	<u>85</u>	<u>56</u>
<b>Total</b>	<b>1,872</b>	<b>905</b>	<b>967</b>

**GENETICALLY HANDICAPPED PERSONS PROGRAM**  
Average Monthly State-Only Caseload Comparison

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

	<b>Appropriation FY 2014-15</b>	<b>Nov. 2014 Est. FY 2014-15</b>	<b>Difference Incr./(Decr.)</b>
Hemophilia	402	374	(28)
Cystic Fibrosis	357	337	(20)
Sickle Cell	134	116	(18)
Huntington's	76	67	(9)
Metabolic	55	52	(3)
<b>Total</b>	<b>1,024</b>	<b>946</b>	<b>(78)</b>

**Fiscal Year 2014-15 Compared to Fiscal Year 2015-16**

	<b>Nov. 2014 Est. FY 2014-15</b>	<b>Nov. 2014 Est. FY 2015-16</b>	<b>Difference Incr./(Decr.)</b>
Hemophilia	374	384	10
Cystic Fibrosis	337	340	3
Sickle Cell	116	120	4
Huntington's	67	67	0
Metabolic	52	56	4
<b>Total</b>	<b>946</b>	<b>967</b>	<b>21</b>

**GENETICALLY HANDICAPPED PERSONS PROGRAM**  
Average Monthly Medi-Cal Caseload Comparison

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

	<b>Appropriation FY 2014-15</b>	<b>Nov. 2014 Est. FY 2014-15</b>	<b>Difference Incr./(Decr.)</b>
Hemophilia	199	233	34
Cystic Fibrosis	182	211	29
Sickle Cell	242	246	4
Huntington's	85	96	11
Metabolic	<u>77</u>	<u>80</u>	<u>3</u>
<b>Total</b>	<b>785</b>	<b>866</b>	<b>81</b>

**Fiscal Year 2014-15 Compared to Fiscal Year 2015-16**

	<b>Nov. 2014 Est. FY 2014-15</b>	<b>Nov. 2014 Est. FY 2015-16</b>	<b>Difference Incr./(Decr.)</b>
Hemophilia	233	241	8
Cystic Fibrosis	211	220	9
Sickle Cell	246	261	15
Huntington's	96	98	2
Metabolic	<u>80</u>	<u>85</u>	<u>5</u>
<b>Total</b>	<b>866</b>	<b>905</b>	<b>39</b>

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

**Fiscal Year 2014-15, November 2014 Estimate Compared to Appropriation**

<b>POLICY CHG.</b>		<b>FY 2014-15 APPROPRIATION</b>		<b>NOVEMBER 2014 ESTIMATE</b>		<b>DIFFERENCE, Inc./(Decr.)</b>	
<b>TYPE</b>	<b>NO. DESCRIPTION</b>	<b>TOTAL FUNDS</b>	<b>STATE FUNDS</b>	<b>TOTAL FUNDS</b>	<b>STATE FUNDS</b>	<b>TOTAL FUNDS</b>	<b>STATE FUNDS</b>
Other	1 ENROLLMENT FEES	\$0	\$0	\$0	\$0	\$0	\$0
FI	2 FISCAL INTERMEDIARY EXPENDITURES - GHPP	\$85,000	\$85,000	\$67,000	\$67,000	-\$18,000	-\$18,000
Benefits	3 BLOOD FACTOR DRUG REBATES AND CONTRACT SAVINGS	\$0	\$0	\$0	\$0	\$0	\$0
Other	4 MH/UCD & BTR - SAFETY NET CARE POOL	\$0	\$0	\$0	\$0	\$0	\$0
Other	5 GHPP PREMIUM COSTS	\$89,000	\$89,000	\$91,000	\$91,000	\$2,000	\$2,000
Benefits	6 GHPP PREMIUM SAVINGS	-\$425,500	-\$425,500	-\$203,200	-\$203,200	\$222,300	\$222,300
Benefits	7 DRG - INPATIENT HOSPITAL PAYMENT METHODOLOGY	-\$201,500	-\$201,500	-\$82,800	-\$82,800	\$118,700	\$118,700
	<b>GHPP TOTAL</b>	<b>-\$453,000</b>	<b>-\$453,000</b>	<b>-\$128,000</b>	<b>-\$128,000</b>	<b>\$325,000</b>	<b>\$325,000</b>

**Fiscal Year 2014-15 Compared to Fiscal Year 2015-16**

<b>POLICY CHG.</b>		<b>Nov. 2014 Est. for FY 2014-15</b>		<b>Nov. 2014 Est. for FY 2015-16</b>		<b>DIFFERENCE, Inc./(Decr.)</b>	
<b>TYPE</b>	<b>NO. DESCRIPTION</b>	<b>TOTAL FUNDS</b>	<b>STATE FUNDS</b>	<b>TOTAL FUNDS</b>	<b>STATE FUNDS</b>	<b>TOTAL FUNDS</b>	<b>STATE FUNDS</b>
Other	1 ENROLLMENT FEES	\$0	\$0	\$0	\$0	\$0	\$0
FI	2 FISCAL INTERMEDIARY EXPENDITURES - GHPP	\$67,000	\$67,000	\$80,000	\$80,000	\$13,000	\$13,000
Benefits	3 BLOOD FACTOR DRUG REBATES AND CONTRACT SAVINGS	\$0	-\$10,000,000	\$0	\$0	\$0	\$10,000,000
Other	4 MH/UCD & BTR - SAFETY NET CARE POOL	\$0	\$0	\$0	\$0	\$0	\$0
Other	5 GHPP PREMIUM COSTS	\$91,000	\$91,000	\$101,000	\$101,000	\$10,000	\$10,000
Benefits	6 GHPP PREMIUM SAVINGS	-\$203,200	-\$203,200	-\$350,600	-\$350,600	-\$147,400	-\$147,400
Benefits	7 DRG - INPATIENT HOSPITAL PAYMENT METHODOLOGY	-\$82,800	-\$82,800	-\$118,500	-\$118,500	-\$35,700	-\$35,700
	<b>GHPP TOTAL</b>	<b>-\$128,000</b>	<b>-\$10,128,000</b>	<b>-\$288,100</b>	<b>-\$288,100</b>	<b>-\$160,100</b>	<b>\$9,839,900</b>

<sup>1</sup> Funds are referenced separately in the GHPP Funding Summary pages.

**ENROLLMENT FEES**

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

		<u>FY 2014-15</u>	<u>FY 2015-16</u>
<b>FULL YEAR COST</b>	<b>- TOTAL FUNDS</b>	\$0	\$0
	<b>- GENERAL FUND</b>	-\$473,700	-\$473,700
	<b>- ENROLLMENT FEES FUND</b>	\$473,700	\$473,700
<b>PAYMENT LAG</b>		1.0000	1.0000
<b>% REFLECTED IN BASE</b>		0.00%	0.00%
<b>APPLIED TO BASE</b>	<b>- TOTAL FUNDS</b>	\$0	\$0
	<b>- GENERAL FUND</b>	-\$473,700	-\$473,700
	<b>- ENROLLMENT FEES FUND</b>	\$473,700	\$473,700

**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:**

The estimated average monthly enrollment fees for FY 2014-15 increased.

**Methodology:**

1. Based on actual enrollment fees of \$459,524 collected in Fiscal Year (FY) 2013-14, and \$93,160 collected in the first two months of FY 2014-15, base fee collections are estimated to be approximately \$473,700 for FY 2014-15 and FY 2015-16.

**FY 2014-15:  $$(459,524 + 93,160) \div 14 \times 12 = \$473,729$  (\$473,700 GF)**

**FY 2015-16:  $$(459,524 + 93,160) \div 14 \times 12 = \$473,729$  (\$473,700 GF)**

**Funding:**

100% GF (4260-111-0001)

**FISCAL INTERMEDIARY EXPENDITURES - GHPP**

**POLICY CHANGE NUMBER:** 2  
**IMPLEMENTATION DATE:** 7/2003  
**ANALYST:** Jason Moody

		<u>FY 2014-15</u>	<u>FY 2015-16</u>
<b>FULL YEAR COST</b>	- TOTAL FUNDS	\$67,000	\$80,000
	- GENERAL FUND	\$67,000	\$80,000
<b>PAYMENT LAG</b>		1.0000	1.0000
<b>% REFLECTED IN BASE</b>		0.00%	0.00%
<b>APPLIED TO BASE</b>	- TOTAL FUNDS	\$67,000	\$80,000
	- GENERAL FUND	\$67,000	\$80,000

**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

**Background:**

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:

<u>FY 2014-15</u>	<u>Estimated ACLs</u>	<u>Ave Cost per ACLs</u>	<u>Estimated ACL Expenditure</u>
General ACLs	52,342	\$ 0.79	\$ 41,000
Online ACLs	44,307	\$ 0.58	\$ 26,000
<b>Total FY 2014-15</b>			<b>\$ 67,000</b>

<u>FY 2015-16</u>	<u>Estimated ACLs</u>	<u>Ave Cost per ACLs</u>	<u>Estimated ACL Expenditure</u>
General ACLs	53,503	\$ 0.93	\$ 50,000
Online ACLs	45,291	\$ 0.67	\$ 30,000
<b>Total FY 2015-16</b>			<b>\$ 80,000</b>

2. The estimated dental FI administrative costs are:

<u>FY 2014-15</u>	<u>Estimated Claims</u>	<u>Rates</u>	<u>Estimated Expenditure</u>
ACLs	60	\$ 1.75	\$ 105
TARs	1	\$ 10.27	\$ 10
<b>Total FY 2014-15</b>			<b>\$ 115</b>

<u>FY 2015-16</u>	<u>Estimated Claims</u>	<u>Rates</u>	<u>Estimated Expenditure</u>
ACLs	-	\$ 1.79	\$ -
TARs	1	\$ 10.46	\$ 10
<b>Total FY 2015-16</b>			<b>\$ 10</b>

	<u>FY 2014-15</u>	<u>FY 2015-16</u>
Medical	\$ 67,000	\$ 80,000
Dental	\$ -	\$ -
<b>Total</b>	<b>\$ 67,000</b>	<b>\$ 80,000</b>

**Funding:**

100% GF (4260-111-0001)

**BLOOD FACTOR DRUG REBATES AND CONTRACT SAVINGS**

**POLICY CHANGE NUMBER:** 3  
**IMPLEMENTATION DATE:** 7/2003  
**ANALYST:** Jason Moody

		<u>FY 2014-15</u>	<u>FY 2015-16</u>
<b>FULL YEAR COST</b>	- TOTAL FUNDS	\$0	\$0
	- GENERAL FUND	-\$10,000,000	-\$10,000,000
	- REBATE SPECIAL FUND	\$10,000,000	\$10,000,000
<b>PAYMENT LAG</b>		1.0000	1.0000
<b>% REFLECTED IN BASE</b>		0.00%	0.00%
<b>APPLIED TO BASE</b>	- TOTAL FUNDS	\$0	\$0
	- GENERAL FUND	-\$10,000,000	-\$10,000,000
	- REBATE SPECIAL FUND	\$10,000,000	\$10,000,000

**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 GHPP drug rebates average per quarter has increased.

**Methodology:**

1. The estimate is based on rebates received in FY 2013-14.
2. GHPP drug rebates average \$3.4 million each quarter.
3. Assume 75% of drug rebates will be collected in each fiscal year.
4. The Department anticipates to collect \$10,000,000 in FY 2014-15 and FY 2015-16 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

	<u>FY 2014-15</u>	<u>FY 2015-16</u>
<b>FULL YEAR COST - TOTAL FUNDS</b>	<b>\$0</b>	<b>\$0</b>
<b>- GENERAL FUND</b>	<b>\$0</b>	<b>\$0</b>
<b>PAYMENT LAG</b>	<b>1.0000</b>	<b>1.0000</b>
<b>% REFLECTED IN BASE</b>	<b>0.00%</b>	<b>0.00%</b>
<b>APPLIED TO BASE - TOTAL FUNDS</b>	<b>\$0</b>	<b>\$0</b>
<b>- GENERAL FUND</b>	<b>\$0</b>	<b>\$0</b>

**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 DY 2014-15 program expenditures. In addition, claiming for DY 2014-15 will now occur in FY 2014-15 and FY 2015-16.

**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.
2. 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.
3. The final reconciliation for DY 2012-13 is anticipated to be completed in FY 2015-16. The Department estimates that it will have to repay the federal government \$9.067 million in federal funds in FY 2015-16 for the DY 2012-13 final reconciliation. The GHPP federal reimbursements are reduced by the final reconciliation amounts in this policy change.
4. The BTR will end on October 31, 2015. The Department assumes the BTR DSHP funding will not continue in the subsequent waiver.

(Dollars in Thousands)

	<b>TF</b>	<b>GF</b>	<b>FF</b>
<b>FY 2014-15</b>			
DSHP-BTR (DY 2014-15)	\$0	\$ (49,900)	\$ 49,900
DY 2011-12 Final Reconciliation	\$0	\$ (3,389)	\$ 3,389
<b>Total</b>	<b>\$0</b>	<b>\$ (53,289)</b>	<b>\$ 53,289</b>
<b>FY 2015-16</b>			
DSHP-BTR (DY 2014-15)	\$0	\$ (16,633)	\$ 16,633
DY 2012-13 Final Reconciliation	\$0	\$ 9,067	\$ (9,067)
<b>Total</b>	<b>\$0</b>	<b>\$ (7,566)</b>	<b>\$ 7,566</b>

**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

		<u>FY 2014-15</u>	<u>FY 2015-16</u>
<b>FULL YEAR COST</b>	<b>- TOTAL FUNDS</b>	<b>\$91,000</b>	<b>\$101,000</b>
	<b>- GENERAL FUND</b>	<b>\$91,000</b>	<b>\$101,000</b>
<b>PAYMENT LAG</b>		<b>1.0000</b>	<b>1.0000</b>
<b>% REFLECTED IN BASE</b>		<b>0.00%</b>	<b>0.00%</b>
<b>APPLIED TO BASE</b>	<b>- TOTAL FUNDS</b>	<b>\$91,000</b>	<b>\$101,000</b>
	<b>- GENERAL FUND</b>	<b>\$91,000</b>	<b>\$101,000</b>

**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 plans. 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 (FY) 2014-15 is nine, one more than the prior estimate. The average monthly cost per member for Hemophilia increased from the prior estimate. The average monthly cost per member for Cystic Fibrosis and Sickle Cell decreased from the prior estimate. The average costs varied from last estimate because new clients enrolled and other clients left the program.

**Methodology:**

1. Assume the premium costs are \$900 per Hemophilia enrollee, \$300 per Sickle Cell Disease enrollee and \$800 per Cystic Fibrosis enrollee per month based on prior enrollment records.
2. Nine clients remain in the program after the first quarter of FY 2014-15.
3. Assume one client with Hemophilia will enroll in the last three quarters of FY 2014-15.
4. Assume one client with Cystic Fibrosis will enroll in FY 2015-16.

	<u>TF</u>	<u>GF</u>
FY 2014-15	\$ 91,000	\$ 91,000
FY 2015-16	\$ 101,000	\$ 101,000

**Funding:**

100% GF (4260-111-0001)

**GHPP PREMIUM SAVINGS**

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

		<u>FY 2014-15</u>	<u>FY 2015-16</u>
<b>FULL YEAR COST</b>	<b>- TOTAL FUNDS</b>	<b>-\$725,000</b>	<b>-\$810,000</b>
	<b>- GENERAL FUND</b>	<b>-\$725,000</b>	<b>-\$810,000</b>
<b>PAYMENT LAG</b>		<b>0.9742</b>	<b>0.9988</b>
<b>% REFLECTED IN BASE</b>		<b>71.24%</b>	<b>56.67%</b>
<b>APPLIED TO BASE</b>	<b>- TOTAL FUNDS</b>	<b>-\$203,200</b>	<b>-\$350,600</b>
	<b>- GENERAL FUND</b>	<b>-\$203,200</b>	<b>-\$350,600</b>

**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 plans. 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 2014-15 is ten clients, nine current and one anticipated, two less than the prior estimate. The average monthly cost per member for Hemophilia increased from the prior estimate. The average monthly cost per member for Cystic Fibrosis and Sickle Cell decreased from the prior estimate. The average savings varied from last estimate because new clients enrolled and other clients left the program.

**Methodology:**

1. Nine clients remain in the program after the first quarter of FY 2014-15.
2. Assume one client with Hemophilia will enroll in the last three quarters of FY 2014-15.

3. Assume one client with Cystic Fibrosis will enroll in FY 2015-16.
4. Assume the savings per client enrolled is equal to the Annual Cost per Case in the November 2014 Family Health Estimate:

	<u>FY 2014-15</u>	<u>FY 2015-16</u>
Hemophilia	\$ 332,700	\$ 337,400
Cystic Fibrosis	\$ 14,700	\$ 15,500
Sickle Cell	\$ 12,000	\$ 12,600

5. Projected Savings (Rounded):

	<u>FY 2014-15</u>	<u>FY 2015-16</u>
Total Funds	\$ 725,000	\$ 810,000
General Funds	\$ 725,000	\$ 810,000

**Funding:**

100% GF (4260-111-0001)

**DRG - INPATIENT HOSPITAL PAYMENT METHODOLOGY**

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

		<u>FY 2014-15</u>	<u>FY 2015-16</u>
<b>FULL YEAR COST</b>	<b>- TOTAL FUNDS</b>	<b>-\$290,000</b>	<b>-\$290,000</b>
	<b>- GENERAL FUND</b>	<b>-\$290,000</b>	<b>-\$290,000</b>
<b>PAYMENT LAG</b>		<b>0.8774</b>	<b>1.0000</b>
<b>% REFLECTED IN BASE</b>		<b>67.46%</b>	<b>59.13%</b>
<b>APPLIED TO BASE</b>	<b>- TOTAL FUNDS</b>	<b>-\$82,800</b>	<b>-\$118,500</b>
	<b>- GENERAL FUND</b>	<b>-\$82,800</b>	<b>-\$118,500</b>

**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	<u>TF</u>	<u>GF</u>
<b>FY 2014-15</b>	<b>(\$290,000)</b>	<b>(\$290,000)</b>
Annual	<u>TF</u>	<u>GF</u>
<b>FY 2015-16</b>	<b>(\$290,000)</b>	<b>(\$290,000)</b>

**Funding:**

100% General Fund (4260-111-0001)

**GHPP Trend Report**  
(Includes Actuals & Projected Base Values)

<b>Total</b>				
<u>Quarter</u>	<u>Total Caseload</u>	<u>Medi-Cal Caseload</u>	<u>GHPP Only Caseload</u>	<u>Total GHPP Only Payments</u>
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
<b>2012-13</b>	<b>1,617</b>	<b>711</b>	<b>906</b>	<b>\$ 97,989,000</b>
1	1,673	709	964	\$ 24,986,498
2	1,728	727	1,001	24,872,626
3	1,767	771	996	31,712,495
4	1,801	849	952	27,828,104
<b>2013-14</b>	<b>1,744</b>	<b>765</b>	<b>979</b>	<b>\$ 109,400,000</b>
1	1,786	851	935	\$ 34,296,779
2	1,806	861	945	31,703,381
3	1,821	871	950	32,248,491
4	1,835	880	955	32,793,605
<b>2014-15</b>	<b>1,812</b>	<b>866</b>	<b>946</b>	<b>\$ 131,043,000</b>
1	1,849	890	959	\$ 33,338,716
2	1,861	899	962	33,883,831
3	1,876	908	968	34,428,943
4	1,890	918	972	34,974,054
<b>2015-16</b>	<b>1,872</b>	<b>905</b>	<b>967</b>	<b>\$ 136,625,000</b>

Note: 1) Expenditures reflect Total Cash Payments, Not accrued expenses.  
 2) FY 2014-15 reflects actuals and projected base estimate values.  
 3) FY 2015-16 reflects projected base estimate values.

**GHPP Trend Report**  
(Includes Actuals & Projected Base Values)

<b>Hemophilia</b>
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<u>Quarter</u>	<u>Total Caseload</u>	<u>Medi-Cal Caseload</u>	<u>GHPP Only Caseload</u>	<u>Total GHPP Only Payments</u>
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
<b>2012-13</b>	<b>525</b>	<b>166</b>	<b>359</b>	<b>\$ 88,791,000</b>
1	557	173	384	\$ 23,643,740
2	573	178	395	23,554,809
3	587	200	387	30,233,412
4	603	225	378	25,939,651
<b>2013-14</b>	<b>580</b>	<b>194</b>	<b>386</b>	<b>\$ 103,372,000</b>
1	600	231	369	\$ 32,651,599
2	605	232	373	30,086,790
3	609	234	375	30,597,690
4	614	236	378	31,108,591
<b>2014-15</b>	<b>607</b>	<b>233</b>	<b>374</b>	<b>\$ 124,445,000</b>
1	618	238	380	\$ 31,619,491
2	622	240	382	32,130,392
3	626	241	385	32,641,293
4	630	243	387	33,152,193
<b>2015-16</b>	<b>625</b>	<b>241</b>	<b>384</b>	<b>\$ 129,543,000</b>

Note: 1) Expenditures reflect Total Cash Payments, Not accrued expenses.  
 2) FY 2014-15 reflects actuals and projected base estimate values.  
 3) FY 2015-16 reflects projected base estimate values.

**GHPP Trend Report**  
(Includes Actuals & Projected Base Values)

<b>Cystic Fibrosis</b>
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<u>Quarter</u>	<u>Total Caseload</u>	<u>Medi-Cal Caseload</u>	<u>GHPP Only Caseload</u>	<u>Total GHPP Only Payments</u>
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
<b>2012-13</b>	<b>491</b>	<b>174</b>	<b>317</b>	<b>\$ 6,916,000</b>
1	502	168	334	\$ 961,430
2	518	166	352	1,016,564
3	531	179	352	1,201,577
4	541	203	338	1,507,865
<b>2013-14</b>	<b>523</b>	<b>179</b>	<b>344</b>	<b>\$ 4,687,000</b>
1	542	208	334	\$ 1,196,068
2	546	209	337	1,232,445
3	550	212	338	1,251,026
4	552	214	338	1,269,608
<b>2014-15</b>	<b>548</b>	<b>211</b>	<b>337</b>	<b>\$ 4,949,000</b>
1	555	216	339	\$ 1,288,189
2	558	219	339	1,306,771
3	561	221	340	1,325,352
4	563	223	340	1,343,933
<b>2015-16</b>	<b>560</b>	<b>220</b>	<b>340</b>	<b>\$ 5,264,000</b>

Note: 1) Expenditures reflect Total Cash Payments, Not accrued expenses.  
 2) FY 2014-15 reflects actuals and projected base estimate values.  
 3) FY 2015-16 reflects projected base estimate values.

**GHPP Trend Report**  
(Includes Actuals & Projected Base Values)

<b>Sickle Cell</b>
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<u>Quarter</u>	<u>Total Caseload</u>	<u>Medi-Cal Caseload</u>	<u>GHPP Only Caseload</u>	<u>Total GHPP Only Payments</u>
1	337	223	114	\$ 482,220
2	350	226	124	356,652
3	349	222	127	461,815
4	350	222	128	413,908
<b>2012-13</b>	<b>347</b>	<b>223</b>	<b>124</b>	<b>\$ 1,715,000</b>
1	353	222	131	\$ 230,526
2	362	230	132	271,501
3	363	231	132	215,003
4	367	247	120	310,627
<b>2013-14</b>	<b>362</b>	<b>233</b>	<b>129</b>	<b>\$ 1,028,000</b>
1	353	238	115	\$ 392,297
2	361	245	116	321,913
3	365	248	117	334,553
4	370	252	118	347,194
<b>2014-15</b>	<b>362</b>	<b>246</b>	<b>116</b>	<b>\$ 1,396,000</b>
1	375	256	119	\$ 359,834
2	378	259	119	372,475
3	383	263	120	385,115
4	388	267	121	397,756
<b>2015-16</b>	<b>381</b>	<b>261</b>	<b>120</b>	<b>\$ 1,515,000</b>

Note: 1) Expenditures reflect Total Cash Payments, Not accrued expenses.  
 2) FY 2014-15 reflects actuals and projected base estimate values.  
 3) FY 2015-16 reflects projected base estimate values.

**GHPP Trend Report**  
(Includes Actuals & Projected Base Values)

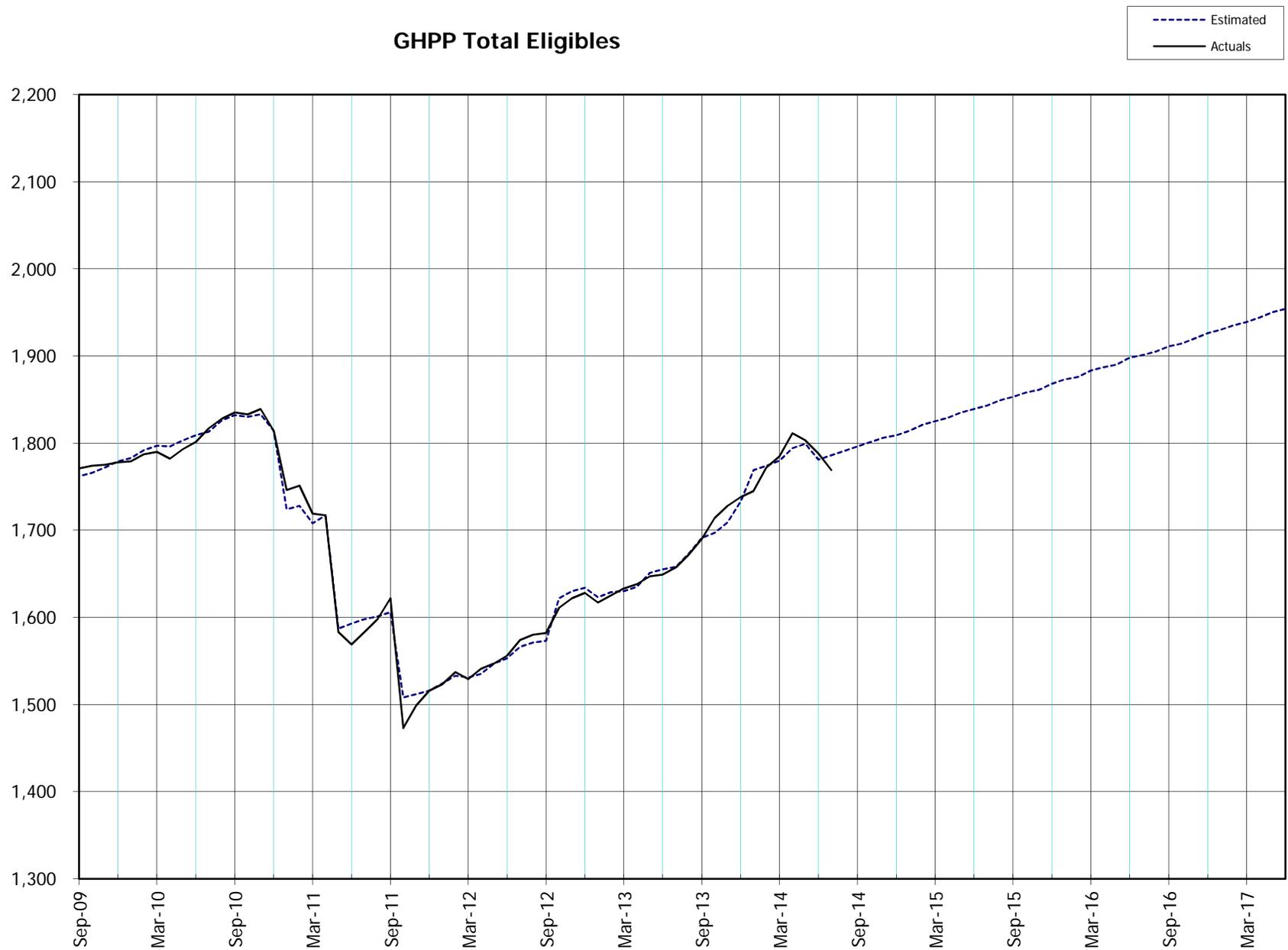
<b>Huntington</b>				
<u>Quarter</u>	<u>Total Caseload</u>	<u>Medi-Cal Caseload</u>	<u>GHPP Only Caseload</u>	<u>Total GHPP Only Payments</u>
1	149	88	61	\$ 137,875
2	153	86	67	70,826
3	150	83	67	82,348
4	150	82	68	98,701
<b>2012-13</b>	<b>151</b>	<b>85</b>	<b>66</b>	<b>\$ 390,000</b>
1	151	81	70	\$ 63,870
2	155	83	72	13,306
3	163	86	77	29,657
4	162	94	68	29,830
<b>2013-14</b>	<b>158</b>	<b>86</b>	<b>72</b>	<b>\$ 137,000</b>
1	161	95	66	\$ 25,674
2	162	95	67	25,196
3	163	96	67	25,428
4	163	96	67	25,659
<b>2014-15</b>	<b>163</b>	<b>96</b>	<b>67</b>	<b>\$ 102,000</b>
1	164	97	67	\$ 25,891
2	164	97	67	26,123
3	165	98	67	26,355
4	166	99	67	26,586
<b>2015-16</b>	<b>165</b>	<b>98</b>	<b>67</b>	<b>\$ 105,000</b>

Note: 1) Expenditures reflect Total Cash Payments, Not accrued expenses.  
 2) FY 2014-15 reflects actuals and projected base estimate values.  
 3) FY 2015-16 reflects projected base estimate values.

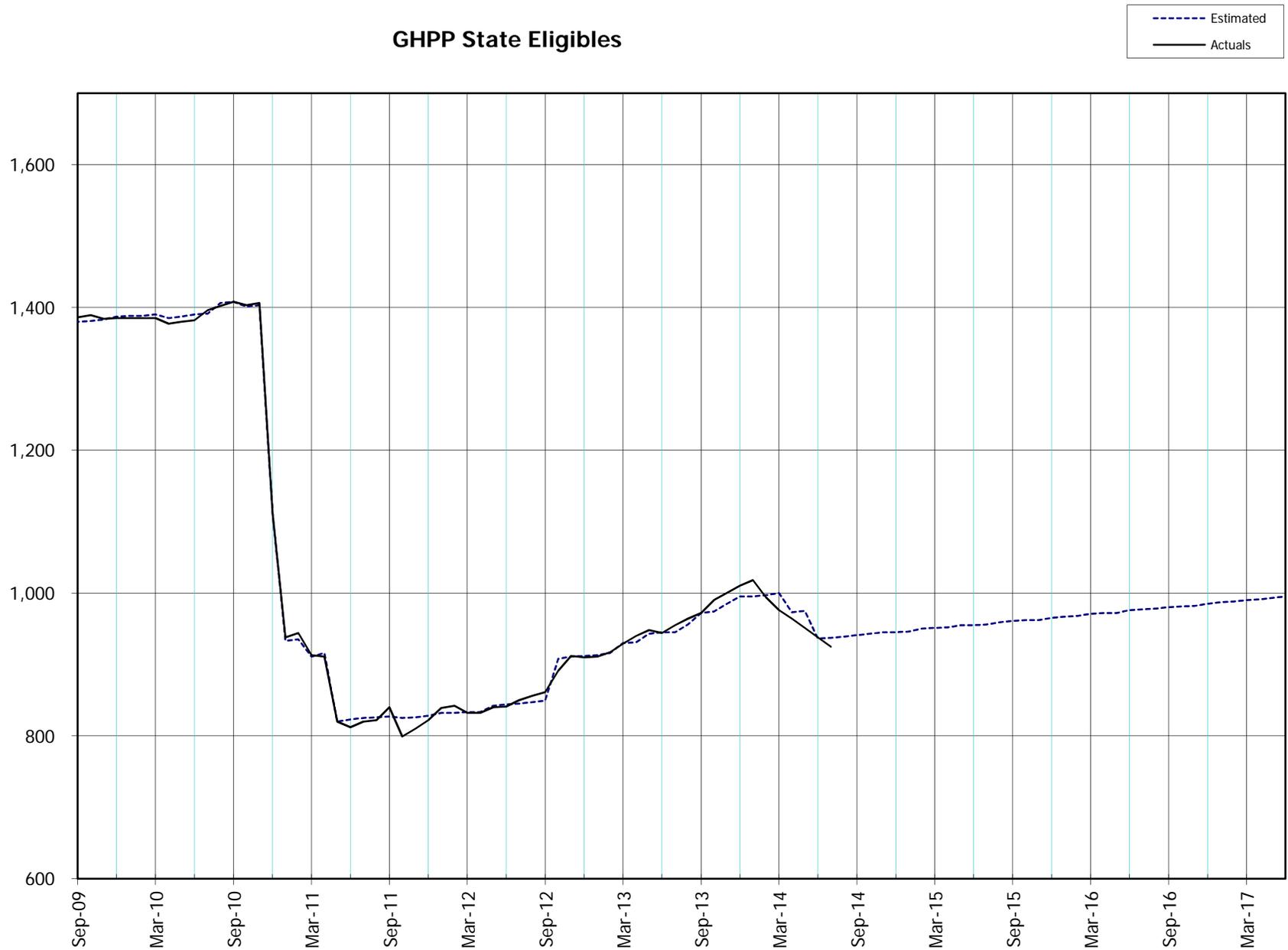
**GHPP Trend Report**  
(Includes Actuals & Projected Base Values)

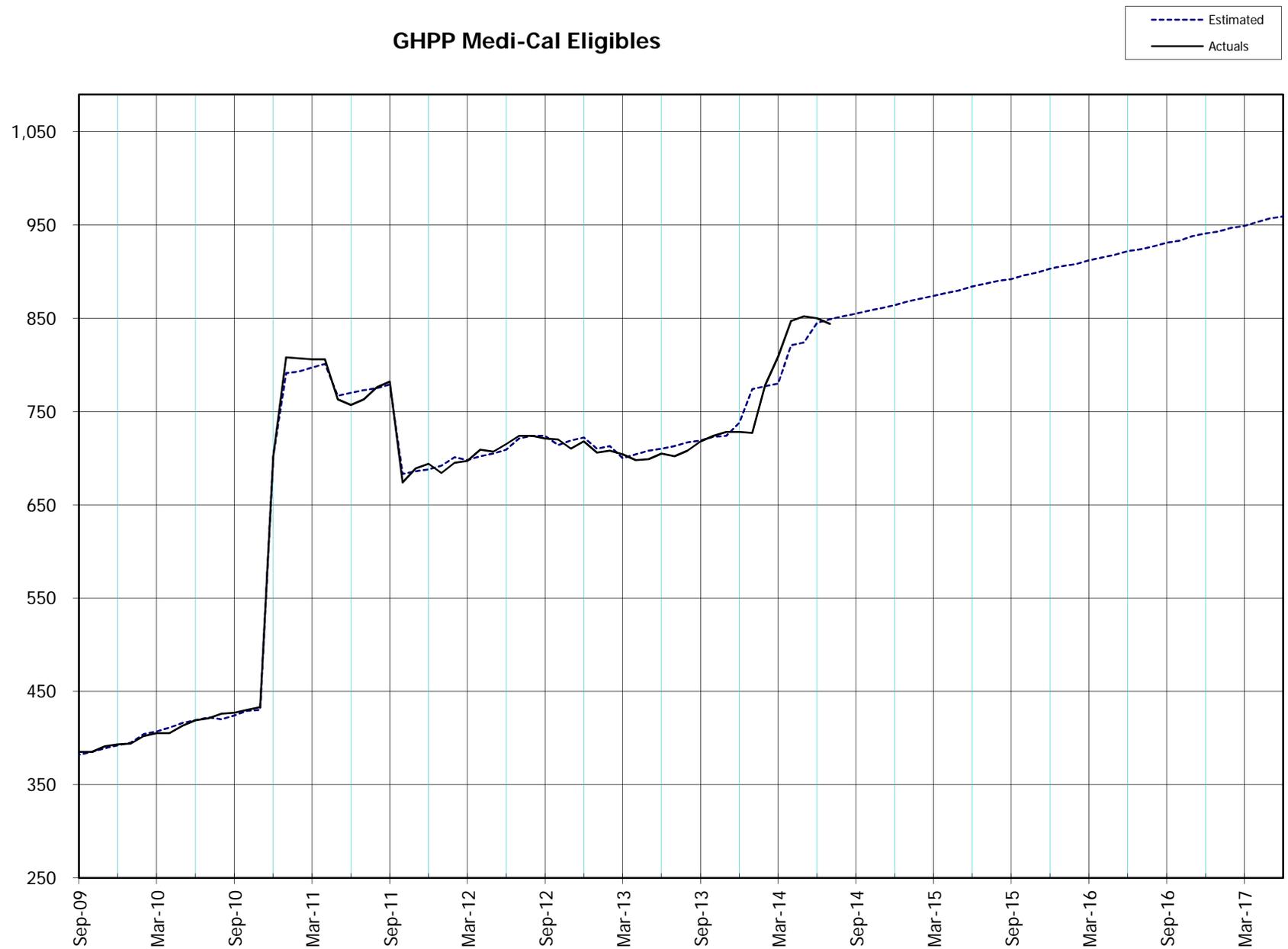
<b>Metabolic</b>				
<u>Quarter</u>	<u>Total Caseload</u>	<u>Medi-Cal Caseload</u>	<u>GHPP Only Caseload</u>	<u>Total GHPP Only Payments</u>
1	101	64	37	\$ 15,214
2	103	64	39	46,638
3	103	63	40	10,737
4	107	62	45	104,410
<b>2012-13</b>	<b>103</b>	<b>63</b>	<b>40</b>	<b>\$ 177,000</b>
1	110	65	45	\$ 86,932
2	120	70	50	16,446
3	123	75	48	32,846
4	128	80	48	40,131
<b>2013-14</b>	<b>121</b>	<b>73</b>	<b>48</b>	<b>\$ 176,000</b>
1	130	79	51	\$ 31,141
2	132	80	52	37,037
3	134	81	53	39,794
4	136	82	54	42,553
<b>2014-15</b>	<b>132</b>	<b>80</b>	<b>52</b>	<b>\$ 151,000</b>
1	137	83	54	\$ 45,311
2	139	84	55	48,070
3	141	85	56	50,828
4	143	86	57	53,586
<b>2015-16</b>	<b>141</b>	<b>85</b>	<b>56</b>	<b>\$ 198,000</b>

Note: 1) Expenditures reflect Total Cash Payments, Not accrued expenses.  
 2) FY 2014-15 reflects actuals and projected base estimate values.  
 3) FY 2015-16 reflects projected base estimate values.



### GHPP State Eligibles





### GHPP State-Only Monthly Expenditures

