

FAMILY HEALTH
May 2015
LOCAL ASSISTANCE ESTIMATE
for
FISCAL YEARS
2014-15 *and* 2015-16



The Great Seal

STATE OF CALIFORNIA
DEPARTMENT OF HEALTH CARE SERVICES

**FAMILY HEALTH
May 2015
LOCAL ASSISTANCE ESTIMATE
for
FISCAL YEARS
2014-15 and 2015-16**

Fiscal Forecasting and Data Management Branch
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**Family Health Estimate
Management Summary
May 2015 Estimate**

Fiscal Year 2014-15

The May 2015 Family Health Estimate shows a 2014-15 General Fund (GF) decrease of \$16.77 million compared to the FY 2014-15 November 2014 Estimate, as explained below (dollars in millions):

November 2014 Estimate	\$112.74
May 2015 Estimate	<u>\$95.97</u>
GF Change	-\$16.77

For the specific programs included in the Family Health Estimate, the 2014-15 GF change from the November 2014 Estimate is:

4260-111-0001	
California Children's Services (CCS)	-\$12.55
Child Health and Disability Prevention Program (CHDP)	-\$0.30
Genetically Handicapped Persons Program (GHPP)	<u>-\$2.91</u>
GF Change	-\$15.76
4260-114-0001	
Every Woman Counts Program (EWC)	<u>-\$1.00</u>
GF Change	-\$1.00

The major reasons for the change from the November 2014 Estimate include the following:

CCS

1. Policy Change 6 – MH/UCD & BTR – Safety Net Care Pool (SNCP)

The California Bridge to Reform Section 1115(a) Medicaid Demonstration allows the Department to claim FFP using the Certified Public Expenditures (CPE) of approved Designated State Health Programs. Safety Net Care Pool usage of CCS State-Only expenditures is expected to increase by \$7.28 million in 2014-15 due to the addition of DY 2010-11 reconciliations, a decrease of \$7.28 million GF.

2. CCS State-Only Treatment

CCS State-Only Treatment expenditures are expected to decrease in 2014-15 by \$5.71 million GF as the actual expenditures have been less than projected in the November 2014 Estimate.

GHPP

1. GHPP Treatment

GHPP Treatment expenditures are expected to decrease in 2014-15 by \$9.19 million GF as the actual expenditures have been less than projected in the November 2014 Estimate.

2. Policy Change 4 – MH/UCD & BTR – Safety Net Care Pool

The California Bridge to Reform Section 1115(a) Medicaid Demonstration allows the Department to claim FFP using the Certified Public Expenditures (CPE) of approved Designated State Health Programs. Safety Net Care Pool usage of GHPP State-Only expenditures is expected to decrease by \$6.52 million in 2014-15 due to additional claiming in the current year and the addition of DY 2010-11 reconciliations resulting in a decrease of \$6.52 million GF required.

**Family Health Estimate
Management Summary
May 2015 Estimate**

Fiscal Year 2015-16

The Family Health Estimate shows a 2015-16 General Fund increase of \$119.18 million compared to 2014-15 as explained below (dollars in millions):

2014-15	\$95.97
2015-16	<u>\$215.15</u>
GF Change	\$119.18

For the specific programs included in the Family Health Estimate, the 2015-16 GF change from 2014-15 is:

4260-111-0001	
California Children's Services (CCS)	\$82.30
Child Health and Disability Prevention Program (CHDP)	\$0.02
Genetically Handicapped Persons Program (GHPP)	<u>\$48.03</u>
GF Change	\$130.35
4260-114-0001	
Every Woman Counts Program (EWC)	<u>-\$11.17</u>
GF Change	-\$11.17

The major reasons for the increase in costs in 2015-16 include the following:

CCS

1. CCS State-Only Treatment and Therapy

CCS State-Only Treatment and Therapy expenditures are expected to increase in 2015-16 by \$3.12 million GF based on historical growth.

2. CCS Healthy Families

The CCS Healthy Families (CCS-HF) program transitioned to Medi-Cal's Optional Targeted Low Income Children's Program (OTLICP) in November 2013. FY 2014-15 CCS-HF expenditures consist of close-out expenditures and there are no estimated expenditures for FY 2015-16, a decrease of \$4.19 million GF for 2015-16.

3. Policy Change 6 – MH/UCD & BTR – Safety Net Care Pool

The existing California Bridge to Reform Section 1115(a) Medicaid Demonstration waiver expires in October 31, 2015. The Department intends to seek a renewal, but the Estimate assumes the Designated State Health Programs claiming will not be included in the new waiver, increasing GF expenditures for 2015-16 by \$81.3 million.

4. Policy Change 10 - ACA Impact to the CCS Program

The CCS program's caseload is projected to decline due to the implementation of the ACA, which allowed CCS beneficiaries to qualify for Medi-Cal or subsidized coverage through the Exchange. The estimated reduction in GF is \$1.35 million.

CHDP

1. Policy Change 4 - ACA Impact to the CHDP Program

The CHDP program's caseload is projected to decline due to the implementation of the ACA, which allowed CHDP beneficiaries to qualify for Medi-Cal or subsidized coverage through the Exchange. The estimated reduction in GF is \$0.08 million.

GHPP

1. GHPP Treatment

GHPP Treatment base expenditures are expected to increase in 2015-16 by \$8.75 million GF based on historical growth.

2. Policy Change 3 – Blood Factor Drug Rebates and Contract Savings

The GHPP drug rebates have increased resulting in additional GF savings of \$10 million for 2015-16. The Department plans to use this additional \$10 million in rebates to offset costs in the program.

3. Policy Change 4 – MH/UCD & BTR – Safety Net Care Pool

The existing California Bridge to Reform Section 1115(a) Medicaid Demonstration waiver expires in October 31, 2015. The Department intends to seek a renewal, but the Estimate assumes the Designated State Health Programs claiming will not be included in the new waiver, increasing GF expenditures for 2015-16 by \$51.0 million.

4. Policy Change 8 - ACA Impact to the GHPP

The caseload for GHPP is projected to decline due to the implementation of the ACA, which allowed GHPP beneficiaries to qualify for Medi-Cal or subsidized coverage through the Exchange. The estimated reduction in GF is \$1.57 million.

EWC

The Every Woman Counts (EWC) program benefits and administrative costs are budgeted on an accrual basis, while the other programs in the Family Health Estimate are budgeted on a cash basis.

EWC expenditures are expected to decline by \$11.17 million GF due to a projected decrease in caseload.

Management Summary
Fiscal Year 2014-15
Comparison of Appropriation, November 2014, and May 2015 Estimates

	Appropriation FY 2014-15	Nov. 14 Est. FY 2014-15	May 15 Est. FY 2014-15	Chg Approp - May 15 Est.	Chg Nov. 14 - May 15 Est.
California Children's Services					
4260-111-0001 (General Fund)	\$ 18,070,000	\$ 27,360,000	\$ 14,811,000	\$ (3,259,000)	\$ (12,549,000)
4260-601-0995 (CDPH Title V Reimbursement)	\$ 5,262,000	\$ 5,852,000	\$ 5,992,000	\$ 730,000	\$ 140,000
4260-601-7503 (Federal Title XIX HCSF)	\$ 69,331,000	\$ 56,621,000	\$ 63,904,000	\$ (5,427,000)	\$ 7,283,000
4260-111-0890 (Federal Title XXI)	\$ 3,118,000	\$ 3,162,000	\$ 3,158,000	\$ 40,000	\$ (4,000)
County Funds ¹	\$ 91,545,000	\$ 89,297,000	\$ 84,182,000	\$ (7,363,000)	\$ (5,115,000)
TOTAL CCS	\$ 95,781,000	\$ 92,995,000	\$ 87,865,000	\$ (7,916,000)	\$ (5,130,000)
Child Health and Disability Prevention Program					
4260-111-0001 (General Fund)	\$ 1,702,000	\$ 1,651,000	\$ 1,348,000	\$ (354,000)	\$ (303,000)
4260-111-0080 (CLPP Funds)	\$ 11,000	\$ 11,000	\$ 11,000	\$ 0	\$ 0
TOTAL CHDP	\$ 1,713,000	\$ 1,662,000	\$ 1,359,000	\$ (354,000)	\$ (303,000)
Genetically Handicapped Persons Program					
4260-111-0001 (General Fund)	\$ 72,473,000	\$ 67,152,000	\$ 64,238,000	\$ (8,235,000)	\$ (2,914,000)
4260-601-7503 (Federal Title XIX HCSF)	\$ 47,827,000	\$ 53,289,000	\$ 46,765,000	\$ (1,062,000)	\$ (6,524,000)
4260-601-0995 (Enrollment Fees)	\$ 439,000	\$ 474,000	\$ 436,000	\$ (3,000)	\$ (38,000)
4260-601-3079 (Rebates Special Fund)	\$ 8,000,000	\$ 10,000,000	\$ 10,080,000	\$ 2,080,000	\$ 80,000
TOTAL GHPP	\$ 128,739,000	\$ 130,915,000	\$ 121,519,000	\$ (7,220,000)	\$ (9,396,000)
Every Woman Counts Program					
4260-114-0001 (General Fund)	\$ 20,844,000	\$ 16,572,000	\$ 15,573,000	\$ (5,271,000)	\$ (999,000)
4260-114-0236 (Prop 99)	\$ 25,318,000	\$ 25,318,000	\$ 25,318,000	\$ 0	\$ 0
4260-114-0009 (Breast Cancer Control Account)	\$ 7,912,000	\$ 7,912,000	\$ 7,912,000	\$ 0	\$ 0
4260-114-0890 (Center for Disease Control)	\$ 4,509,000	\$ 4,509,000	\$ 4,509,000	\$ 0	\$ 0
TOTAL EWC	\$ 58,583,000	\$ 54,311,000	\$ 53,312,000	\$ (5,271,000)	\$ (999,000)
GRAND TOTAL - ALL FUNDS	\$ 284,816,000	\$ 279,883,000	\$ 264,055,000	\$ (20,761,000)	\$ (15,828,000)
4260-111-0001	\$ 92,245,000	\$ 96,163,000	\$ 80,397,000	\$ (11,848,000)	\$ (15,766,000)
4260-111-0080	\$ 11,000	\$ 11,000	\$ 11,000	\$ 0	\$ 0
4260-111-0890	\$ 3,118,000	\$ 3,162,000	\$ 3,158,000	\$ 40,000	\$ (4,000)
4260-114-0001	\$ 20,844,000	\$ 16,572,000	\$ 15,573,000	\$ (5,271,000)	\$ (999,000)
4260-114-0009	\$ 7,912,000	\$ 7,912,000	\$ 7,912,000	\$ 0	\$ 0
4260-114-0236	\$ 25,318,000	\$ 25,318,000	\$ 25,318,000	\$ 0	\$ 0
4260-114-0890	\$ 4,509,000	\$ 4,509,000	\$ 4,509,000	\$ 0	\$ 0
4260-601-0995	\$ 5,701,000	\$ 6,326,000	\$ 6,428,000	\$ 727,000	\$ 102,000
4260-601-3079	\$ 8,000,000	\$ 10,000,000	\$ 10,080,000	\$ 2,080,000	\$ 80,000
4260-601-7503	\$ 117,158,000	\$ 109,910,000	\$ 110,669,000	\$ (6,489,000)	\$ 759,000
County Funds ¹	\$ 91,545,000	\$ 89,297,000	\$ 84,182,000	\$ (7,363,000)	\$ (5,115,000)

¹ County Funds are not included in Total Funds. They are shown for display only.

Management Summary

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

	May 15 Est. FY 2014-15	May 15 Est. FY 2015-16	Difference Incr./(Decr.)
<u>California Children's Services</u>			
4260-111-0001 (General Fund)	\$ 14,811,000	\$ 97,109,000	\$ 82,298,000
4260-601-0995 (CDPH Title V Reimbursement)	\$ 5,992,000	\$ 5,992,000	\$ 0
4260-601-7503 (Federal Title XIX HCSF)	\$ 63,904,000	\$ (17,419,000)	\$ (81,323,000)
4260-111-0890 (Federal Title XXI)	\$ 3,158,000	\$ 0	\$ (3,158,000)
County Funds ¹	\$ 84,182,000	\$ 86,984,000	\$ 2,802,000
TOTAL CCS	\$ 87,865,000	\$ 85,682,000	\$ (2,183,000)
<u>Child Health and Disability Prevention Program</u>			
4260-111-0001 (General Fund)	\$ 1,348,000	\$ 1,364,000	\$ 16,000
4260-111-0080 (CLPP Funds)	\$ 11,000	\$ 11,000	\$ 0
TOTAL CHDP	\$ 1,359,000	\$ 1,375,000	\$ 16,000
<u>Genetically Handicapped Persons Program</u>			
4260-111-0001 (General Fund)	\$ 64,238,000	\$ 112,272,000	\$ 48,034,000
4260-601-7503 (Federal Title XIX HCSF)	\$ 46,765,000	\$ (4,241,000)	\$ (51,006,000)
4260-601-0995 (Enrollment Fees)	\$ 436,000	\$ 436,000	\$ 0
4260-601-3079 (Rebates Special Fund)	\$ 10,080,000	\$ 20,000,000	\$ 9,920,000
TOTAL GHPP	\$ 121,519,000	\$ 128,467,000	\$ 6,948,000
<u>Every Woman Counts Program</u>			
4260-114-0001 (General Fund)	\$ 15,573,000	\$ 4,401,000	\$ (11,172,000)
4260-114-0236 (Prop 99)	\$ 25,318,000	\$ 25,318,000	\$ 0
4260-114-0009 (Breast Cancer Control Account)	\$ 7,912,000	\$ 7,912,000	\$ 0
4260-114-0890 (Center for Disease Control)	\$ 4,509,000	\$ 4,509,000	\$ 0
TOTAL EWC	\$ 53,312,000	\$ 42,140,000	\$ (11,172,000)
GRAND TOTAL - ALL FUNDS	\$ 264,055,000	\$ 257,664,000	\$ (6,391,000)
4260-111-0001	\$ 80,397,000	\$ 210,745,000	\$ 130,348,000
4260-111-0080	\$ 11,000	\$ 11,000	\$ 0
4260-111-0890	\$ 3,158,000	\$ 0	\$ (3,158,000)
4260-114-0001	\$ 15,573,000	\$ 4,401,000	\$ (11,172,000)
4260-114-0009	\$ 7,912,000	\$ 7,912,000	\$ 0
4260-114-0236	\$ 25,318,000	\$ 25,318,000	\$ 0
4260-114-0890	\$ 4,509,000	\$ 4,509,000	\$ 0
4260-601-0995	\$ 6,428,000	\$ 6,428,000	\$ 0
4260-601-3079	\$ 10,080,000	\$ 20,000,000	\$ 9,920,000
4260-601-7503	\$ 110,669,000	\$ (21,660,000)	\$ (132,329,000)
County Funds ¹	\$ 84,182,000	\$ 86,984,000	\$ 2,802,000

¹ County Funds are not included in Total Funds. They are shown for display only.

Management Summary Fiscal Year 2015-16

Comparison of Appropriation, November 2014, and May 2015 Estimates

	Approp Est. FY 2014-15	Nov. 14 Est. FY 2015-16	May 15 Est. FY 2015-16	Chg Approp - May 15 Est.	Chg Nov. 14 - May 15 Est.
California Children's Services					
4260-111-0001 (General Fund)	\$ 18,070,000	\$ 86,713,000	\$ 97,109,000	\$ 79,039,000	\$ 10,396,000
4260-601-0995 (CDPH Title V Reimbursement)	\$ 5,262,000	\$ 5,262,000	\$ 5,992,000	\$ 730,000	\$ 730,000
4260-601-7503 (Federal Title XIX HCSF)	\$ 69,331,000	\$ (684,000)	\$ (17,419,000)	\$ (86,750,000)	\$ (16,735,000)
4260-111-0890 (Federal Title XXI)	\$ 3,118,000	\$ 0	\$ 0	\$ (3,118,000)	\$ 0
County Funds ¹	\$ 91,545,000	\$ 91,077,000	\$ 86,984,000	\$ (4,561,000)	\$ (4,093,000)
TOTAL CCS	\$ 95,781,000	\$ 91,291,000	\$ 85,682,000	\$ (10,099,000)	\$ (5,609,000)
Child Health and Disability Prevention Program					
4260-111-0001 (General Fund)	\$ 1,702,000	\$ 1,666,000	\$ 1,364,000	\$ (338,000)	\$ (302,000)
4260-111-0080 (CLPP Funds)	\$ 11,000	\$ 11,000	\$ 11,000	\$ 0	\$ 0
TOTAL CHDP	\$ 1,713,000	\$ 1,677,000	\$ 1,375,000	\$ (338,000)	\$ (302,000)
Genetically Handicapped Persons Program					
4260-111-0001 (General Fund)	\$ 72,473,000	\$ 118,297,000	\$ 112,272,000	\$ 39,799,000	\$ (6,025,000)
4260-601-7503 (Federal Title XIX HCSF)	\$ 47,827,000	\$ 7,566,000	\$ (4,241,000)	\$ (52,068,000)	\$ (11,807,000)
4260-601-0995 (Enrollment Fees)	\$ 439,000	\$ 474,000	\$ 436,000	\$ (3,000)	\$ (38,000)
4260-601-3079 (Rebates Special Fund)	\$ 8,000,000	\$ 10,000,000	\$ 20,000,000	\$ 12,000,000	\$ 10,000,000
TOTAL GHPP	\$ 128,739,000	\$ 136,337,000	\$ 128,467,000	\$ (272,000)	\$ (7,870,000)
Every Woman Counts Program					
4260-114-0001 (General Fund)	\$ 20,844,000	\$ 4,617,000	\$ 4,401,000	\$ (16,443,000)	\$ (216,000)
4260-114-0236 (Prop 99)	\$ 25,318,000	\$ 25,318,000	\$ 25,318,000	\$ 0	\$ 0
4260-114-0009 (Breast Cancer Control Account)	\$ 7,912,000	\$ 7,912,000	\$ 7,912,000	\$ 0	\$ 0
4260-114-0890 (Center for Disease Control)	\$ 4,509,000	\$ 4,509,000	\$ 4,509,000	\$ 0	\$ 0
TOTAL EWC	\$ 58,583,000	\$ 42,356,000	\$ 42,140,000	\$ (16,443,000)	\$ (216,000)
GRAND TOTAL - ALL FUNDS	\$ 284,816,000	\$ 271,661,000	\$ 257,664,000	\$ (27,152,000)	\$ (13,997,000)
4260-111-0001	\$ 92,245,000	\$ 206,676,000	\$ 210,745,000	\$ 118,500,000	\$ 4,069,000
4260-111-0080	\$ 11,000	\$ 11,000	\$ 11,000	\$ 0	\$ 0
4260-111-0890	\$ 3,118,000	\$ 0	\$ 0	\$ (3,118,000)	\$ 0
4260-114-0001	\$ 20,844,000	\$ 4,617,000	\$ 4,401,000	\$ (16,443,000)	\$ (216,000)
4260-114-0009	\$ 7,912,000	\$ 7,912,000	\$ 7,912,000	\$ 0	\$ 0
4260-114-0236	\$ 25,318,000	\$ 25,318,000	\$ 25,318,000	\$ 0	\$ 0
4260-114-0890	\$ 4,509,000	\$ 4,509,000	\$ 4,509,000	\$ 0	\$ 0
4260-601-0995	\$ 5,701,000	\$ 5,736,000	\$ 6,428,000	\$ 727,000	\$ 692,000
4260-601-3079	\$ 8,000,000	\$ 10,000,000	\$ 20,000,000	\$ 12,000,000	\$ 10,000,000
4260-601-7503	\$ 117,158,000	\$ 6,882,000	\$ (21,660,000)	\$ (138,818,000)	\$ (28,542,000)
County Funds ¹	\$ 91,545,000	\$ 91,077,000	\$ 86,984,000	\$ (4,561,000)	\$ (4,093,000)

¹ County Funds are not included in Total Funds. They are shown for display only.

CALIFORNIA CHILDREN'S SERVICES
Funding Summary
Fiscal Years 2014-15 and 2015-16 Compared to November Estimate

FY 2014-15, May 2015 Estimate Compared to November 2014 Estimate

	Nov. 2014 Est. FY 2014-15	May 2015 Est. FY 2014-15	Difference Incr./((Decr.))
CCS State-Only & CCS-HFP Caseload:	16,062	14,987	(1,075)
4260-111-0001 (General Fund)			
State Only General Fund (4260-111-0001)	\$ 82,951,700	\$ 77,682,000	\$ (5,269,700)
Health Care Support Fund (4260-601-7503)	\$ (56,621,000)	\$ (63,904,000)	\$ (7,283,000)
Title XXI - GF Match (4260-111-0001)	\$ 1,028,800	\$ 1,033,000	\$ 4,200
Total General Fund	\$ 27,359,500	\$ 14,811,000	\$ (12,548,500)
Federal Funds			
4260-601-0995 (CDPH Title V Reimbursement)	\$ 5,852,000	\$ 5,992,000	\$ 140,000
4260-601-7503 (Federal Title XIX HCSF)	\$ 56,621,000	\$ 63,904,000	\$ 7,283,000
4260-111-0890 (Federal Title XXI)	\$ 3,162,300	\$ 3,158,000	\$ (4,300)
Total Federal Funds	\$ 65,635,300	\$ 73,054,000	\$ 7,418,700
Total Funds	\$ 92,994,800	\$ 87,865,000	\$ (5,129,800)

FY 2015-16, May 2015 Estimate Compared to November 2014 Estimate

	Nov. 2014 Est. FY 2015-16	May 2015 Est. FY 2015-16	Difference Incr./((Decr.))
CCS State-Only & CCS-HFP Caseload:	16,303	14,987	(1,316)
4260-111-0001 (General Fund)			
State Only General Fund (4260-111-0001)	\$ 86,028,600	\$ 79,690,000	\$ (6,338,600)
Health Care Support Fund (4260-601-7503)	\$ 684,000	\$ 17,419,000	\$ 16,735,000
Title XXI - GF Match (4260-111-0001)	\$ 0	\$ 0	\$ 0
Total General Fund	\$ 86,712,600	\$ 97,109,000	\$ 10,396,400
Federal Funds			
4260-601-0995 (CDPH Title V Reimbursement)	\$ 5,262,000	\$ 5,992,000	\$ 730,000
4260-601-7503 (Federal Title XIX HCSF)	\$ (684,000)	\$ (17,419,000)	\$ (16,735,000)
4260-111-0890 (Federal Title XXI)	\$ 0	\$ 0	\$ 0
Total Federal Funds	\$ 4,578,000	\$ (11,427,000)	\$ (16,005,000)
Total Funds	\$ 91,290,600	\$ 85,682,000	\$ (5,608,600)

May 2015 Estimate, FY 2014-15 Compared to FY 2015-16

	May 2015 Est. FY 2014-15	May 2015 Est. FY 2015-16	Difference Incr./((Decr.))
CCS State-Only & CCS-HFP Caseload:	14,987	14,987	0
4260-111-0001 (General Fund)			
State Only General Fund (4260-111-0001)	\$ 77,682,000	\$ 79,690,000	\$ 2,008,000
Health Care Support Fund (4260-601-7503)	\$ (63,904,000)	\$ 17,419,000	\$ 81,323,000
Title XXI - GF Match (4260-111-0001)	\$ 1,033,000	\$ 0	\$ (1,033,000)
Total General Fund	\$ 14,811,000	\$ 97,109,000	\$ 82,298,000
Federal Funds			
4260-601-0995 (CDPH Title V Reimbursement)	\$ 5,992,000	\$ 5,992,000	\$ 0
4260-601-7503 (Federal Title XIX HCSF)	\$ 63,904,000	\$ (17,419,000)	\$ (81,323,000)
4260-111-0890 (Federal Title XXI)	\$ 3,158,000	\$ 0	\$ (3,158,000)
Total Federal Funds	\$ 73,054,000	\$ (11,427,000)	\$ (84,481,000)
Total Funds	\$ 87,865,000	\$ 85,682,000	\$ (2,183,000)

CALIFORNIA CHILDREN'S SERVICES
Funding Summary
Fiscal Years 2014-15 and 2015-16 Compared to Appropriation

FY 2014-15, May 2015 Estimate Compared to Appropriation			
	<u>Appropriation FY 2014-15</u>	<u>May 2015 Est. FY 2014-15</u>	<u>Difference Incr./(Decr.)</u>
CCS State-Only & CCS-HFP Caseload:	18,071	14,987	(3,084)
4260-111-0001 (General Fund)			
State Only General Fund (4260-111-0001)	\$ 86,382,000	\$ 77,682,000	\$ (8,700,000)
Health Care Support Fund (4260-601-7503)	\$ (69,331,000)	\$ (63,904,000)	\$ 5,427,000
Title XXI - GF Match (4260-111-0001)	<u>\$ 1,019,000</u>	<u>\$ 1,033,000</u>	<u>\$ 14,000</u>
Total General Fund	\$ 18,070,000	\$ 14,811,000	\$ (3,259,000)
Federal Funds			
4260-601-0995 (CDPH Title V Reimbursement)	\$ 5,262,000	\$ 5,992,000	\$ 730,000
4260-601-7503 (Federal Title XIX HCSF)	\$ 69,331,000	\$ 63,904,000	\$ (5,427,000)
4260-111-0890 (Federal Title XXI)	<u>\$ 3,118,000</u>	<u>\$ 3,158,000</u>	<u>\$ 40,000</u>
Total Federal Funds	\$ 77,711,000	\$ 73,054,000	\$ (4,657,000)
Total Funds	\$ 95,781,000	\$ 87,865,000	\$ (7,916,000)

May 2015 Estimate for FY 2015-16 Compared to FY 2014-15 Appropriation			
	<u>Appropriation FY 2014-15</u>	<u>May 2015 Est. FY 2015-16</u>	<u>Difference Incr./(Decr.)</u>
CCS State-Only & CCS-HFP Caseload:	18,071	14,987	(3,084)
4260-111-0001 (General Fund)			
State Only General Fund (4260-111-0001)	\$ 86,382,000	\$ 79,690,000	\$ (6,692,000)
Health Care Support Fund (4260-601-7503)	\$ (69,331,000)	\$ 17,419,000	\$ 86,750,000
Title XXI - GF Match (4260-111-0001)	<u>\$ 1,019,000</u>	<u>\$ 0</u>	<u>\$ (1,019,000)</u>
Total General Fund	\$ 18,070,000	\$ 97,109,000	\$ 79,039,000
Federal Funds			
4260-601-0995 (CDPH Title V Reimbursement)	\$ 5,262,000	\$ 5,992,000	\$ 730,000
4260-601-7503 (Federal Title XIX HCSF)	\$ 69,331,000	\$ (17,419,000)	\$ (86,750,000)
4260-111-0890 (Federal Title XXI)	<u>\$ 3,118,000</u>	<u>\$ 0</u>	<u>\$ (3,118,000)</u>
Total Federal Funds	\$ 77,711,000	\$ (11,427,000)	\$ (89,138,000)
Total Funds	\$ 95,781,000	\$ 85,682,000	\$ (10,099,000)

**CALIFORNIA CHILDREN'S SERVICES
Fiscal Year 2014-15
Funding Sources By Program**

	<u>Total Funds</u>	<u>State Funds</u>	<u>CDPH Title V Reimb.</u>	<u>Federal Title XIX HCSF</u>	<u>Federal Title XXI</u>	<u>County Funds</u>
A. State Only Services						
1. Treatment Costs						
Treatment Base	15,292,000	15,292,000	-	-	-	15,292,000
Bone Marrow Xplant 1/	125,000	125,000	-	-	-	(125,000)
Small County Adj. 2/	400,000	400,000	-	-	-	(400,000)
Total Treatment Base	15,817,000	15,817,000	-	-	-	14,767,000
2. Therapy Costs						
Therapy Base	60,350,000	60,350,000	-	-	-	60,350,000
MTU Medi-Cal Offset 3/	(5,385,000)	(5,385,000)	-	-	-	(1,795,000)
AB3632 4/	1,163,000	1,163,000	-	-	-	(1,163,000)
Total Therapy Base	56,128,000	56,128,000	-	-	-	57,392,000
3. Enroll/Assess Fees	(75,000)	(75,000)	-	-	-	(75,000)
4. Benefits Policy Changes	(119,000)	(119,000)	-	-	-	(119,000)
5. HF Safety Net Care Pool	-	(63,904,000)	-	63,904,000	-	-
	\$ 71,751,000	\$ 7,847,000	\$ 0	\$ 63,904,000	\$ 0	\$ 71,965,000
B. State Only Admin.						
1. County Admin.	11,556,000	5,564,000	5,992,000	-	-	11,556,000
2. Fiscal Inter.	158,000	158,000	-	-	-	-
3. FI Dental	14,000	14,000	-	-	-	-
4. CMS Net	195,000	195,000	-	-	-	-
	\$ 11,923,000	\$ 5,931,000	\$ 5,992,000	\$ 0	\$ 0	\$ 11,556,000
Total CCS State Only	\$ 83,674,000	\$ 13,778,000	\$ 5,992,000	\$ 63,904,000	\$ 0	\$ 83,521,000
C. HFP Services						
1. Treatment Base	4,316,000	1,054,000	-	-	3,262,000	684,000
2. Benefits Policy Changes	(130,000)	(22,800)	-	-	(107,200)	(22,800)
	\$ 4,186,000	\$ 1,031,200	\$ 0	\$ 0	\$ 3,154,800	\$ 661,200
D. HFP Admin.						
1. County Admin.	-	-	-	-	-	-
2. Fiscal Inter.	3,000	1,100	-	-	1,900	-
3. FI Dental	2,000	700	-	-	1,300	-
4. CMS Net	-	-	-	-	-	-
	\$ 5,000	\$ 1,800	\$ 0	\$ 0	\$ 3,200	\$ 0
Total HFP	\$ 4,191,000	\$ 1,033,000	\$ 0	\$ 0	\$ 3,158,000	\$ 661,200
GRAND TOTAL	\$ 87,865,000	\$ 14,811,000	\$ 5,992,000	\$ 63,904,000	\$ 3,158,000	\$ 84,182,200

NOTE: County Funds are shown for information only, and are not included in Total Funds.

- 1/ An estimated \$250,000 in certain bone marrow transplant costs are included in the treatment base regressions at 50% GF, 50% County funds. Since they are funded by 100% GF, \$125,000 is shifted from County to General Fund.
- 2/ An estimated \$800,000 in catastrophic small county services costs are included in the treatment base regressions at 50% GF, 50% County funds. Since they are funded by 100% GF, \$400,000 is shifted from County to General Fund.
- 3/ Medical Therapy Unit (MTU) costs are included in the therapy costs used in the base regressions, and are therefore included in the therapy base at 50% GF/50% County funds. The costs that are reimbursed by Medi-Cal reduce program costs 75% GF, 25% County funds.
- 4/ AB3632 costs are included in the therapy costs used in the base regressions, and are therefore included in the therapy base at 50% GF, 50% County funds. Since they are funded by 100% GF, 50% of the total AB3632 costs are shifted from County to General Fund.

**CALIFORNIA CHILDREN'S SERVICES
Fiscal Year 2015-16
Funding Sources By Program**

	<u>Total Funds</u>	<u>State Funds</u>	<u>CDPH Title V Reimb.</u>	<u>Federal Title XIX HCSF</u>	<u>Federal Title XXI</u>	<u>County Funds</u>
A. State Only Services						
1. Treatment Costs						
Treatment Base	17,352,000	17,352,000	-	-	-	17,351,000
Bone Marrow Xplant 1/	125,000	125,000	-	-	-	(125,000)
Small County Adj. /2	400,000	400,000	-	-	-	(400,000)
Total Treatment Base	17,877,000	17,877,000	-	-	-	16,826,000
2. Therapy Costs						
Therapy Base	61,635,000	61,635,000	-	-	-	61,636,000
MTU Medi-Cal Offset 3/	(5,591,000)	(5,591,000)	-	-	-	(1,864,000)
AB3632 4/	1,151,000	1,151,000	-	-	-	(1,151,000)
Total Therapy Base	57,195,000	57,195,000	-	-	-	58,621,000
3. Enroll/Assess Fees	(80,000)	(80,000)	-	-	-	(80,000)
4. Benefits Policy Changes	(1,469,000)	(1,469,000)	-	-	-	(120,000)
5. HF Safety Net Care Pool	-	17,419,000	-	(17,419,000)	-	-
	\$ 73,523,000	\$ 90,942,000	\$ 0	\$ (17,419,000)	\$ 0	\$ 75,247,000
B. State Only Admin.						
1. County Admin.	11,738,000	5,746,000	5,992,000	-	-	11,737,000
2. Fiscal Inter.	212,000	212,000	-	-	-	-
3. FI Dental	15,000	15,000	-	-	-	-
4. CMS Net	194,000	194,000	-	-	-	-
	\$ 12,159,000	\$ 6,167,000	\$ 5,992,000	\$ 0	\$ 0	\$ 11,737,000
Total CCS State Only	\$ 85,682,000	\$ 97,109,000	\$ 5,992,000	\$ (17,419,000)	\$ 0	\$ 86,984,000
C. HFP Services						
1. Treatment Base	-	-	-	-	-	-
2. Benefits Policy Changes	-	-	-	-	-	-
	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
D. HFP Admin.						
1. County Admin.	-	-	-	-	-	-
2. Fiscal Inter.	-	-	-	-	-	-
3. FI Dental	-	-	-	-	-	-
4. CMS Net	-	-	-	-	-	-
	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total HFP	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
GRAND TOTAL	\$ 85,682,000	\$ 97,109,000	\$ 5,992,000	\$ (17,419,000)	\$ 0	\$ 86,984,000

NOTE: County Funds are shown for information only, and are not included in Total Funds.

- 1/ An estimated \$250,000 in certain bone marrow transplant costs are included in the treatment base regressions at 50% GF, 50% County funds. Since they are funded by 100% GF, \$125,000 is shifted from County to General Fund.
- 2/ An estimated \$800,000 in catastrophic small county services costs are included in the treatment base regressions at 50% GF, 50% County funds. Since they are funded by 100% GF, \$400,000 is shifted from County to General Fund.
- 3/ Medical Therapy Unit (MTU) costs are included in the therapy costs used in the base regressions, and are therefore included in the therapy base at 50% GF/50% County funds. The costs that are reimbursed by Medi-Cal reduce program costs 75% GF, 25% County funds.
- 4/ AB3632 costs are included in the therapy costs used in the base regressions, and are therefore included in the therapy base at 50% GF, 50% County funds. Since they are funded by 100% GF, 50% of the total AB3632 costs are is shifted from County to General Fund.

CALIFORNIA CHILDREN'S SERVICES
Program Requirements, Total Funds
Fiscal Year 2014-15

May 2015 Estimate Compared to November 2014 Estimate, Total Funds			
	Nov. 2014 Est.	May 2015 Est.	Difference
	FY 2014-15	FY 2014-15	Incr./(Decr.)
A. Total CCS State Only Services	\$ 76,780,700	\$ 71,751,000	\$ (5,029,700)
1. Treatment Services	21,529,000	15,817,000	(5,712,000)
2. Medical Therapy Program	55,477,000	56,128,000	651,000
3. Benefits Policy Changes	(134,300)	(119,000)	15,300
4. Enroll/Assessment Fees	(91,000)	(75,000)	16,000
B. CCS Administration			
1. County Administration	11,556,000	11,556,000	-
2. Fiscal Intermediary	467,000	367,000	(100,000)
TOTAL CCS STATE ONLY PROGRAM	\$ 88,803,700	\$ 83,674,000	\$ (5,129,700)
A. Healthy Families Program			
1. Treatment Services	4,316,000	4,316,000	-
2. Benefits Policy Changes	(130,000)	(130,000)	-
B. Healthy Families Administration			
1. County Administration	-	-	-
2. Fiscal Intermediary	5,100	5,000	(100)
TOTAL HEALTHY FAMILIES PROGRAM	\$ 4,191,100	\$ 4,191,000	\$ (100)
TOTAL CCS PROGRAM	\$ 92,994,800	\$ 87,865,000	\$ (5,129,800)

CALIFORNIA CHILDREN'S SERVICES
Program Requirements, General Fund and Federal Funds
Fiscal Year 2014-15

May 2015 Estimate Compared to November 2014 Estimate, General Fund

	Nov. 2014 Est. <u>FY 2014-15</u>	May 2015 Est. <u>FY 2014-15</u>	Difference <u>Incr./(Decr.)</u>
A. Total CCS State Only Services	<u>\$ 20,159,700</u>	<u>\$ 7,847,000</u>	<u>\$ (12,312,700)</u>
1. Treatment Services	21,529,000	15,817,000	(5,712,000)
2. Medical Therapy Program	55,477,000	56,128,000	651,000
3. Benefits Policy Changes	(134,300)	(119,000)	15,300
4. Enroll/Assessment Fees	(91,000)	(75,000)	16,000
5. HF Safety Net Care Pool	(56,621,000)	(63,904,000)	(7,283,000)
B. CCS Administration			
1. County Administration	5,704,000	5,564,000	(140,000)
2. Fiscal Intermediary	467,000	367,000	(100,000)
TOTAL CCS STATE ONLY PROGRAM	<u>\$ 26,330,700</u>	<u>\$ 13,778,000</u>	<u>\$ (12,552,700)</u>
A. Healthy Families Program			
1. Treatment Services	1,054,000	1,054,000	-
2. Benefits Policy Changes	(27,000)	(22,800)	4,200
B. Healthy Families Administration			
1. County Administration	-	-	-
2. Fiscal Intermediary	1,800	1,800	-
TOTAL HEALTHY FAMILIES PROGRAM	<u>\$ 1,028,800</u>	<u>\$ 1,033,000</u>	<u>\$ 4,200</u>
TOTAL CCS PROGRAM	<u>\$ 27,359,500</u>	<u>\$ 14,811,000</u>	<u>\$ (12,548,500)</u>

May 2015 Estimate Compared to November 2014 Estimate, Federal Funds

	Nov. 2014 Est. <u>FY 2014-15</u>	May 2015 Est. <u>FY 2014-15</u>	Difference <u>Incr./(Decr.)</u>
A. Total CCS State Only Services	<u>\$ 56,621,000</u>	<u>\$ 63,904,000</u>	<u>\$ 7,283,000</u>
1. Title XIX Health Care Support Fund	56,621,000	63,904,000	7,283,000
B. CCS Administration			
1. County Administration	5,852,000	5,992,000	140,000
TOTAL CCS STATE ONLY PROGRAM	<u>\$ 62,473,000</u>	<u>\$ 69,896,000</u>	<u>\$ 7,423,000</u>
A. Healthy Families Program - Title XXI			
1. Treatment Services	3,262,000	3,262,000	-
2. Benefits Policy Changes	(103,000)	(107,200)	(4,200)
B. Healthy Families Administration - Title XXI			
1. County Administration	-	-	-
2. Fiscal Intermediary	3,300	3,200	(100)
TOTAL HEALTHY FAMILIES PROGRAM	<u>\$ 3,162,300</u>	<u>\$ 3,158,000</u>	<u>\$ (4,300)</u>
TOTAL CCS PROGRAM	<u>\$ 65,635,300</u>	<u>\$ 73,054,000</u>	<u>\$ 7,418,700</u>

CALIFORNIA CHILDREN'S SERVICES
Program Requirements, Total Funds
Fiscal Year 2014-15

May 2015 Estimate Compared to Appropriation, Total Funds			
	Appropriation	May 2015 Est.	Difference
	FY 2014-15	FY 2014-15	Incr./.(Decr.)
A. Total CCS State Only Services	\$ 79,506,000	\$ 71,751,000	\$ (7,755,000)
1. Treatment Services	22,647,000	15,817,000	(6,830,000)
2. Medical Therapy Program	57,057,000	56,128,000	(929,000)
3. Benefits Policy Changes	(104,000)	(119,000)	(15,000)
4. Enroll/Assessment Fees	(94,000)	(75,000)	19,000
B. CCS Administration			
1. County Administration	11,556,000	11,556,000	-
2. Fiscal Intermediary	582,000	367,000	(215,000)
TOTAL CCS STATE ONLY PROGRAM	\$ 91,644,000	\$ 83,674,000	\$ (7,970,000)
A. Healthy Families Program			
1. Treatment Services	4,316,000	4,316,000	-
2. Benefits Policy Changes	(199,000)	(130,000)	69,000
B. Healthy Families Administration			
1. County Administration	-	-	-
2. Fiscal Intermediary	20,000	5,000	(15,000)
TOTAL HEALTHY FAMILIES PROGRAM	\$ 4,137,000	\$ 4,191,000	\$ 54,000
TOTAL CCS PROGRAM	\$ 95,781,000	\$ 87,865,000	\$ (7,916,000)

CALIFORNIA CHILDREN'S SERVICES
Program Requirements, General Fund and Federal Funds
Fiscal Year 2014-15

May 2015 Estimate Compared to Appropriation, General Fund			
	Appropriation FY 2014-15	May 2015 Est. FY 2014-15	Difference Incr./(Decr.)
A. Total CCS State Only Services	\$ 10,175,000	\$ 7,847,000	\$ (2,328,000)
1. Treatment Services	22,647,000	15,817,000	(6,830,000)
2. Medical Therapy Program	57,057,000	56,128,000	(929,000)
3. Benefits Policy Changes	(104,000)	(119,000)	(15,000)
4. Enroll/Assessment Fees	(94,000)	(75,000)	19,000
5. HF Safety Net Care Pool	(69,331,000)	(63,904,000)	5,427,000
B. CCS Administration			
1. County Administration	6,294,000	5,564,000	(730,000)
2. Fiscal Intermediary	582,000	367,000	(215,000)
TOTAL CCS STATE ONLY PROGRAM	\$ 17,051,000	\$ 13,778,000	\$ (3,273,000)
A. Healthy Families Program			
1. Treatment Services	1,054,000	1,054,000	-
2. Benefits Policy Changes	(42,000)	(22,800)	19,200
B. Healthy Families Administration			
1. County Administration	-	-	-
2. Fiscal Intermediary	7,000	1,800	(5,200)
TOTAL HEALTHY FAMILIES PROGRAM	\$ 1,019,000	\$ 1,033,000	\$ 14,000
TOTAL CCS PROGRAM	\$ 18,070,000	\$ 14,811,000	\$ (3,259,000)

May 2015 Estimate Compared to Appropriation, Federal Funds			
	Appropriation FY 2014-15	May 2015 Est. FY 2014-15	Difference Incr./(Decr.)
A. Total CCS State Only Services	\$ 69,331,000	\$ 63,904,000	\$ (5,427,000)
1. Title XIX Health Care Support Fund	69,331,000	63,904,000	(5,427,000)
B. CCS Administration			
1. County Administration	5,262,000	5,992,000	730,000
TOTAL CCS STATE ONLY PROGRAM	\$ 74,593,000	\$ 69,896,000	\$ (4,697,000)
A. Healthy Families Program - Title XXI			
1. Treatment Services	3,262,000	3,262,000	-
2. Benefits Policy Changes	(157,000)	(107,200)	49,800
B. Healthy Families Administration - Title XXI			
1. County Administration	-	-	-
2. Fiscal Intermediary	13,000	3,200	(9,800)
TOTAL HEALTHY FAMILIES PROGRAM	\$ 3,118,000	\$ 3,158,000	\$ 40,000
TOTAL CCS PROGRAM	\$ 77,711,000	\$ 73,054,000	\$ (4,657,000)

CALIFORNIA CHILDREN'S SERVICES
Program Requirements, Total Funds
Fiscal Year 2015-16

May 2015 Estimate Compared to November 2014 Estimate, Total Funds			
	Nov. 2014 Est. FY 2015-16	May 2015 Est. FY 2015-16	Difference Incr./(Decr.)
A. Total CCS State Only Services	\$ 79,058,600	\$ 73,523,000	\$ (5,535,600)
1. Treatment Services	22,050,000	17,877,000	(4,173,000)
2. Medical Therapy Program	57,240,000	57,195,000	(45,000)
3. Benefits Policy Changes	(140,400)	(1,469,000)	(1,328,600)
4. Enroll/Assessment Fees	(91,000)	(80,000)	11,000
B. CCS Administration			
1. County Administration	11,729,000	11,738,000	9,000
2. Fiscal Intermediary	503,000	421,000	(82,000)
TOTAL CCS STATE ONLY PROGRAM	\$ 91,290,600	\$ 85,682,000	\$ (5,608,600)
A. Healthy Families Program			
1. Treatment Services	-	-	-
2. Benefits Policy Changes	-	-	-
B. Healthy Families Administration			
1. County Administration	-	-	-
2. Fiscal Intermediary	-	-	-
TOTAL HEALTHY FAMILIES PROGRAM	\$ 0	\$ 0	\$ 0
TOTAL CCS PROGRAM	\$ 91,290,600	\$ 85,682,000	\$ (5,608,600)

CALIFORNIA CHILDREN'S SERVICES
Program Requirements, General Fund and Federal Funds
Fiscal Year 2015-16

May 2015 Estimate Compared to November 2014 Estimate, General Fund			
	Nov. 2014 Est. FY 2015-16	May 2015 Est. FY 2015-16	Difference Incr./ (Decr.)
A. Total CCS State Only Services	<u>\$ 79,742,600</u>	<u>\$ 90,942,000</u>	<u>\$ 11,199,400</u>
1. Treatment Services	22,050,000	17,877,000	(4,173,000)
2. Medical Therapy Program	57,240,000	57,195,000	(45,000)
3. Benefits Policy Changes	(140,400)	(1,469,000)	(1,328,600)
4. Enroll/Assessment Fees	(91,000)	(80,000)	11,000
5. HF Safety Net Care Pool	684,000	17,419,000	16,735,000
B. CCS Administration			
1. County Administration	6,467,000	5,746,000	(721,000)
2. Fiscal Intermediary	503,000	421,000	(82,000)
TOTAL CCS STATE ONLY PROGRAM	<u>\$ 86,712,600</u>	<u>\$ 97,109,000</u>	<u>\$ 10,396,400</u>
A. Healthy Families Program			
1. Treatment Services	-	-	-
2. Benefits Policy Changes	-	-	-
B. Healthy Families Administration			
1. County Administration	-	-	-
2. Fiscal Intermediary	-	-	-
TOTAL HEALTHY FAMILIES PROGRAM	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
TOTAL CCS PROGRAM	<u>\$ 86,712,600</u>	<u>\$ 97,109,000</u>	<u>\$ 10,396,400</u>

May 2015 Estimate Compared to November 2014 Estimate, Federal Funds			
	Nov. 2014 Est. FY 2015-16	May 2015 Est. FY 2015-16	Difference Incr./ (Decr.)
A. Total CCS State Only Services	<u>\$ (684,000)</u>	<u>\$ (17,419,000)</u>	<u>\$ (16,735,000)</u>
1. Title XIX Health Care Support Fund	(684,000)	(17,419,000)	(16,735,000)
B. CCS Administration			
1. County Administration	5,262,000	5,992,000	730,000
TOTAL CCS STATE ONLY PROGRAM	<u>\$ 4,578,000</u>	<u>\$ (11,427,000)</u>	<u>\$ (16,005,000)</u>
A. Healthy Families Program - Title XXI			
1. Treatment Services	-	-	-
2. Benefits Policy Changes	-	-	-
B. Healthy Families Administration - Title XXI			
1. County Administration	-	-	-
2. Fiscal Intermediary	-	-	-
TOTAL HEALTHY FAMILIES PROGRAM	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
TOTAL CCS PROGRAM	<u>\$ 4,578,000</u>	<u>\$ (11,427,000)</u>	<u>\$ (16,005,000)</u>

CALIFORNIA CHILDREN'S SERVICES
Program Requirements, Total Funds
Budget Year Compared to Current Year

May 2015 Estimate, FY 2014-15 Compared to FY 2015-16, Total Funds			
	May 2015 Est.	May 2015 Est.	Difference
	FY 2014-15	FY 2015-16	Incr./.(Decr.)
A. Total CCS State Only Services	\$ 71,751,000	\$ 73,523,000	\$ 1,772,000
1. Treatment Services	15,817,000	17,877,000	2,060,000
2. Medical Therapy Program	56,128,000	57,195,000	1,067,000
3. Benefits Policy Changes	(119,000)	(1,469,000)	(1,350,000)
4. Enroll/Assessment Fees	(75,000)	(80,000)	(5,000)
B. CCS Administration			
1. County Administration	11,556,000	11,738,000	182,000
2. Fiscal Intermediary	367,000	421,000	54,000
TOTAL CCS STATE ONLY PROGRAM	\$ 83,674,000	\$ 85,682,000	\$ 2,008,000
A. Healthy Families Program			-
1. Treatment Services	4,316,000	-	(4,316,000)
2. Benefits Policy Changes	(130,000)	-	130,000
B. Healthy Families Administration			
1. County Administration	-	-	-
2. Fiscal Intermediary	5,000	-	(5,000)
TOTAL HEALTHY FAMILIES PROGRAM	\$ 4,191,000	\$ 0	\$ (4,191,000)
TOTAL CCS PROGRAM	\$ 87,865,000	\$ 85,682,000	\$ (2,183,000)

CALIFORNIA CHILDREN'S SERVICES
Program Requirements, General Fund and Federal Funds
Budget Year Compared to Current Year

May 2015 Estimate, FY 2014-15 Compared to FY 2015-16, General Fund			
	May 2015 Est. FY 2014-15	May 2015 Est. FY 2015-16	Difference Incr./((Decr.))
A. Total CCS State Only Services	\$ 7,847,000	\$ 90,942,000	\$ 83,095,000
1. Treatment Services	15,817,000	17,877,000	2,060,000
2. Medical Therapy Program	56,128,000	57,195,000	1,067,000
3. Benefits Policy Changes	(119,000)	(1,469,000)	(1,350,000)
4. Enroll/Assessment Fees	(75,000)	(80,000)	(5,000)
5. HF Safety Net Care Pool	(63,904,000)	17,419,000	81,323,000
B. CCS Administration			
1. County Administration	5,564,000	5,746,000	182,000
2. Fiscal Intermediary	367,000	421,000	54,000
TOTAL CCS STATE ONLY PROGRAM	\$ 13,778,000	\$ 97,109,000	\$ 83,331,000
A. Healthy Families Program			
1. Treatment Services	1,054,000	-	(1,054,000)
2. Benefits Policy Changes	(22,800)	-	22,800
B. Healthy Families Administration			
1. County Administration	-	-	-
2. Fiscal Intermediary	1,800	-	(1,800)
TOTAL HEALTHY FAMILIES PROGRAM	\$ 1,033,000	\$ 0	\$ (1,033,000)
TOTAL CCS PROGRAM	\$ 14,811,000	\$ 97,109,000	\$ 82,298,000

May 2015 Estimate, FY 2014-15 Compared to FY 2015-16, Federal Funds			
	May 2015 Est. FY 2014-15	May 2015 Est. FY 2015-16	Difference Incr./((Decr.))
A. Total CCS State Only Services	\$ 63,904,000	\$ (17,419,000)	\$ (81,323,000)
1. Title XIX Health Care Support Fund	63,904,000	(17,419,000)	(81,323,000)
B. CCS Administration			
1. County Administration	5,992,000	5,992,000	-
TOTAL CCS STATE ONLY PROGRAM	\$ 69,896,000	\$ (11,427,000)	\$ (81,323,000)
A. Healthy Families Program - Title XXI			
1. Treatment Services	3,262,000	-	(3,262,000)
2. Benefits Policy Changes	(107,200)	-	107,200
B. Healthy Families Administration - Title XXI			
1. County Administration	-	-	-
2. Fiscal Intermediary	3,200	-	(3,200)
TOTAL HEALTHY FAMILIES PROGRAM	\$ 3,158,000	\$ 0	\$ (3,158,000)
TOTAL CCS PROGRAM	\$ 73,054,000	\$ (11,427,000)	\$ (84,481,000)

CALIFORNIA CHILDREN'S SERVICES
Comparison of Assumed Fiscal Impacts of Policy Changes

Fiscal Year 2014-15, Comparison of May 2015 and November 2014 Estimates								
POLICY CHG.		NOVEMBER 2014 ESTIMATE		MAY 2015 ESTIMATE		DIFFERENCE, Incr./.(Decr.)		
TYPE	NO. DESCRIPTION	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS	
CCS STATE ONLY								
Other	1	ENROLLMENT AND ASSESSMENT FEES	-\$91,000	-\$91,000	-\$76,000	-\$76,000	\$15,000	\$15,000
Co. Admin.	2	COUNTY ADMINISTRATIVE COSTS - CCS STATE ONLY	\$11,556,000	\$11,556,000	\$11,556,000	\$11,556,000	\$0	\$0
FI	3A	FISCAL INTERMEDIARY EXPENDITURES - CCS STATE ONLY	\$177,000	\$177,000	\$158,000	\$158,000	-\$19,000	-\$19,000
FI	4A	FISCAL INTERMEDIARY EXPENDITURES (Dental) - CCS STATE ONLY	\$15,000	\$15,000	\$14,000	\$14,000	-\$1,000	-\$1,000
FI	5	CMS NET - CCS STATE ONLY	\$275,000	\$275,000	\$195,000	\$195,000	-\$80,000	-\$80,000
Other	6	MH/UCD & BTR - SAFETY NET CARE POOL	\$0	\$0	\$0	\$0	\$0	\$0
Co. Admin.	7	TITLE V REIMBURSEMENT FROM CDPH	\$0	-\$5,852,000	\$0	-\$5,992,000	\$0	-\$140,000
Benefits	8A	CCS DRUG REBATES	-\$120,000	-\$120,000	-\$120,000	-\$120,000	\$0	\$0
Benefits	9	DRG - INPATIENT HOSPITAL REIMBURSEMENT METHODOLOGY	-\$14,300	-\$14,300	\$1,000	\$1,000	\$15,300	\$15,300
Benefits	10	ACA IMPACT TO THE CCS PROGRAM	\$0	\$0	\$0	\$0	\$0	\$0
			<u>\$11,797,700</u>	<u>\$5,945,700</u>	<u>\$11,728,000</u>	<u>\$5,736,000</u>	<u>-\$69,700</u>	<u>-\$209,700</u>
CCS-HFP								
FI	3B	FISCAL INTERMEDIARY EXPENDITURES - CCS-HFP	\$3,100	\$1,100	\$3,000	\$1,100	-\$100	\$0
FI	4B	FISCAL INTERMEDIARY EXPENDITURES (Dental) - CCS-HFP	\$2,000	\$700	\$2,000	\$700	\$0	\$0
Benefits	8B	CCS-HFP DRUG REBATES	-\$130,000	-\$27,000	-\$130,000	-\$22,800	\$0	\$4,200
			<u>-\$124,900</u>	<u>-\$25,200</u>	<u>-\$125,000</u>	<u>-\$21,000</u>	<u>-\$100</u>	<u>\$4,200</u>
		CCS TOTAL	<u>\$11,672,800</u>	<u>\$5,920,500</u>	<u>\$11,603,000</u>	<u>\$5,715,000</u>	<u>-\$69,800</u>	<u>-\$205,500</u>

¹ Funds are referenced separately in the CCS Funding Sources pages.

CALIFORNIA CHILDREN'S SERVICES
Comparison of Assumed Fiscal Impacts of Policy Changes

Fiscal Year 2015-16, Comparison of May 2015 and November 2014 Estimates								
POLICY CHG.		NOVEMBER 2014 ESTIMATE		MAY 2015 ESTIMATE		DIFFERENCE, Incr./Decr.		
TYPE	NO. DESCRIPTION	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS	
CCS STATE ONLY								
Other	1	ENROLLMENT AND ASSESSMENT FEES	-\$91,000	-\$91,000	-\$80,000	-\$80,000	\$11,000	\$11,000
Co. Admin.	2	COUNTY ADMINISTRATIVE COSTS - CCS STATE ONLY	\$11,729,000	\$11,729,000	\$11,738,000	\$11,738,000	\$9,000	\$9,000
FI	3A	FISCAL INTERMEDIARY EXPENDITURES - CCS STATE ONLY	\$211,000	\$211,000	\$212,000	\$212,000	\$1,000	\$1,000
FI	4A	FISCAL INTERMEDIARY EXPENDITURES (Dental) - CCS STATE ONLY	\$19,000	\$19,000	\$15,000	\$15,000	-\$4,000	-\$4,000
FI	5	CMS NET - CCS STATE ONLY	\$273,000	\$273,000	\$194,000	\$194,000	-\$79,000	-\$79,000
Other	6	MH/UCD & BTR - SAFETY NET CARE POOL	\$0	\$0	\$0	\$0	\$0	\$0
Co. Admin.	7	TITLE V REIMBURSEMENT FROM CDPH	\$0	-\$5,262,000	\$0	-\$5,992,000	\$0	-\$730,000
Benefits	8A	CCS DRUG REBATES	-\$120,000	-\$120,000	-\$120,000	-\$120,000	\$0	\$0
Benefits	9	DRG - INPATIENT HOSPITAL REIMBURSEMENT METHODOLOGY	-\$20,400	-\$20,400	\$0	\$0	\$20,400	\$20,400
Benefits	10	ACA IMPACT TO THE CCS PROGRAM	\$0	\$0	-\$1,349,000	-\$1,349,000	-\$1,349,000	-\$1,349,000
			\$12,000,600	\$6,738,600	\$10,610,000	\$4,618,000	-\$1,390,600	-\$2,120,600
CCS-HFP								
FI	3B	FISCAL INTERMEDIARY EXPENDITURES - CCS-HFP	\$0	\$0	\$0	\$0	\$0	\$0
FI	4B	FISCAL INTERMEDIARY EXPENDITURES (Dental) - CCS-HFP	\$0	\$0	\$0	\$0	\$0	\$0
Benefits	8B	CCS-HFP DRUG REBATES	\$0	\$0	\$0	\$0	\$0	\$0
			\$0	\$0	\$0	\$0	\$0	\$0
		CCS TOTAL	\$12,000,600	\$6,738,600	\$10,610,000	\$4,618,000	-\$1,390,600	-\$2,120,600

¹ Funds are referenced separately in the CCS Funding Sources pages.

ENROLLMENT AND ASSESSMENT FEES

POLICY CHANGE NUMBER: 1
IMPLEMENTATION DATE: 7/1994
ANALYST: Celine Donaldson

		<u>FY 2014-15</u>	<u>FY 2015-16</u>
FULL YEAR COST	- TOTAL FUNDS	-\$76,000	-\$80,000
	- GENERAL FUND	-\$76,000	-\$80,000
PAYMENT LAG		1.0000	1.0000
% REFLECTED IN BASE		0.00%	0.00%
APPLIED TO BASE	- TOTAL FUNDS	-\$76,000	-\$80,000
	- GENERAL FUND	-\$76,000	-\$80,000
	- COUNTY FUNDS	-\$76,000	-\$80,000

Purpose:

This policy change estimates the total collected annual assessment fees and enrollment fees from California Children's Services (CCS) clients.

Authority:

Health & Safety Code 123870 and 123900

Interdependent Policy Changes:

Not Applicable

Background:

The CCS program requires an annual assessment fee and an annual enrollment fee. The fees are based on family income and CCS services received. Fees received are split 50/50 between the State and the counties by offsetting the counties' allocated fee revenues against the State's portion of reimbursements to the counties.

Reason for Change from Prior Estimate:

Actual fees collected were lower than previously estimated.

Methodology:

1. The enrollment and assessment fees are estimated using the trend in enrollment and assessment fees received for September 2005 - September 2014.

	<u>FY 2014-15</u>	<u>FY 2015-16</u>
Enrollment Fees:	\$110,000	\$119,000
Assessment Fees:	\$40,000	\$41,000
Total:	\$150,000 (\$75,500 GF Offset)	\$160,000 (\$80,000 GF Offset)

Funding:

General Fund (4260-111-0001)

County Funds*

* Not Included in Total Funds

COUNTY ADMINISTRATIVE COSTS - CCS STATE ONLY

POLICY CHANGE NUMBER: 2
IMPLEMENTATION DATE: 7/2003
ANALYST: Celine Donaldson

		<u>FY 2014-15</u>	<u>FY 2015-16</u>
FULL YEAR COST	- TOTAL FUNDS	\$11,556,000	\$11,738,000
	- GENERAL FUND	\$11,556,000	\$11,738,000
PAYMENT LAG		1.0000	1.0000
% REFLECTED IN BASE		0.00%	0.00%
APPLIED TO BASE	- TOTAL FUNDS	\$11,556,000	\$11,738,000
	- GENERAL FUND	\$11,556,000	\$11,738,000
	- COUNTY FUNDS	\$11,556,000	\$11,737,000

Purpose:

This policy change estimates the county administrative costs of California Children's Services (CCS) State Only Program.

Authority:

Health & Safety Code 123955(a)(e)

Interdependent Policy Changes:

Not Applicable

Background:

Beginning in FY 2003-04, a portion of County Administrative Costs is being claimed under CCS State Only. The State reimburses counties for 50% of their CCS State Only actual case management administrative costs.

Reason for Change from Prior Estimate:

The is no material change for FY 2014-15. The estimated change in caseload for FY 2015-16 increased by 0.07%.

Methodology:

1. For FY 2014-15, the CCS State Only base county administration reimbursement level is based on budgeted county expenditures for FY 2014-15 in the November 2014 Estimate:

FY 2014-15 : \$23,111,000 (\$11,556,000 GF) (Includes County Funds)

2. Based on the May 2015 Family Health Estimate, caseload is expected to increase by 1.57% from FY 2014-15 to FY 2015-16.

$\$23,111,000 \times 1.57\% = \$364,000$

$\$23,111,000 + \$364,000 = \$23,475,000$

FY 2015-16 : \$23,475,000 (\$11,738,000 GF) (Includes County Funds)

Funding:

General Fund (4260-111-0001)

County Funds*

* Not included in Total Funds

FISCAL INTERMEDIARY EXPENDITURES - CCS STATE ONLY

POLICY CHANGE NUMBER: 3A
IMPLEMENTATION DATE: 7/1993
ANALYST: Jason Moody

	<u>FY 2014-15</u>	<u>FY 2015-16</u>
FULL YEAR COST - TOTAL FUNDS	\$158,000	\$212,000
- GENERAL FUND	\$158,000	\$212,000
PAYMENT LAG	1.0000	1.0000
% REFLECTED IN BASE	0.00%	0.00%
APPLIED TO BASE - TOTAL FUNDS	\$158,000	\$212,000
- GENERAL FUND	\$158,000	\$212,000

Purpose:

This policy change estimates the expenditures paid to the medical fiscal intermediary (FI) for the administrative cost of adjudicating California Children's Services (CCS) State Only medical claims.

Authority:

Health & Safety Code 123822

Interdependent Policy Changes:

Not Applicable

Background:

CCS medical claims are paid by the medical FI. Administrative costs are reimbursed based on cost per adjudicated claim line (ACL).

Reason for Change from Prior Estimate:

Updated data became available for claim months.

Methodology:

1. The estimated medical FI administrative costs are:

		Ave Cost per ACLs	Estimated ACL Expenditure
FY 2014-15	Estimated ACLs		
General ACLs	183,094	\$ 0.74	\$ 135,000
Online ACLs	40,910	\$ 0.55	\$ 23,000
Total FY 2014-15			\$ 158,000

FY 2015-16			
General ACLs	185,977	\$ 0.98	\$ 182,000
Online ACLs	41,554	\$ 0.71	\$ 30,000
Total FY 2015-16			\$ 212,000

Funding:

100% GF (4260-111-0001)

FISCAL INTERMEDIARY EXPENDITURES - CCS-HFP

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

	<u>FY 2014-15</u>	<u>FY 2015-16</u>
FULL YEAR COST - TOTAL FUNDS	\$3,000	\$0
- GENERAL FUND	\$1,100	\$0
- FEDERAL FUNDS TITLE XXI	\$1,900	\$0
PAYMENT LAG	1.0000	1.0000
% REFLECTED IN BASE	0.00%	0.00%
APPLIED TO BASE - TOTAL FUNDS	\$3,000	\$0
- GENERAL FUND	\$1,100	\$0
- FEDERAL FUNDS TITLE XXI	\$1,900	\$0

Purpose:

This policy change estimates the expenditures paid to the medical fiscal intermediary (FI) for the administrative cost of adjudicating California Children's Services (CCS) - Healthy Families medical claims.

Authority:

Health & Safety Code 123822

Interdependent Policy Changes:

Not Applicable

Background:

CCS medical claims are paid by the medical FI. Administrative costs are reimbursed based on cost per adjudicated claim line (ACL).

Effective January 1, 2013, the Healthy Families Program (HFP) subscribers began transitioning into Medi-Cal through a phase-in methodology. HFP sent to the counties the current subscribers' applications and information. The final group transitioned November 1, 2013. The program has since been renamed as the Targeted Low Income Children's Program.

Reason for Change from Prior Estimate:

Updated data became available for claim months.

Methodology:

1. The estimated medical FI administrative costs are:

		Ave Cost per ACLs	TF	GF
FY 2014-15	Estimated ACLs			
General ACLs	3,897	\$0.74	\$3,000	\$1,100

Funding:

65% Title XXI / 35% GF (4260-113-0001/0890)

FISCAL INTERMEDIARY EXPENDITURES (Dental) - CCS STATE ONLY

POLICY CHANGE NUMBER: 4A
IMPLEMENTATION DATE: 8/2003
ANALYST: Sandra Bannerman

		<u>FY 2014-15</u>	<u>FY 2015-16</u>
FULL YEAR COST	- TOTAL FUNDS	\$14,000	\$15,000
	- GENERAL FUND	\$14,000	\$15,000
PAYMENT LAG		1.0000	1.0000
% REFLECTED IN BASE		0.00%	0.00%
APPLIED TO BASE	- TOTAL FUNDS	\$14,000	\$15,000
	- GENERAL FUND	\$14,000	\$15,000

Purpose:

This policy change estimates the expenditures paid to the dental fiscal intermediary, Delta Dental, for the administrative cost of adjudicating the California Children's Services (CCS) State Only dental claims.

Authority:

Health & Safety Code 123822

Interdependent Policy Changes:

Not Applicable

Background:

CCS State Only dental claims are adjudicated by Delta Dental and administrative costs are reimbursed based on cost per adjudicated claim line (ACL) and Treatment Authorization Request (TAR).

Beginning FY 2012-13, the Department reimburses Delta Dental for indirect costs related to CCS State Only dental claims.

Reason for Change from Prior Estimate:

Estimate was updated with July 2014 to January 2015 actuals. These later actuals were lower than previously estimated.

Methodology:

1. Assume CCS State Only dental ACLs & TARs rates are \$1.35 and \$7.87, respectively.
2. Assume the indirect cost per ACLs & TARs are \$1.12 and \$1.17, respectively, and will be included in the rate.

FY 2014-15	<u>Estimated</u>		<u>Rates</u>	<u>Estimated</u>	
	<u>Claims</u>			<u>Expenditure</u>	
ACLs	4,020	\$	2.47	\$ 10,000	
TARs	409	\$	9.04	\$ 4,000	
Total FY 2014-15				\$ 14,000	(\$14,000 GF)

FY 2015-16	<u>Estimated</u>		<u>Rates</u>	<u>Estimated</u>	
	<u>Claims</u>			<u>Expenditure</u>	
ACLs	4,588	\$	2.47	\$ 11,000	
TARs	476	\$	9.04	\$ 4,000	
Total FY 2015-16				\$ 15,000	(\$15,000 GF)

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

FISCAL INTERMEDIARY EXPENDITURES (Dental) - CCS-HFP

POLICY CHANGE NUMBER: 4B
IMPLEMENTATION DATE: 8/2003
ANALYST: Sandra Bannerman

	<u>FY 2014-15</u>	<u>FY 2015-16</u>
FULL YEAR COST - TOTAL FUNDS	\$2,000	\$0
- GENERAL FUND	\$700	\$0
- FEDERAL FUNDS TITLE XXI	\$1,300	\$0
PAYMENT LAG	1.0000	1.0000
% REFLECTED IN BASE	0.00%	0.00%
APPLIED TO BASE - TOTAL FUNDS	\$2,000	\$0
- GENERAL FUND	\$700	\$0
- FEDERAL FUNDS TITLE XXI	\$1,300	\$0

Purpose:

This policy change estimates the expenditures paid to the dental fiscal intermediary, Delta Dental, for the administrative cost of adjudicating the California Children's Services (CCS) Healthy Family Program (HFP) dental claims.

Authority:

Health & Safety Code 123822

Interdependent Policy Changes:

Not Applicable

Background:

CCS-HFP dental claims are adjudicated by Delta Dental and administrative costs are reimbursed based on cost per adjudicated claim line (ACL) and Treatment Authorization Request (TAR).

Beginning FY 2012-13, the Department will reimburse Delta Dental for indirect costs related to CCS-HFP dental claims. The Healthy Families Program (HFP) ceased enrollment January 1, 2013 and transitioned its subscribers to the Medi-Cal Optional Targeted Low Income Children's Program. The transition completed in November 2013.

Reason for Change from Prior Estimate:

There is no change.

Methodology:

1. Assume CCS-HFP dental ACLs & TARs rates are \$1.35 and \$7.87, respectively.

2. Assume the indirect cost per ACLs & TARs are \$1.12 and \$1.17, respectively, and will be included in the rate.

FY 2014-15	<u>Estimated</u>		<u>Rates</u>		<u>Estimated</u>	
	<u>Claims</u>				<u>Expenditure</u>	
ACLs	423	\$	2.47	\$	1,000	
TARs	60	\$	9.04	\$	1,000	
Total FY 2014-15					2,000	(\$700 GF)

Funding:

65% Title XXI / 35% GF (4260-111-0001/0890)

CMS NET - CCS STATE ONLY

POLICY CHANGE NUMBER: 5
IMPLEMENTATION DATE: 7/2004
ANALYST: Celine Donaldson

	<u>FY 2014-15</u>	<u>FY 2015-16</u>
FULL YEAR COST - TOTAL FUNDS	\$195,000	\$194,000
- GENERAL FUND	\$195,000	\$194,000
PAYMENT LAG	1.0000	1.0000
% REFLECTED IN BASE	0.00%	0.00%
APPLIED TO BASE - TOTAL FUNDS	\$195,000	\$194,000
- GENERAL FUND	\$195,000	\$194,000

Purpose:

This policy change estimates the costs for Children's Medical Services Network (CMS Net).

Authority:

AB 442 (Chapter 1161, Statutes of 2002)
 Health & Safety Code 123800

Interdependent Policy Changes:

Not Applicable

Background:

The California Children's Services (CCS) program utilizes the CMS Net automated system to assure case management activities such as patient registration, medical eligibility, letter generation, and authorization of services are accommodated, tracked, and documented. CMS Net was implemented in 1992 in the State regional offices and several small counties. Currently, all 58 CCS counties, 3 State CCS regional offices, and the Genetically Handicapped Persons Program utilize CMS Net.

Reason for Change from Prior Estimate:

Updated CMS Net actual expenditures through December 2014 reflect a decrease, lowering estimated data processing costs.

Methodology:

1. Effective January 1, 2013, Healthy Families Program (HFP) subscribers began a transition into Medi-Cal through a phase-in methodology. The CCS-HFP programs completed the transition to Medi-Cal's Optional Targeted Low-Income Children's Program (OTLICP) in November 2013.
2. CCS FY 2014-15 data processing cost is estimated to be \$2,324,000, and FY 2015-16 is \$2,309,000.

3. Based on estimated FY 2014-15 and FY 2015-16 caseload counts, costs for CMS Net are projected to be split:

	FY 2014-15			CMS Net
	<u>Caseload</u>	<u>Percentage</u>		<u>Allocation</u>
CCS State-Only	14,987	8.4%	\$	195,000
CCS Medi-Cal	142,270	79.5%	\$	1,847,000
CCS OTLICP	<u>21,746</u>	<u>12.1%</u>	\$	<u>282,000</u>
Total	179,003	100.0%	\$	2,324,000

	FY 2015-16			CMS Net
	<u>Caseload</u>	<u>Percentage</u>		<u>Allocation</u>
CCS State-Only	15,223	8.4%	\$	194,000
CCS Medi-Cal	144,923	79.6%	\$	1,838,000
CCS OTLICP	<u>21,842</u>	<u>12.0%</u>	\$	<u>277,000</u>
Total	181,988	100.0%	\$	2,309,000

4. Data processing estimated costs are based on:

- system utilization;
- system functionality, including the Health Insurance Portability and Accountability Act (HIPAA) compliance and disaster recovery; and
- the Stephen P. Teale Data Center base rates, including increasing licensing fees.

5. CCS State Only costs for CMS Net are 100% General Fund.

Funding:

General Fund (4260-111-0001)

MH/UCD & BTR - SAFETY NET CARE POOL

POLICY CHANGE NUMBER: 6
IMPLEMENTATION DATE: 9/2005
ANALYST: Jerrold Anub

	<u>FY 2014-15</u>	<u>FY 2015-16</u>
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 California Children Services (CCS) Program 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 the MH/UCD, the Department may claim federal reimbursement for the CCS from the Safety Net Care Pool (SNCP) funding established by the MH/UCD. The CCS program provides diagnostic and treatment services, medical case management, and physical and occupational therapy health care services to children under 21 years of age with CCS-eligible conditions in families unable to afford catastrophic health care costs.

The MH/UCD was extended for two months until October 31, 2010. Effective November 1, 2010, the Center for Medicare and Medicaid Services (CMS) approved a five-year demonstration, the BTR. The Special Terms and Conditions of the BTR allow the State to claim federal financial participation (FFP) using the CPEs of approved Designated State Health Programs (DSHPs). The CCS program is included in the list of DSHPs. 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, the addition of the DY 2010-11 reconciliation, and updates to the DY 2011-12 and DY 2012-13 final reconciliations.

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 CCS 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 2010-11 has been updated and the Department estimates it will claim an additional \$8.715 million in federal funds in FY 2014-15 for the DY 2010-11 final reconciliation.
3. The final reconciliation for DY 2011-12 is anticipated to be completed in FY 2014-15. The Department estimates that it will have to repay the federal government \$2.590 million in federal funds in FY 2014-15 for the DY 2011-12 final reconciliation. The CCS federal reimbursements are reduced by the final reconciliation amounts in this policy change.
4. 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 \$23.969 million in federal funds in FY 2015-16 for the DY 2012-13 final reconciliation. The CCS federal reimbursements are reduced by the final reconciliation amounts in this policy change.
- 5 The BTR will end on October 31, 2015. The Department assumes the BTR funding will not continue in the subsequent waiver.

(Dollars in Thousands)			
FY 2014-15	TF	GF	FF
DSHP-BTR (DY 2014-15)	\$0	\$ (57,779)	\$ 57,779
DY 2010-11 Final Reconciliation	\$0	\$ (8,715)	\$ 8,715
DY 2011-12 Final Reconciliation	\$0	\$ 2,590	\$ (2,590)
Total	\$0	\$ (63,904)	\$ 63,904

(Dollars in Thousands)			
FY 2015-16	TF	GF	FF
DSHP-BTR (DY 2014-15)	\$0	\$ (6,550)	\$ 6,550
DY 2012-13 Final Reconciliation	\$0	\$ 23,969	\$ (23,969)
Total	\$0	\$ 17,419	\$ (17,419)

Funding:

100% Health Care Support Fund (4260-601-7503)

100% GF (4260-111-0001)

TITLE V REIMBURSEMENT FROM CDPH

POLICY CHANGE NUMBER: 7
IMPLEMENTATION DATE: 7/2007
ANALYST: Jason Moody

	<u>FY 2014-15</u>	<u>FY 2015-16</u>
FULL YEAR COST - TOTAL FUNDS	\$0	\$0
- GENERAL FUND	-\$5,992,000	-\$5,992,000
- FEDERAL FUNDS TITLE V	\$5,992,000	\$5,992,000
PAYMENT LAG	1.0000	1.0000
% REFLECTED IN BASE	0.00%	0.00%
APPLIED TO BASE - TOTAL FUNDS	\$0	\$0
- GENERAL FUND	-\$5,992,000	-\$5,992,000
- FEDERAL FUNDS TITLE V	\$5,992,000	\$5,992,000

Purpose:

This policy change estimates the Title V grant authorized for the California Children's Services (CCS) program.

Authority:

Social Security Act 501 and 505 (42 USC 701 and 705)

Interdependent Policy Changes:

Not Applicable

Background:

The federal Title V Maternal and Child Health program provides funding for preventive and primary care services for children; infant and mothers; and children and youth with special health care needs (CYSHCN). The CCS program is California's designated CYSHCN program and, therefore, receives a portion of California's Title V funds. The California Department of Public Health budgets for the Title V grant. The Title V federal funding for the CCS program is shown as a reimbursement in the Department's Family Health Estimate.

Reason for Change from Prior Estimate:

The Title V grant has increased by \$140,000 in both FY 2014-15 and FY 2015-16 and \$590,000 is being added in FY 2015-16 for county administration support costs.

Methodology:

1. For FY 2014-15 and FY 2015-16, the amount expected to be received is \$5,992,000.

Funding:

CDPH Title V Reimbursement (4260-601-0995)
 100% General Fund (4260-111-0001)

CCS DRUG REBATES

POLICY CHANGE NUMBER: 8A
IMPLEMENTATION DATE: 7/2011
ANALYST: Jason Moody

		<u>FY 2014-15</u>	<u>FY 2015-16</u>
FULL YEAR COST	- TOTAL FUNDS	-\$120,000	-\$120,000
	- GENERAL FUND	-\$120,000	-\$120,000
PAYMENT LAG		1.0000	1.0000
% REFLECTED IN BASE		0.00%	0.00%
APPLIED TO BASE	- TOTAL FUNDS	-\$120,000	-\$120,000
	- GENERAL FUND	-\$120,000	-\$120,000
	- COUNTY FUNDS	-\$120,000	-\$120,000

Purpose:

This policy change estimates the savings for California Children's Services (CCS) 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 Special Terms and Conditions of the MH/UCD, BTR, and SB 1100 provide for the Department to claim federal reimbursement for CCS 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 CCS to participate in the Medi-Cal factor rebates.

Reason for Change from Prior Estimate:

There is no change.

Methodology:

1. Estimate is based on ongoing rebate collections.
2. Assume a 75% payment of outstanding invoices.
3. CCS drug rebate collections, for FY 2014-15 and FY 2015-16, are estimated to be:

	TF	GF	CF*
FY 2014-15	(\$120,000)	(\$120,000)	(\$120,000)
	TF	GF	CF*
FY 2015-16	(\$120,000)	(\$120,000)	(\$120,000)

Funding:

Rebates Special Fund (4260-601-3079)
 County Funds*

*Not Included in Total Fund

CCS-HFP DRUG REBATES

POLICY CHANGE NUMBER: 8B
IMPLEMENTATION DATE: 7/2011
ANALYST: Jason Moody

		<u>FY 2014-15</u>	<u>FY 2015-16</u>
FULL YEAR COST	- TOTAL FUNDS	-\$130,000	\$0
	- GENERAL FUND	-\$22,750	\$0
	- FEDERAL FUNDS TITLE XXI	-\$84,500	\$0
PAYMENT LAG		1.0000	1.0000
% REFLECTED IN BASE		0.00%	0.00%
APPLIED TO BASE	- TOTAL FUNDS	-\$130,000	\$0
	- GENERAL FUND	-\$22,800	\$0
	- FEDERAL FUNDS TITLE XXI	-\$84,500	\$0
	- COUNTY FUNDS	-\$22,800	\$0

Purpose:

This policy change estimates the savings for California Children's Services - Healthy Families Program (CCS-HFP) 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 Special Terms and Conditions of the MH/UCD, BTR, and SB 1100 provide for the Department to claim federal reimbursement for CCS 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 CCS to participate in the Medi-Cal factor rebates.

Reason for Change from Prior Estimate:

There is no change.

Methodology:

1. Estimates are based upon current invoices and collections.
2. CCS-HFP drug rebate collections are estimated to be:

	TF	GF	FF	CF*
FY 2014-15	(\$107,250)	(\$22,750)	(\$84,500)	(\$22,750)

Funding:

Title XXI 17.5/65 (4260-111-0001/0890)
 17.5 County Fund*

*Not Included in Total Fund

DRG - INPATIENT HOSPITAL REIMBURSEMENT METHODOLOGY

POLICY CHANGE NUMBER: 9
IMPLEMENTATION DATE: 7/2013
ANALYST: Jerrold Anub

		<u>FY 2014-15</u>	<u>FY 2015-16</u>
FULL YEAR COST	- TOTAL FUNDS	\$1,000	\$0
	- GENERAL FUND	\$1,000	\$0
PAYMENT LAG		1.0000	1.0000
% REFLECTED IN BASE		0.00%	0.00%
APPLIED TO BASE	- TOTAL FUNDS	\$1,000	\$0
	- GENERAL FUND	\$1,000	\$0
	- COUNTY FUNDS	\$1,000	\$0

Purpose:

This policy change estimates the fiscal impact in the California Children’s Services (CCS) State-Only from implementing the Diagnosis Related Group (DRG) payment methodology for private hospitals and Non-Designated Public Hospitals (NDPH).

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 previous 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 CCS program are to be identical to the rates paid to Medi-Cal providers.

Reason for Change from Prior Estimate:

The annual savings are estimated to be 100% in the base expenditure estimate and are no longer in this policy change. The impact from Erroneous Payment Corrections (EPCs) are now included in FY 2014-15.

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. The Department will process several EPCs in FY 2014-15.
4. Assume CCS State-Only costs are as follows:

	TF	GF	CF*
FY 2014-15	\$ 1,000	\$ 1,000	\$ 1,000

Funding:

100% General Fund (4260-111-0001)

*County Funds (CF), not included in total funds

ACA IMPACT TO THE CCS PROGRAM

POLICY CHANGE NUMBER: 10
IMPLEMENTATION DATE: 7/2015
ANALYST: Raman Pabla

	<u>FY 2014-15</u>	<u>FY 2015-16</u>
FULL YEAR COST - TOTAL FUNDS	\$0	-\$1,349,000
- GENERAL FUND	\$0	-\$1,349,000
PAYMENT LAG	0.0000	1.0000
% REFLECTED IN BASE	0.00%	0.00%
APPLIED TO BASE - TOTAL FUNDS	\$0	-\$1,349,000
- GENERAL FUND	\$0	-\$1,349,000

Purpose

This policy change estimates the impact of the Affordable Care Act (ACA) to the California Children’s Services (CCS) program.

Authority:

Not Applicable

Interdependent Policy Changes:

Not Applicable

Background

The CCS program is projected to experience a decline in caseload due to the implementation of the ACA which allowed CCS beneficiaries to qualify for Medi-Cal or subsidized coverage through the Exchange. Therefore, the caseload projection for the CCS program in FY 2015-16 will remain at the same level as FY 2014-15.

Reason for Change from Prior Estimate

This is a new policy change.

Methodology

1. The caseload projection for FY 2014-15 is 14,987 and 15,223 for FY 2015-16.
2. Due to the implementation of the ACA, the CCS caseload for FY 2015-16 will remain at the FY 2014-15 level.
3. The total cost per case is \$5,865.08 in FY 2014-15 and \$5,715.04 in FY 2015-16.
4. The estimated reduction in General Fund (GF) expenditures in FY 2015-16 is:

$$\text{FY 2015-16: } 14,987 - 15,223 = (236) \times \$5,715.04 = \text{(\$1,349,000)}$$

Funding:

100% GF (4260-111-0001)

**CALIFORNIA CHILDREN'S SERVICES
Total Average Quarterly Caseload by Program**

**Total Non-Medi-Cal Caseload
(CCS State Only/CCS HFP)**

<u>All Counties</u>	<u>Fiscal Year 2013-14 1/</u>	<u>Fiscal Year 2014-15 1/</u>	<u>Fiscal Year 2015-16 2/</u>	<u>FY 2014-15 - FY 2015-16 % Change</u>
CCS State Only	16,916	14,987	15,223	1.57%
CCS HFP	657	0	0	0%
Estimated Impact of Policy Changes (PCs)	0	0	-236	0%
SUBTOTAL	17,573	14,987	14,987	0%

**Total Medi-Cal Caseload
(CCS Medi-Cal / TLIPC)**

<u>All Counties</u>	<u>Fiscal Year 2013-14 1/</u>	<u>Fiscal Year 2014-15 1/</u>	<u>Fiscal Year 2015-16</u>	<u>FY 2014-15 - FY 2015-16 % Change</u>
CCS Medi-Cal	135,175	142,270	144,923	1.86%
CCS OTLIPC	22,605	21,746	21,842	0.44%
SUBTOTAL	157,780	164,016	166,765	1.68%

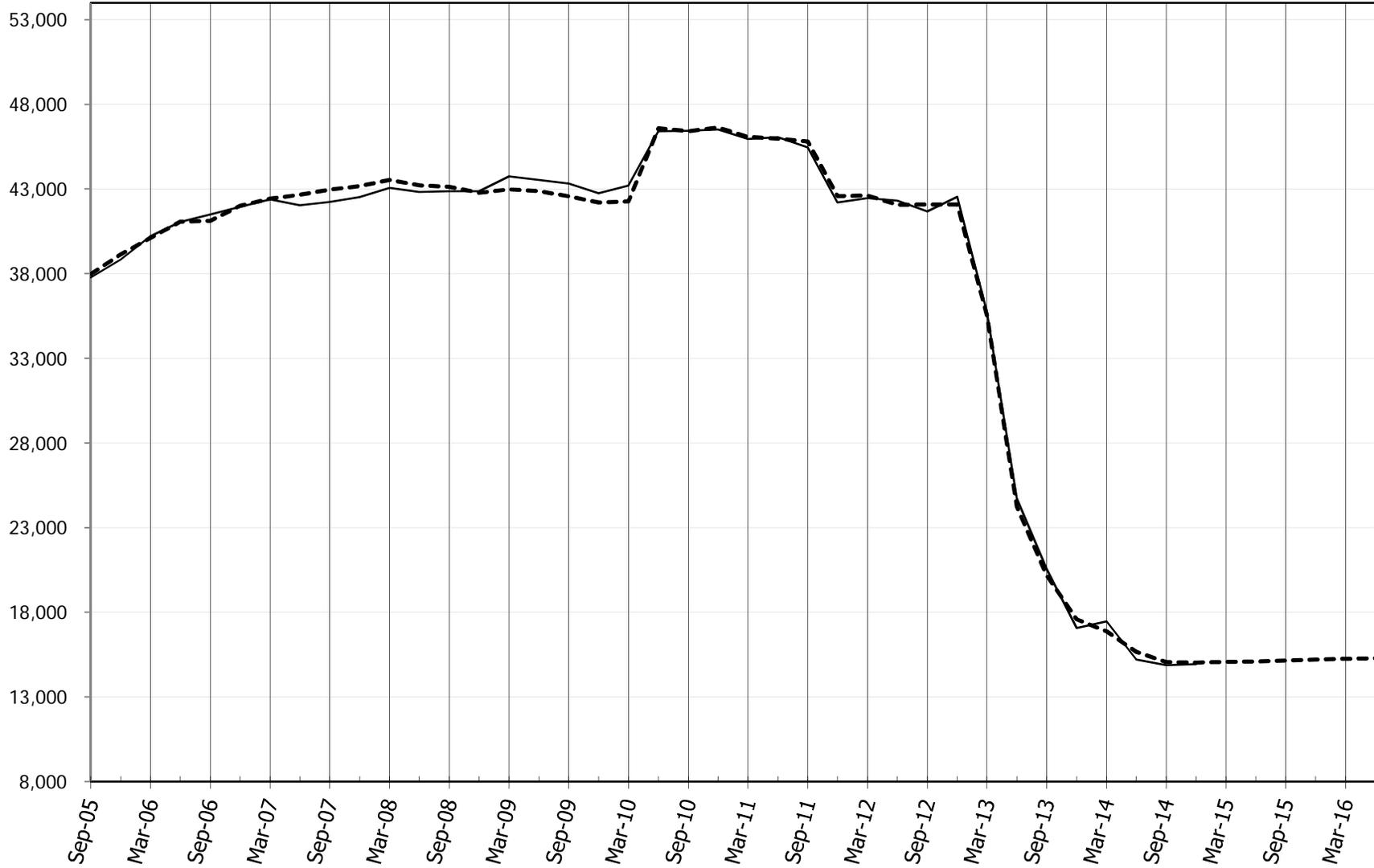
**Total Caseload
(CCS State Only / CCS HFP and CCS Medi-Cal / TLIPC)**

<u>All Counties</u>	<u>Fiscal Year 2013-14 1/</u>	<u>Fiscal Year 2014-15 1/</u>	<u>Fiscal Year 2015-16 2/</u>	<u>FY 2014-15 - FY 2015-16 % Change</u>
CCS State Only	16,916	14,987	15,223	1.57%
CCS HFP	657	0	0	0%
Estimated Impact of PCs	0	0	-236	0%
CCS Medi-Cal	135,175	142,270	144,923	1.86%
CCS OTLIPC	22,605	21,746	21,842	0.44%
TOTAL	175,353	179,003	181,752	1.54%

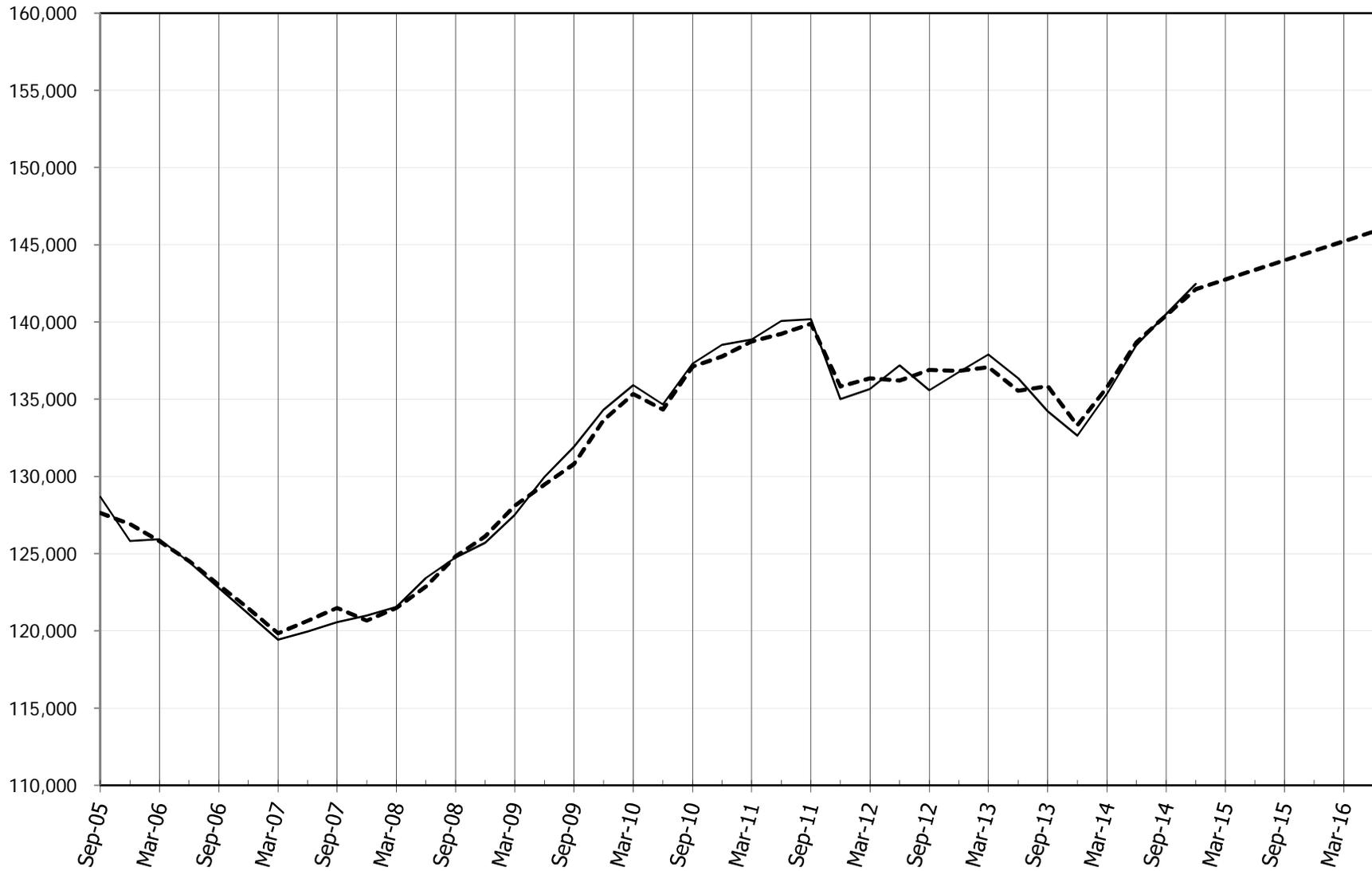
1/ Actual caseload data is complete thru December 2014.

2/ Estimated Impact of ACA Implementation, Policy Change #10

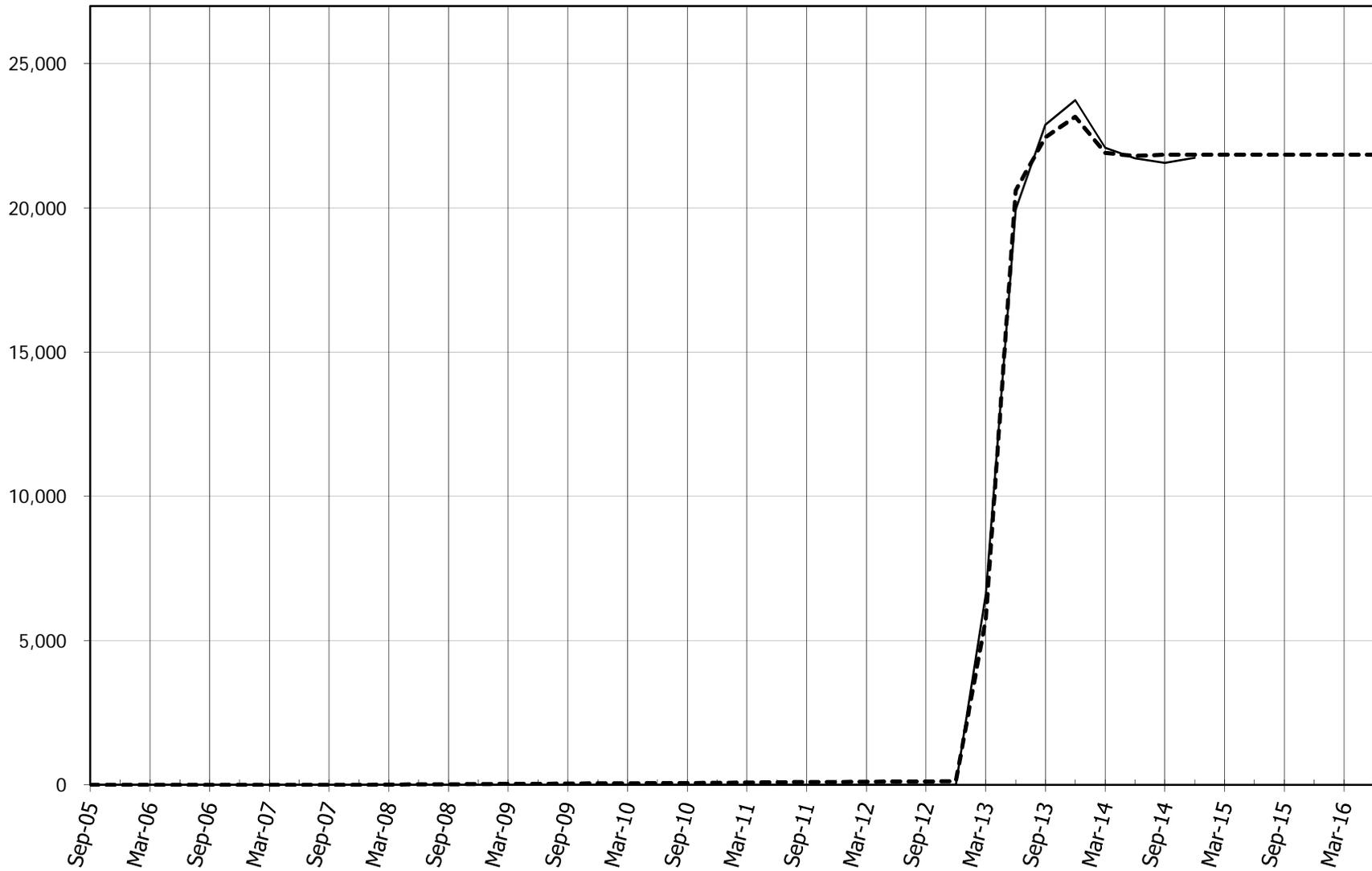
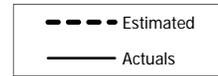
Total Statewide CCS-Only and CCS-HF Caseload



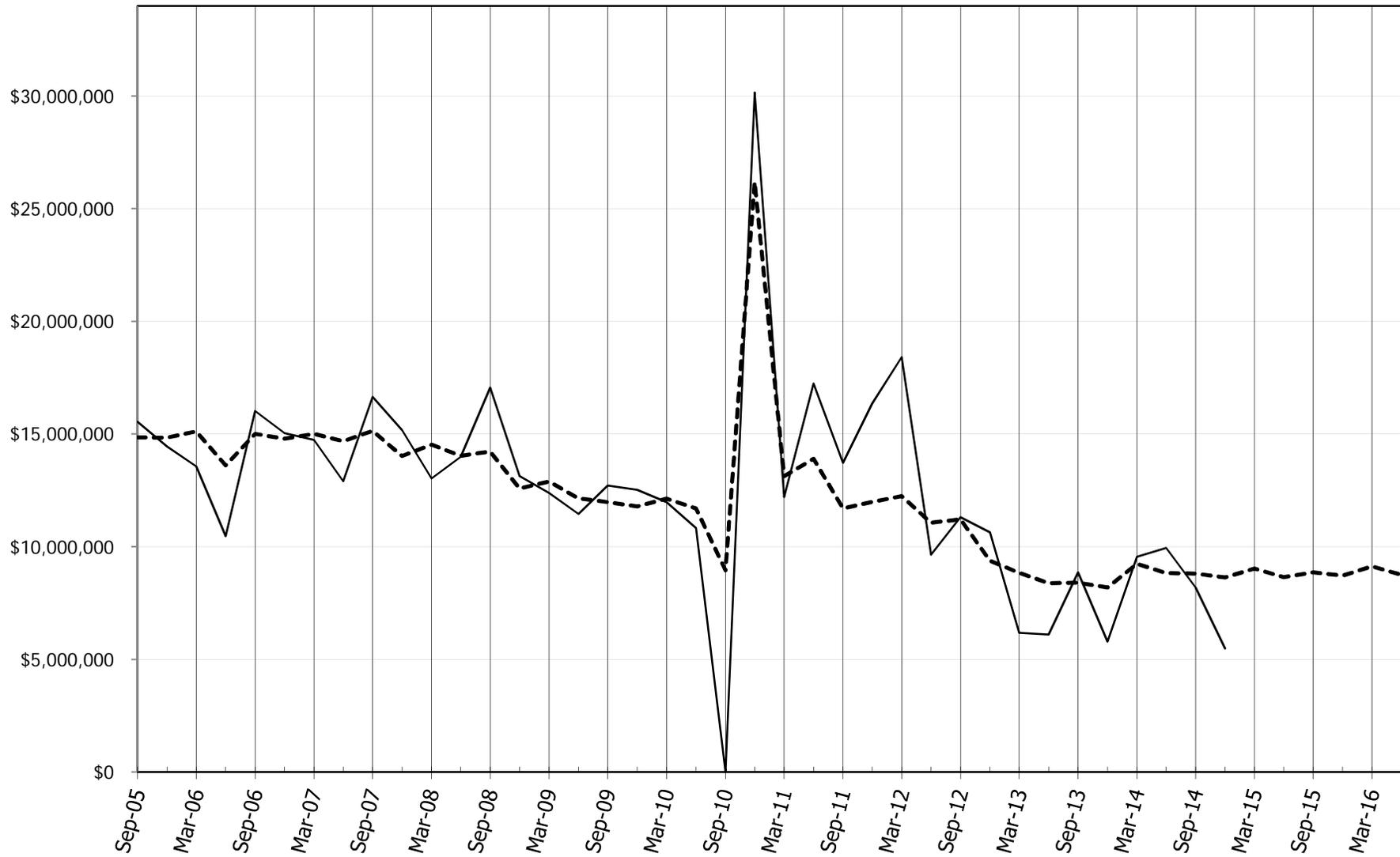
Total Statewide Medi-Cal Caseload



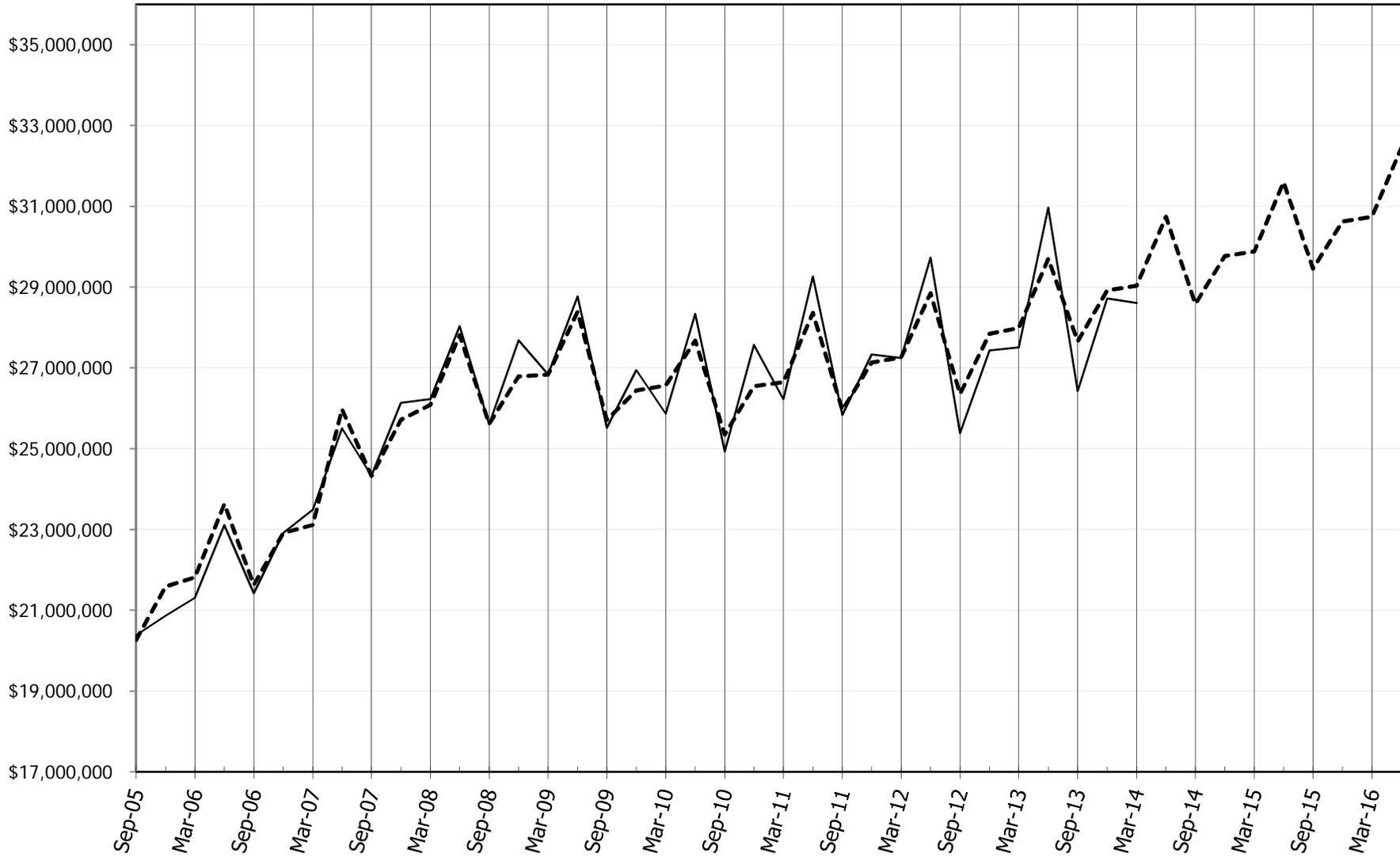
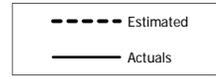
Total Statewide CCS TLIPC Caseload



Total CCS Quarterly Treatment Dollars (State Only Services)
--Includes County Funds--



Total CCS Quarterly Therapy Dollars (State Only Services)
--Includes County Funds--



CHILD HEALTH AND DISABILITY PREVENTION PROGRAM
Funding Summary
Fiscal Years 2014-15 and 2015-16 Compared to November 2014 Estimate

FY 2014-15, Comparison of May 2015 and November 2014 Estimates

	<u>Nov. 14 Est. FY 2014-15</u>	<u>May 15 Est. FY 2014-15</u>	<u>Difference Incr./(Decr.)</u>
State-Only Screens:	23,840	18,899	(4,941)
Net Dollars:			
4260-111-0001 (General Fund)	\$ 1,651,000	\$ 1,348,000	(\$ 303,000)
4260-111-0080 (CLPP Funds)	\$ 11,000	\$ 11,000	\$ 0
Total Funds	\$ 1,662,000	\$ 1,359,000	(\$ 303,000)

FY 2015-16, May 2015 Estimate Compared to November 2014 Estimate

	<u>Nov. 14 Est. FY 2015-16</u>	<u>May 15 Est. FY 2015-16*</u>	<u>Difference Incr./(Decr.)</u>
State-Only Screens:	23,840	18,899	(4,941)
Net Dollars:			
4260-111-0001 (General Fund)	\$ 1,666,000	\$ 1,364,000	(\$ 302,000)
4260-111-0080 (CLPP Funds)	\$ 11,000	\$ 11,000	\$ 0
Total Funds	\$ 1,677,000	\$ 1,375,000	(\$ 302,000)

May 2015 Estimate, FY 2014-15 Compared to FY 2015-16

	<u>May 15 Est. FY 2014-15</u>	<u>May 15 Est. FY 2015-16*</u>	<u>Difference Incr./(Decr.)</u>
State-Only Screens:	18,899	18,899	0
Net Dollars:			
4260-111-0001 (General Fund)	\$ 1,348,000	\$ 1,364,000	\$ 16,000
4260-111-0080 (CLPP Funds)	\$ 11,000	\$ 11,000	\$ 0
Total Funds	\$ 1,359,000	\$ 1,375,000	\$ 16,000

* Includes estimated impact of ACA implementation, Policy Change # 4 (-1,167 Annual Screens)

CHILD HEALTH AND DISABILITY PREVENTION PROGRAM
Funding Summary
Fiscal Years 2014-15 And 2015-16 Compared to Appropriation

FY 2014-15, May 2015 Estimate Compared to Appropriation			
	<u>Appropriation FY 2014-15</u>	<u>May 15 Est. FY 2014-15</u>	<u>Difference Incr./.(Decr.)</u>
State-Only Screens:	24,652	18,899	(5,753)
Net Dollars:			
4260-111-0001 (General Fund)	\$ 1,702,000	\$ 1,348,000	(\$ 354,000)
4260-111-0080 (CLPP Funds)	\$ 11,000	\$ 11,000	\$ 0
Total Funds	\$ 1,713,000	\$ 1,359,000	(\$ 354,000)

May 2015 Estimate for FY 2015-16 Compared to FY 2014-15 Appropriation			
	<u>Appropriation FY 2014-15</u>	<u>May 15 Est. FY 2015-16*</u>	<u>Difference Incr./.(Decr.)</u>
State-Only Screens:	24,652	18,899	(5,753)
Net Dollars:			
4260-111-0001 (General Fund)	\$ 1,702,000	\$ 1,364,000	(\$ 338,000)
4260-111-0080 (CLPP Funds)	\$ 11,000	\$ 11,000	\$ 0
Total Funds	\$ 1,713,000	\$ 1,375,000	(\$ 338,000)

* Includes estimated impact of ACA implementation, Policy Change # 4 (-1,167 Annual Screens)

CHILD HEALTH AND DISABILITY PREVENTION PROGRAM**Funding Sources by Component****Comparison of Fiscal Years 2014-15 And 2015-16**

FY 2014-15, May 2015 Estimate Compared to Appropriation			
	Appropriation FY 2014-15	May 15 Est. FY 2014-15	Difference Incr./((Decr.))
Annual Screens	24,652	18,899	(5,753)
Program Expenditures			
A. CHDP Services	\$ 1,370,000	\$ 1,051,000	(\$ 319,000)
B. CHDP Administration			
1. Fiscal Intermediary	\$ 99,000	\$ 64,000	(\$ 35,000)
2. CHDP Program Allocation	\$ 244,000	\$ 244,000	\$ 0
C. Benefit Policy Change	\$ 0	\$ 0	\$ 0
Total CHDP Program	\$ 1,713,000	\$ 1,359,000	(\$ 354,000)
Funding			
A. General Fund 4260-111-0001	\$ 1,702,000	\$ 1,348,000	(\$ 354,000)
B. CLPP Funds 4260-111-0080	\$ 11,000	\$ 11,000	\$ 0

May 2015 Estimate, Fiscal Year 2014-15 Compared to Fiscal Year 2015-16			
	May 15 Est. FY 2014-15	May 15 Est. FY 2015-16*	Difference Incr./((Decr.))
Annual Screens	18,899	18,899	0
Program Expenditures			
A. CHDP Services	\$ 1,051,000	\$ 1,122,000	\$ 71,000
B. CHDP Administration			
1. Fiscal Intermediary	\$ 64,000	\$ 90,000	\$ 26,000
2. CHDP Program Allocation	\$ 244,000	\$ 244,000	\$ 0
C. Benefit Policy Change	\$ 0	(\$ 81,000)	(\$ 81,000)
Total CHDP Program	\$ 1,359,000	\$ 1,375,000	\$ 16,000
Funding			
A. General Fund 4260-111-0001	\$ 1,348,000	\$ 1,364,000	\$ 16,000
B. CLPP Funds 4260-111-0080	\$ 11,000	\$ 11,000	\$ 0
Average \$/Screen			
Total CHDP	\$ 55.61	\$ 55.92	\$ 0.31

* Includes estimated impact of ACA implementation, Policy Change # 4 (-1,167 Annual Screens)

Note: The average cost per screen amounts above are calculated using expenditures that have been rounded to the nearest \$1,000. Additionally, the expenditures have been adjusted for the impact of policy changes. Therefore, they may differ from the base cost per screen amounts depicted in "Quarterly Summary" table.

CHILD HEALTH AND DISABILITY PREVENTION PROGRAM**Funding Sources by Component****Comparison of May 2015 Estimate to November 2014 Estimate**

FY 2014-15, May 2015 Estimate Compared to November 2014 Estimate			
	Nov. 2014 Est. FY 2014-15	May 2015 Est. FY 2014-15	Difference Incr./(Decr.)
Annual Screens	23,840	18,899	(4,941)
Program Expenditures			
A. CHDP Services	\$ 1,333,000	\$ 1,051,000	(\$ 282,000)
B. CHDP Administration			
1. Fiscal Intermediary	\$ 85,000	\$ 64,000	(\$ 21,000)
2. CHDP Program Allocation	\$ 244,000	\$ 244,000	\$ 0
C. Benefit Policy Change	\$ 0	\$ 0	\$ 0
Total CHDP Program	\$ 1,662,000	\$ 1,359,000	(\$ 303,000)
Funding			
A. General Fund 4260-111-0001	\$ 1,651,000	\$ 1,348,000	(\$ 303,000)
B. CLPP Funds 4260-111-0080	\$ 11,000	\$ 11,000	\$ 0

FY 2015-16, May 2015 Estimate Compared to November 2014 Estimate			
	Nov. 14 Est. FY 2015-16	May 15 Est. FY 2015-16*	Difference Incr./(Decr.)
Annual Screens	23,840	18,899	(4,941)
Program Expenditures			
A. CHDP Services	\$ 1,333,000	\$ 1,122,000	(\$ 211,000)
B. CHDP Administration			
1. Fiscal Intermediary	\$ 100,000	\$ 90,000	(\$ 10,000)
2. CHDP Program Allocation	\$ 244,000	\$ 244,000	\$ 0
C. Benefit Policy Change	\$ 0	(\$ 81,000)	(\$ 81,000)
Total CHDP Program	\$ 1,677,000	\$ 1,375,000	(\$ 302,000)
Funding			
A. General Fund 4260-111-0001	\$ 1,666,000	\$ 1,364,000	(\$ 302,000)
B. CLPP Funds 4260-111-0080	\$ 11,000	\$ 11,000	\$ 0

* Includes estimated impact of ACA implementation, Policy Change # 4 (-1,167 Annual Screens)

Note: The average cost per screen amounts above are calculated using expenditures that have been rounded to the nearest \$1,000. Additionally, the expenditures have been adjusted for the impact of policy changes. Therefore, they may differ from the base cost per screen amounts depicted in "Quarterly Summary" table.

**CHILD HEALTH AND DISABILITY PREVENTION PROGRAM
STATE FUNDED SCREENS AND COSTS
QUARTERLY SUMMARY**

<u>QUARTER</u>	<u>SCREENS</u>	<u>WEIGHTED AVG TOTAL FEE</u>	<u>TOTAL COST</u>
1	1,047	\$ 62.19	\$ 65,110
2	17,408	\$ 62.94	\$ 1,095,651
3	7,170	\$ 59.61	\$ 427,384
4	9,398	\$ 59.26	\$ 556,900
2010-11	35,023	\$ 61.25	\$ 2,145,044
1	14,273	\$ 61.29	\$ 874,813
2	11,690	\$ 55.94	\$ 653,918
3	7,467	\$ 51.89	\$ 387,453
4	6,929	\$ 53.13	\$ 368,114
2011-12	40,359	\$ 56.59	\$ 2,284,297
1	7,051	\$ 55.19	\$ 389,156
2	6,945	\$ 56.32	\$ 391,128
3	5,696	\$ 54.26	\$ 309,039
4	6,080	\$ 53.64	\$ 326,119
2012-13	25,772	\$ 54.90	\$ 1,415,441
1	6,856	\$ 57.38	\$ 393,383
2	6,029	\$ 59.59	\$ 327,975
3	4,875	\$ 55.54	\$ 270,769
4	4,816	\$ 58.52	\$ 281,856
2013-14	22,576	\$ 56.43	\$ 1,273,983
1	5,079	\$ 56.59	\$ 287,403
2*	5,315	\$ 55.67	\$ 295,855
3*	3,857	\$ 54.58	\$ 210,539
4*	4,647	\$ 55.29	\$ 256,962
2014-15	18,899	\$ 55.61	\$ 1,050,759
1*	5,998	\$ 57.46	\$ 344,659
2*	5,564	\$ 55.72	\$ 310,022
3*	3,857	\$ 54.58	\$ 210,539
4*	4,647	\$ 55.29	\$ 256,962
2015-16	20,066	\$ 55.92	\$ 1,122,181

* Includes estimated values

**CHILD HEALTH AND DISABILITY PREVENTION PROGRAM
Comparison of Assumed Fiscal Impacts of Policy Changes**

Fiscal Year 2014-15, Comparison of May 2015 and November 2014 Estimates

<u>POLICY CHG.</u> <u>TYPE</u>	<u>NO.</u>	<u>DESCRIPTION</u>	<u>NOVEMBER 2014 ESTIMATE</u>		<u>MAY 2015 ESTIMATE</u>		<u>DIFFERENCE, Incr./((Decr.))</u>	
			<u>TOTAL FUNDS</u>	<u>STATE FUNDS</u>	<u>TOTAL FUNDS</u>	<u>STATE FUNDS</u>	<u>TOTAL FUNDS</u>	<u>STATE FUNDS</u>
FI	1	FISCAL INTERMEDIARY EXPENDITURES - CHDP	\$85,000	\$85,000	\$64,000	\$64,000	-\$21,000	-\$21,000
Benefits	2	CLPP FUND	\$0	\$0	\$0	\$0	\$0	\$0
Benefits	4	ACA IMPACT TO THE CHDP PROGRAM	\$0	\$0	\$0	\$0	\$0	\$0
CHDP TOTAL			\$85,000	\$85,000	\$64,000	\$64,000	-\$21,000	-\$21,000

Fiscal Year 2015-16, Comparison of May 2015 and November 2014 Estimates

<u>POLICY CHG.</u> <u>TYPE</u>	<u>NO.</u>	<u>DESCRIPTION</u>	<u>NOVEMBER 2014 ESTIMATE</u>		<u>MAY 2015 ESTIMATE</u>		<u>DIFFERENCE, Incr./((Decr.))</u>	
			<u>TOTAL FUNDS</u>	<u>STATE FUNDS</u>	<u>TOTAL FUNDS</u>	<u>STATE FUNDS</u>	<u>TOTAL FUNDS</u>	<u>STATE FUNDS</u>
FI	1	FISCAL INTERMEDIARY EXPENDITURES - CHDP	\$100,000	\$100,000	\$90,000	\$90,000	-\$10,000	-\$10,000
Benefits	2	CLPP FUND	\$0	\$0	\$0	\$0	\$0	\$0
Benefits	4	ACA IMPACT TO THE CHDP PROGRAM	\$0	\$0	-\$81,000	-\$81,000	-\$81,000	-\$81,000
CHDP TOTAL			\$100,000	\$100,000	\$9,000	\$9,000	-\$91,000	-\$91,000

FISCAL INTERMEDIARY EXPENDITURES - CHDP

POLICY CHANGE NUMBER: 1
IMPLEMENTATION DATE: 07/2002
ANALYST: Jason Moody

	<u>FY 2014-15</u>	<u>FY 2015-16</u>
FULL YEAR COST - TOTAL FUNDS	\$64,000	\$90,000
- GENERAL FUND	\$64,000	\$90,000
PAYMENT LAG	1.0000	1.0000
% REFLECTED IN BASE	0.00%	0.00%
APPLIED TO BASE - TOTAL FUNDS	\$64,000	\$90,000
- GENERAL FUND	\$64,000	\$90,000

Purpose:

This policy change estimates the expenditures paid to the medical fiscal intermediary (FI) for the administrative cost of adjudicating Child Health and Disability Prevention (CHDP) program medical claims.

Authority:

Health & Safety Code 124033

Interdependent Policy Changes:

Not Applicable

Background:

CHDP claims are paid by the FI. Administrative costs are reimbursed based on a cost per adjudicated claim line (ACL).

Reason for Change from Prior Estimate:

Updated data became available for claim months.

Methodology:

1. The estimated medical FI administrative costs are:

	Estimated ACLs	Ave Cost per ACLs	Estimated ACL Expenditure
FY 2014-15			
General ACLs	86,313	\$ 0.74	\$ 64,000
FY 2015-16			
General ACLs	91,642	\$ 0.98	\$ 90,000

Funding:

100% GF (4260-111-0001)

CLPP FUND

POLICY CHANGE NUMBER: 2
IMPLEMENTATION DATE: 07/2011
ANALYST: Peter Bjorkman

		<u>FY 2014-15</u>	<u>FY 2015-16</u>
FULL YEAR COST	- TOTAL FUNDS	\$0	\$0
	- GENERAL FUND	-\$11,000	-\$11,000
	- CLPP FUND	\$11,000	\$11,000
PAYMENT LAG		1.0000	1.0000
% REFLECTED IN BASE		0.00%	0.00%
APPLIED TO BASE	- TOTAL FUNDS	\$0	\$0
	- GENERAL FUND	-\$11,000	-\$11,000
	- CLPP FUND	\$11,000	\$11,000

Purpose:

This policy change appropriates the funding for blood lead tests under the Child Health and Disability Prevention Program (CHDP) State-Only Program. The expenditures for lead testing are in the CHDP base trends and this policy change adjusts the funding.

Authority:

Health & Safety Code 105305, 105310, 124075
 Interagency Agreement (IA) #13-20109

Interdependent Policy Changes:

Not Applicable

Background:

CHDP State-Only health assessments are provided to Medi-Cal beneficiaries who are eligible for emergency and pregnancy related services only under the Medi-Cal State Plan. CHDP State-Only health assessments meet the State and Federal requirements for health assessments provided to full scope Medi-Cal beneficiaries under the Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) benefit of the Medi-Cal Program, including a blood lead test for individuals who are at risk for lead poisoning. The lead testing component of these CHDP State-Only health assessments is funded by the Childhood Lead Poisoning Prevention (CLPP) Fund, which receives revenues from a fee assessed on entities formerly or presently engaged in commerce involving lead products and collected by the Board of Equalization.

Reason for Change from Prior Estimate:

No change.

Methodology:

1. CHDP State-Only CLPP is funded by 100% State Funds.
2. The new IA with the Department of Public Health began October 29, 2013. The term of the IA will be from July 1, 2013 through June 30, 2016, and the CLPP funding allocated for FY 2014-15 and FY 2015-16 will be \$11,000 for each year.

	<u>CLPP Fund</u>
FY 2014-15	\$11,000
FY 2015-16	\$11,000

Funding:

100% CLPP Fund (4260-111-0080)

100% GF (4260-111-0001)

ACA IMPACT TO THE CHDP PROGRAM

POLICY CHANGE NUMBER: 4
IMPLEMENTATION DATE: 07/2015
ANALYST: Raman Pabla

		<u>FY 2014-15</u>	<u>FY 2015-16</u>
FULL YEAR COST	- TOTAL FUNDS	\$0	-\$81,000
	- GENERAL FUND	\$0	-\$81,000
PAYMENT LAG		0.0000	1.0000
% REFLECTED IN BASE		0.00%	0.00%
APPLIED TO BASE	- TOTAL FUNDS	\$0	-\$81,000
	- GENERAL FUND	\$0	-\$81,000

Purpose

This policy change estimates the impact of the Affordable Care Act (ACA) to the Child Health and Disability Prevention (CHDP) program.

Authority:

Not Applicable

Interdependent Policy Changes:

Not Applicable

Background

The CHDP program is projected to experience a decline in caseload due to the implementation of the ACA which allowed CHDP beneficiaries to qualify for Medi-Cal or subsidized coverage through the Exchange. Therefore, the caseload projection for the CHDP program in FY 2015-16 will remain at the same level as FY 2014-15.

Reason for Change from Prior Estimate

This is a new policy change.

Methodology

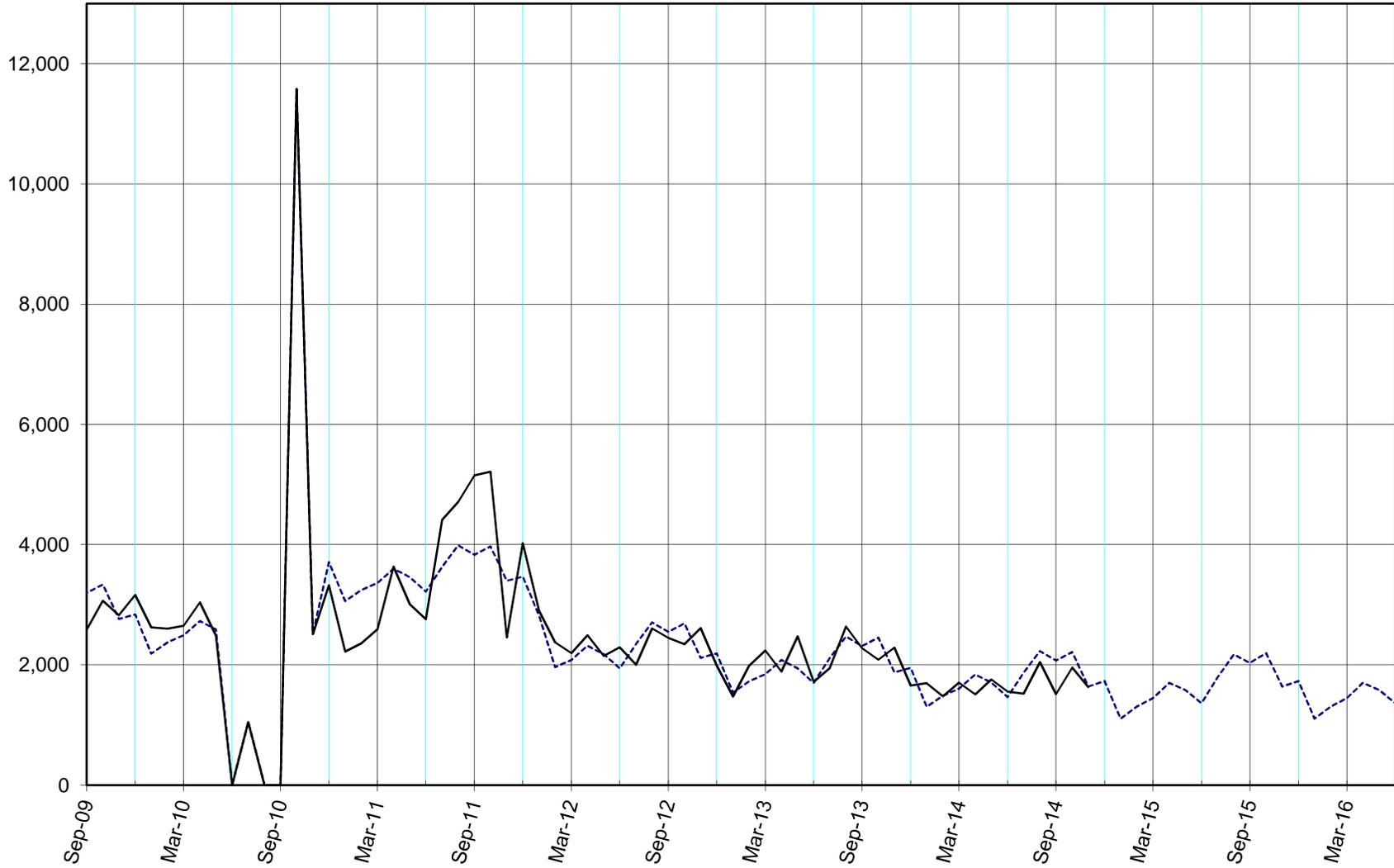
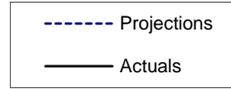
1. The caseload projection for FY 2014-15 is 18,899 and 20,066 for FY 2015-16.
2. Due to the implementation of the ACA, the CHDP caseload for FY 2015-16 will remain at the FY 2014-15 level.
3. The total cost per case is \$68.79 in FY 2014-15 and \$69.77 in FY 2015-16.
4. The estimated reduction in General Fund (GF) expenditures in FY 2015-16 is:

$$\text{FY 2015-16: } 18,899 - 20,066 = (1,167) \times \$69.77 = \text{(\$81,000)}$$

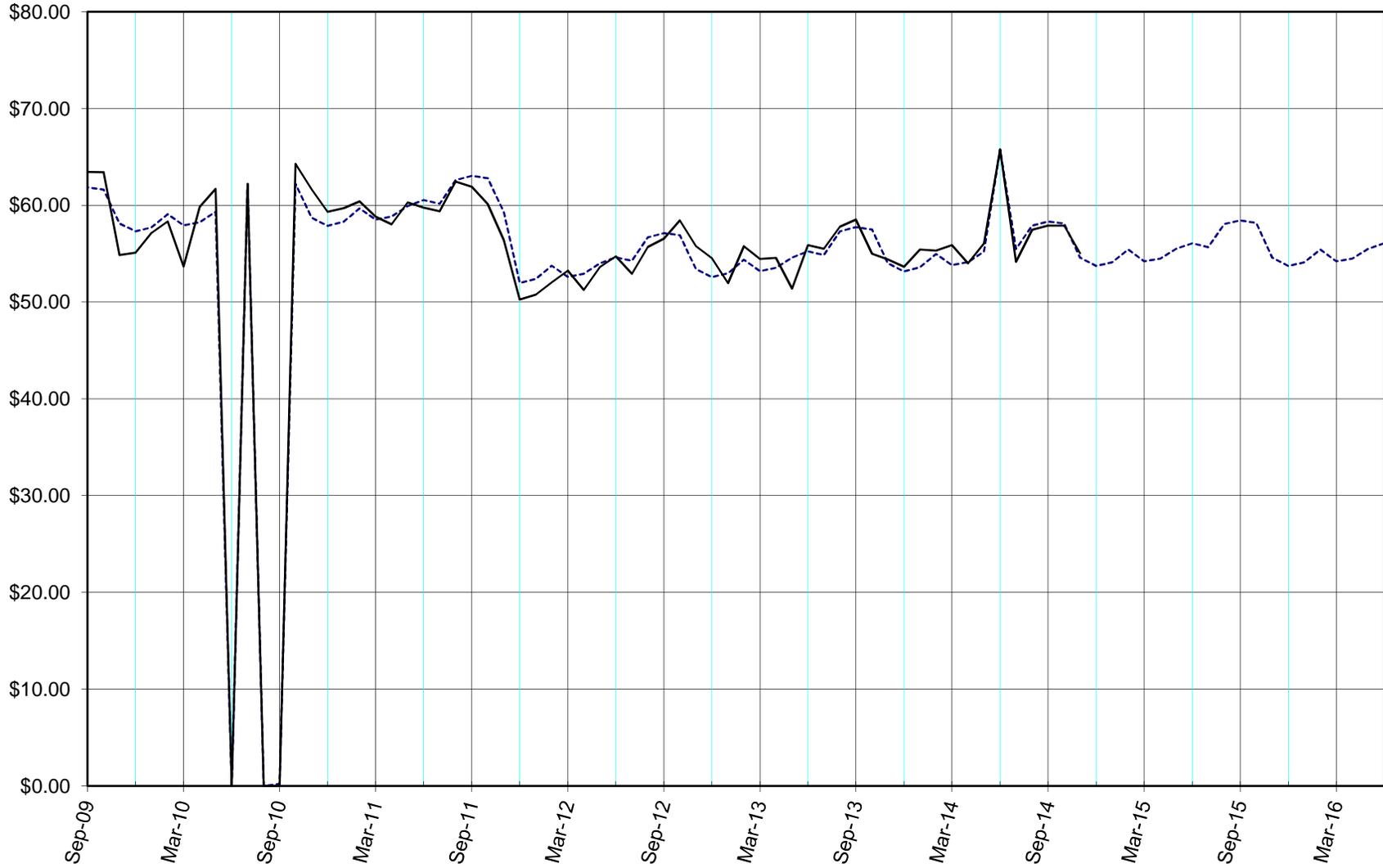
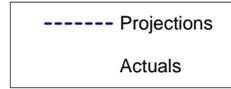
Funding:

100% GF (4260-111-0001)

CHDP Screens



CHDP Dollars Per Screen



**GENETICALLY HANDICAPPED PERSONS PROGRAM
Funding Summary**

FY 2014-15, May 2015 Estimate Compared to November 2014 Estimate

	<u>Nov. 2014 Est. FY 2014-15</u>	<u>May 2015 Est. FY 2014-15</u>	<u>Difference Incr./.(Decr.)</u>
State-Only Caseload:	946	901	(45)
Net Dollars:			
4260-111-0001 (General Fund)	\$67,152,300	\$64,237,700	(\$2,914,600)
4260-601-7503 (Federal Title XIX HCSF)	\$53,289,000	\$46,765,000	(\$6,524,000)
4260-601-0995 (Enrollment Fees)	\$473,700	\$436,300	(\$37,400)
4260-601-3079 (Rebate Special Fund)	\$10,000,000	\$10,080,000	\$80,000
Total	<u>\$130,915,000</u>	<u>\$121,519,000</u>	<u>(\$9,396,000)</u>

FY 2015-16, May 2015 Estimate Compared to November 2014 Estimate

	<u>Nov. 2014 Est. FY 2015-16</u>	<u>May 2015 Est. FY 2015-16*</u>	<u>Difference Incr./.(Decr.)</u>
State-Only Caseload:	967	901	(66)
Net Dollars:			
4260-111-0001 (General Fund)	\$118,297,200	\$112,271,700	(\$6,025,500)
4260-601-7503 (Federal Title XIX HCSF)	\$7,566,000	-\$4,241,000	(\$11,807,000)
4260-601-0995 (Enrollment Fees)	\$473,700	\$436,300	(\$37,400)
4260-601-3079 (Rebates Special Fund)	\$10,000,000	\$20,000,000	\$10,000,000
Total	<u>\$136,336,900</u>	<u>\$128,467,000</u>	<u>(\$7,869,900)</u>

May 2015 Estimate, FY 2014-15 Compared to FY 2015-16

	<u>May 2015 Est. FY 2014-15</u>	<u>May 2015 Est. FY 2015-16*</u>	<u>Difference Incr./.(Decr.)</u>
State-Only Caseload:	901	901	0
Net Dollars:			
4260-111-0001 (General Fund)	\$64,237,700	\$112,271,700	\$48,034,000
4260-601-7503 (Federal Title XIX HCSF)	\$46,765,000	-\$4,241,000	(\$51,006,000)
4260-601-0995 (Enrollment Fees)	\$436,300	\$436,300	\$0
4260-601-3079 (Rebates Special Fund)	\$10,080,000	\$20,000,000	\$9,920,000
Total	<u>\$121,519,000</u>	<u>\$128,467,000</u>	<u>\$6,948,000</u>

* Includes estimated impact of ACA implementation, Policy Change #8 (State-Only Caseload, -11).

GENETICALLY HANDICAPPED PERSONS PROGRAM
Funding Summary
Fiscal Years 2014-15 and 2015-16 Compared to Appropriation

FY 2014-15, May 2015 Estimate Compared to Appropriation

	<u>Appropriation FY 2014-15</u>	<u>May 2015 Est. FY 2014-15</u>	<u>Difference Incr./.(Decr.)</u>
State-Only Caseload:	1,024	901	(123)
Net Dollars:			
4260-111-0001 (General Fund)	\$72,473,200	\$64,237,700	(\$8,235,500)
4260-601-7503 (Federal Title XIX HCSF)	\$47,827,000	\$46,765,000	(\$1,062,000)
4260-601-0995 (Enrollment Fees)	\$438,800	\$436,300	(\$2,500)
4260-601-3079 (Rebates Special Fund)	\$8,000,000	\$10,080,000	\$2,080,000
Total	\$128,739,000	\$121,519,000	(\$7,220,000)

May 2015 Estimate for FY 2015-16 Compared to FY 2014-15 Appropriation

	<u>Appropriation FY 2014-15</u>	<u>May 2015 Est. FY 2015-16*</u>	<u>Difference Incr./.(Decr.)</u>
State-Only Caseload:	1,024	901	(123)
Net Dollars:			
4260-111-0001 (General Fund)	\$72,473,200	\$112,271,700	\$39,798,500
4260-601-7503 (Federal Title XIX HCSF)	\$47,827,000	-\$4,241,000	(\$52,068,000)
4260-601-0995 (Enrollment Fees)	\$438,800	\$436,300	(\$2,500)
4260-601-3079 (Rebates Special Fund)	\$8,000,000	\$20,000,000	\$12,000,000
Total	\$128,739,000	\$128,467,000	(\$272,000)

* Includes estimated impact of ACA implementation, Policy Change #8 (State-Only Caseload, -11).

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

May 2015 Estimate Compared to November 2014 Estimate, Total Funds

	Nov. 2014 Est. <u>FY 2014-15</u>	May 2015 Est. <u>FY 2014-15</u>	Difference <u>Incr./Decr.</u>
1. Base Expenditure Estimate	\$ 131,043,000	\$ 121,858,000	\$ (9,185,000)
2. Policy Changes	\$ (195,000)	\$ (393,000)	\$ (198,000)
Total for Services	\$ 130,848,000	\$ 121,465,000	\$ (9,383,000)
Fiscal Intermediary	\$ 67,000	\$ 54,000	\$ (13,000)
Total GHPP Program	\$ 130,915,000	\$ 121,519,000	\$ (9,396,000)

May 2015 Estimate Compared to November 2014 Estimate, General Fund

	Nov. 2014 Est. <u>FY 2014-15</u>	May 2015 Est. <u>FY 2014-15</u>	Difference <u>Incr./Decr.</u>
1. Base Expenditure Estimate	\$ 131,043,000	\$ 121,858,000	\$ (9,185,000)
2. Policy Changes	\$ (63,957,700)	\$ (57,674,300)	\$ 6,283,400
Total for Services	\$ 67,085,300	\$ 64,183,700	\$ (2,901,600)
Fiscal Intermediary	\$ 67,000	\$ 54,000	\$ (13,000)
Total GHPP Program	\$ 67,152,300	\$ 64,237,700	\$ (2,914,600)

May 2015 Estimate Compared to November 2014 Estimate, Federal Funds

	Nov. 2014 Est. <u>FY 2014-15</u>	May 2015 Est. <u>FY 2014-15</u>	Difference <u>Incr./Decr.</u>
1. Base Expenditure Estimate	-	-	-
2. Policy Changes	\$ 53,289,000	\$ 46,765,000	\$ (6,524,000)
Total for Services	\$ 53,289,000	\$ 46,765,000	\$ (6,524,000)
Fiscal Intermediary	-	-	-
Total GHPP Program	\$ 53,289,000	\$ 46,765,000	\$ (6,524,000)

GENETICALLY HANDICAPPED PERSONS PROGRAM
Funding Sources By Component
Fiscal Year 2015-16

May 2015 Estimate Compared to November 2014 Estimate, Total Funds

	Nov. 2014 Est. FY 2015-16	May 2015 Est. FY 2015-16	Difference Incr./Decr.
1. Base Expenditure Estimate	\$ 136,625,000	\$ 130,607,000	\$ (6,018,000)
2. Policy Changes	\$ (368,100)	\$ (2,212,000)	\$ (1,843,900)
Total	\$ 136,256,900	\$ 128,395,000	\$ (7,861,900)
Fiscal Intermediary	\$ 80,000	\$ 72,000	\$ (8,000)
Total GHPP Program	\$ 136,336,900	\$ 128,467,000	\$ (7,869,900)

May 2015 Estimate Compared to November 2014 Estimate, General Fund

	Nov. 2014 Est. FY 2015-16	May 2015 Est. FY 2015-16	Difference Incr./Decr.
1. Base Expenditure Estimate	\$ 136,625,000	\$ 130,607,000	\$ (6,018,000)
2. Policy Changes	\$ (18,407,800)	\$ (18,407,300)	\$ 500
Total for Services	\$ 118,217,200	\$ 112,199,700	\$ (6,017,500)
Fiscal Intermediary	\$ 80,000	\$ 72,000	\$ (8,000)
Total GHPP Program	\$ 118,297,200	\$ 112,271,700	\$ (6,025,500)

May 2015 Estimate Compared to November 2014 Estimate, Federal Funds

	Nov. 2014 Est. FY 2015-16	May 2015 Est. FY 2015-16	Difference Incr./Decr.
1. Base Expenditure Estimate	-	-	-
2. Policy Changes	7,566,000	\$ (4,241,000)	\$ (11,807,000)
Total for Services	7,566,000	\$ (4,241,000)	\$ (11,807,000)
Fiscal Intermediary	-	-	-
Total GHPP Program	7,566,000	\$ (4,241,000)	\$ (11,807,000)

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

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

	<u>May 2015 Est.</u> <u>FY 2014-15</u>	<u>May 2015 Est.</u> <u>FY 2015-16</u>	<u>Difference</u> <u>Incr./((Decr.))</u>
1. Base Expenditure Estimate	\$ 121,858,000	\$ 130,607,000	\$ 8,749,000
2. Policy Changes	\$ (393,000)	\$ (2,212,000)	\$ (1,819,000)
Total for Services	\$ 121,465,000	\$ 128,395,000	\$ 6,930,000
Fiscal Intermediary	\$ 54,000	\$ 72,000	\$ 18,000
Total GHPP Program	\$ 121,519,000	\$ 128,467,000	\$ 6,948,000

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

	<u>May 2015 Est.</u> <u>FY 2014-15</u>	<u>May 2015 Est.</u> <u>FY 2015-16</u>	<u>Difference</u> <u>Incr./((Decr.))</u>
1. Base Expenditure Estimate	\$ 121,858,000	\$ 130,607,000	\$ 8,749,000
2. Policy Changes	\$ (57,674,300)	\$ (18,407,300)	\$ 39,267,000
Total for Services	\$ 64,183,700	\$ 112,199,700	\$ 48,016,000
Fiscal Intermediary	\$ 54,000	\$ 72,000	\$ 18,000
Total GHPP Program	\$ 64,237,700	\$ 112,271,700	\$ 48,034,000

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

	<u>May 2015 Est.</u> <u>FY 2014-15</u>	<u>May 2015 Est.</u> <u>FY 2015-16</u>	<u>Difference</u> <u>Incr./((Decr.))</u>
1. Base Expenditure Estimate	-	-	-
2. Policy Changes	\$ 46,765,000	\$ (4,241,000)	\$ (51,006,000)
Total for Services	\$ 46,765,000	\$ (4,241,000)	\$ (51,006,000)
Fiscal Intermediary	-	-	-
Total GHPP Program	\$ 46,765,000	\$ (4,241,000)	\$ (51,006,000)

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>
2013-14 Actuals	Hemophilia	386	\$ 267,800	\$ 103,372,000
	Cystic Fibrosis	344	13,600	4,687,000
	Sickle Cell	129	8,000	1,028,000
	Huntington's	72	1,900	137,000
	Metabolic 2/	48	3,700	176,000

		979	\$ 111,700	\$ 109,400,000
2014-15 Estimate /3	Hemophilia	357	\$ 322,600	\$ 115,169,000
	Cystic Fibrosis	323	15,300	4,950,000
	Sickle Cell	107	12,000	1,289,000
	Huntington's	64	1,000	66,000
	Metabolic 2/	50	7,700	384,000

		901	\$ 135,200	\$ 121,858,000
2015-16 Estimate	Hemophilia	361	\$ 341,700	\$ 123,363,000
	Cystic Fibrosis	324	16,200	5,263,000
	Sickle Cell	109	13,300	1,450,000
	Huntington's	65	1,200	79,000
	Metabolic 2/	53	8,500	452,000

		912	\$ 143,200	\$ 130,607,000

 1/ Actual expenditure data is complete through January 2015.

Actual caseload data is complete through January 2015.

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, May 2015 Estimate Compared to November 2014 Estimate

	Nov. 2014 Est. FY 2014-15	May 2015 Est. FY 2014-15	Difference Incr./Decr.
Hemophilia	\$ 124,445,000	\$ 115,169,000	\$ (9,276,000)
Cystic Fibrosis	4,949,000	4,950,000	1,000
Sickle Cell	1,396,000	1,289,000	(107,000)
Huntington's	102,000	66,000	(36,000)
Metabolic	151,000	384,000	233,000
TOTAL	\$ 131,043,000	\$ 121,858,000	\$ (9,185,000)

May 2015 Estimate, FY 2014-15 Compared to FY 2015-16

	May 15 Est. FY 2014-15	May 2015 Est. FY 2015-16	Difference Incr./Decr.
Hemophilia	\$ 115,169,000	\$ 123,363,000	\$ 8,194,000
Cystic Fibrosis	4,950,000	5,263,000	313,000
Sickle Cell	1,289,000	1,450,000	161,000
Huntington's	66,000	79,000	13,000
Metabolic	384,000	452,000	68,000
TOTAL	\$ 121,858,000	\$ 130,607,000	\$ 8,749,000

FY 2015-16, May 2015 Estimate Compared to November 2014 Estimate

	Nov. 2014 Est. FY 2015-16	May 2015 Est. FY 2015-16	Difference Incr./Decr.
Hemophilia	\$ 129,543,000	\$ 123,363,000	\$ (6,180,000)
Cystic Fibrosis	5,264,000	5,263,000	(1,000)
Sickle Cell	1,515,000	1,450,000	(65,000)
Huntington's	105,000	79,000	(26,000)
Metabolic	198,000	452,000	254,000
TOTAL	\$ 136,625,000	\$ 130,607,000	\$ (6,018,000)

GENETICALLY HANDICAPPED PERSONS PROGRAM
Current and Budget Year Base Estimates Compared to Appropriation

FY 2014-15, May 2015 Estimate Compared to Appropriation

	Appropriation FY 2014-15	May 2015 Est. FY 2014-15	Difference Incr./(Decr.)
Hemophilia	\$ 122,821,000	\$ 115,169,000	(\$ 7,652,000)
Cystic Fibrosis	5,012,000	4,950,000	(62,000)
Sickle Cell	1,176,000	1,289,000	113,000
Huntington's	71,000	66,000	(5,000)
Metabolic	112,000	384,000	272,000
TOTAL	\$ 129,192,000	\$ 121,858,000	(\$ 7,334,000)

May 2015 Estimate for FY 2015-16 Compared to FY 2014-15 Appropriation

	Appropriation FY 2014-15	May 2015 Est. FY 2015-16	Difference Incr./(Decr.)
Hemophilia	\$ 122,821,000	\$ 123,363,000	\$ 542,000
Cystic Fibrosis	5,012,000	5,263,000	251,000
Sickle Cell	1,176,000	1,450,000	274,000
Huntington's	71,000	79,000	8,000
Metabolic	112,000	452,000	340,000
TOTAL	\$ 129,192,000	\$ 130,607,000	\$ 1,415,000

GENETICALLY HANDICAPPED PERSONS PROGRAM
Average Monthly Caseload Estimate

Fiscal Year 2014-15

	<u>Total Caseload</u>	<u>Medi-Cal Caseload</u>	<u>GHPP Only Caseload</u>
Hemophilia	615	258	357
Cystic Fibrosis	536	213	323
Sickle Cell	330	223	107
Huntington's	160	96	64
Metabolic	<u>131</u>	<u>81</u>	<u>50</u>
Total	1,772	871	901

Fiscal Year 2015-16

	<u>Total Caseload</u>	<u>Medi-Cal Caseload</u>	<u>GHPP Only Caseload</u>
Hemophilia	630	269	361
Cystic Fibrosis	546	222	324
Sickle Cell	337	228	109
Huntington's	163	98	65
Metabolic	<u>138</u>	<u>85</u>	<u>53</u>
Total	1,814	902	912

GENETICALLY HANDICAPPED PERSONS PROGRAM
Average Monthly State-Only Caseload Comparison

FY 2014-15, May 2015 Estimate Compared to November 2014 Estimate

	Nov. 2014 Est. <u>FY 2014-15</u>	May 2015 Est. <u>FY 2014-15</u>	Difference <u>Incr./(Decr.)</u>
Hemophilia	374	357	(17)
Cystic Fibrosis	337	323	(14)
Sickle Cell	116	107	(9)
Huntington's	67	64	(3)
Metabolic	<u>52</u>	<u>50</u>	<u>(2)</u>
Total	946	901	(45)

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

	May 2015 Est. <u>FY 2014-15</u>	May 2015 Est. <u>FY 2015-16</u>	Difference <u>Incr./(Decr.)</u>
Hemophilia	357	361	4
Cystic Fibrosis	323	324	1
Sickle Cell	107	109	2
Huntington's	64	65	1
Metabolic	<u>50</u>	<u>53</u>	<u>3</u>
Total	901	912	11

GENETICALLY HANDICAPPED PERSONS PROGRAM
Average Monthly Medi-Cal Caseload Comparison

FY 2014-15, May 2015 Estimate Compared to November 2014 Estimate

	Nov. 2014 Est. <u>FY 2014-15</u>	May 2015 Est. <u>FY 2014-15</u>	Difference <u>Incr./(Decr.)</u>
Hemophilia	233	258	25
Cystic Fibrosis	211	213	2
Sickle Cell	246	223	(23)
Huntington's	96	96	0
Metabolic	<u>80</u>	<u>81</u>	<u>1</u>
Total	866	871	5

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

	May 2015 Est. <u>FY 2014-15</u>	May 2015 Est. <u>FY 2015-16</u>	Difference <u>Incr./(Decr.)</u>
Hemophilia	258	269	11
Cystic Fibrosis	213	222	9
Sickle Cell	223	228	5
Huntington's	96	98	2
Metabolic	<u>81</u>	<u>85</u>	<u>4</u>
Total	871	902	31

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

Fiscal Year 2014-15, Comparison of May 2015 and November 2014 Estimates								
POLICY CHG.		NOVEMBER 2014 ESTIMATE		MAY 2015 ESTIMATE		DIFFERENCE, Incr./.(Decr.)		
TYPE	NO. DESCRIPTION	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS	
Other	1 ENROLLMENT FEES	\$0	\$0	\$0	\$0	\$0	\$0	
FI	2 FISCAL INTERMEDIARY EXPENDITURES - GHPP	\$67,000	\$67,000	\$54,000	\$54,000	-\$13,000	-\$13,000	
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	\$91,000	\$91,000	\$87,000	\$87,000	-\$4,000	-\$4,000	
Benefits	6 GHPP PREMIUM SAVINGS	-\$203,200	-\$203,200	-\$5,500	-\$5,500	\$197,700	\$197,700	
Benefits	7 DRG - INPATIENT HOSPITAL PAYMENT METHODOLOGY	-\$82,800	-\$82,800	\$8,000	\$8,000	\$90,800	\$90,800	
Benefits	8 ACA IMPACT TO GHPP	\$0	\$0	\$0	\$0	\$0	\$0	
GHPP TOTAL		-\$128,000	-\$128,000	\$143,500	\$143,500	\$271,500	\$271,500	

Fiscal Year 2015-16, Comparison of May 2015 and November 2014 Estimates								
POLICY CHG.		NOVEMBER 2014 ESTIMATE		MAY 2015 ESTIMATE		DIFFERENCE, Incr./.(Decr.)		
TYPE	NO. DESCRIPTION	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS	
Other	1 ENROLLMENT FEES	\$0	\$0	\$0	\$0	\$0	\$0	
FI	2 FISCAL INTERMEDIARY EXPENDITURES - GHPP	\$80,000	\$80,000	\$72,000	\$72,000	-\$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	\$0	\$0	\$0	\$0	\$0	\$0	
Other	5 GHPP PREMIUM COSTS	\$101,000	\$101,000	\$108,000	\$108,000	\$7,000	\$7,000	
Benefits	6 GHPP PREMIUM SAVINGS	-\$350,600	-\$350,600	-\$279,400	-\$279,400	\$71,200	\$71,200	
Benefits	7 DRG - INPATIENT HOSPITAL PAYMENT METHODOLOGY	-\$118,500	-\$118,500	\$0	\$0	\$118,500	\$118,500	
Benefits	8 ACA IMPACT TO GHPP	\$0	\$0	-\$1,568,000	-\$1,568,000	-\$1,568,000	-\$1,568,000	
GHPP TOTAL		-\$288,100	-\$288,100	-\$1,667,400	-\$1,667,400	-\$1,379,300	-\$1,379,300	

¹ 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>
FULL YEAR COST	- TOTAL FUNDS	\$0	\$0
	- GENERAL FUND	-\$436,300	-\$436,300
	- ENROLLMENT FEES FUND	\$436,300	\$436,300
PAYMENT LAG		1.0000	1.0000
% REFLECTED IN BASE		0.00%	0.00%
APPLIED TO BASE	- TOTAL FUNDS	\$0	\$0
	- GENERAL FUND	-\$436,300	-\$436,300
	- ENROLLMENT FEES FUND	\$436,300	\$436,300

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:

Enrollment fees for FY 2014-15 decreased from the prior estimate.

Methodology:

1. Based on actual enrollment fees of \$459,524 collected in Fiscal Year (FY) 2013-14, and \$267,677 collected in the first eight months of FY 2014-15, base fee collections are estimated to be approximately \$436,300 for FY 2014-15 and FY 2015-16.

FY 2014-15: $$(459,524 + 267,677) \div 20 \times 12 = \$436,321$ (\$436,300 GF)

FY 2015-16: $$(459,524 + 267,677) \div 20 \times 12 = \$436,321$ (\$436,300 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>
FULL YEAR COST - TOTAL FUNDS	\$54,000	\$72,000
- GENERAL FUND	\$54,000	\$72,000
PAYMENT LAG	1.0000	1.0000
% REFLECTED IN BASE	0.00%	0.00%
APPLIED TO BASE - TOTAL FUNDS	\$54,000	\$72,000
- GENERAL FUND	\$54,000	\$72,000

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 Service Authorization Requests (SARs).

Reason for Change from Prior Estimate:

Updated data became available for claim months.

Methodology:

1. The estimated medical FI administrative costs are:

	Estimated ACLs	Ave Cost per ACLs	Estimated ACL Expenditure
FY 2014-15			
General ACLs	44,910	\$ 0.74	\$ 33,000
Online ACLs	38,016	\$ 0.55	\$ 21,000
Total FY 2014-15			\$ 54,000

	Estimated ACLs	Ave Cost per ACLs	Estimated ACL Expenditure
FY 2015-16			
General ACLs	45,458	\$ 0.98	\$ 45,000
Online ACLs	38,480	\$ 0.71	\$ 27,000
Total FY 2015-16			\$ 72,000

2. The estimated dental FI administrative costs are:

	Estimated Claims	Rates	Estimated Expenditure
FY 2014-15			
ACLs	60	\$ 1.75	\$ 105
SARs	1	\$ 10.27	\$ 10
Total FY 2014-15			\$ 115

FY 2015-16			
ACLs	-	\$ 1.78	\$ -
SARs	1	\$ 10.45	\$ 10
Total FY 2015-16			\$ 10

	FY 2014-15		FY 2015-16
Medical	\$ 54,000		\$ 72,000
Dental	\$ -		\$ -
Total	\$ 54,000		\$ 72,000

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>
FULL YEAR COST	- TOTAL FUNDS	\$0	\$0
	- GENERAL FUND	-\$10,080,000	-\$20,000,000
	- REBATE SPECIAL FUND	\$10,080,000	\$20,000,000
PAYMENT LAG		1.0000	1.0000
% REFLECTED IN BASE		0.00%	0.00%
APPLIED TO BASE	- TOTAL FUNDS	\$0	\$0
	- GENERAL FUND	-\$10,080,000	-\$20,000,000
	- REBATE SPECIAL FUND	\$10,080,000	\$20,000,000

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 Department has collected more rebates.

Methodology:

1. The estimate is based on rebates received in FY 2013-14.
2. GHPP drug rebate invoices average \$3.6 million each quarter.

Annual GHPP drug rebate invoices: $\$3,600,000 \times 4 \text{ Quarters} = \$14,400,000$

3. Assume 70% of drug rebates will be collected in FY 2014-15.

Annual drug rebate collections: $\$14,400,000 \times 70\% = \$10,080,000$

4. The Department anticipates to collect \$10,080,000 in FY 2014-15 and \$20,000,000 in 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: Jerrold Anub

	<u>FY 2014-15</u>	<u>FY 2015-16</u>
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, the Centers for Medicare & Medicaid Services (CMS) approved a five-year demonstration, the BTR. The Special Terms and Conditions of the BTR allow the State to claim federal financial participation (FFP) using the CPEs of approved Designated State Health Programs (DSHP). The GHPP program is 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, the addition of the DY 2010-11 reconciliation, and updates to the DY 2011-12 and DY 2012-13 final reconciliations.

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 2010-11 has been updated and the Department estimates it will have to repay the federal government \$1.062 million in general funds in FY 2014-15 for the DY 2010-11 final reconciliation. The GHPP federal reimbursement are reduced by the final reconciliation amounts in this policy change.
3. The final reconciliation for DY 2011-12 is anticipated to be completed in FY 2014-15. The Department estimates that it will claim an additional \$3.389 in federal funds in FY 2014-15.
4. 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 \$9.53 million in general 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.
5. The BTR will end on October 31, 2015. The Department assumes the BTR funding will not continue in the subsequent waiver.

(Dollars in Thousands)			
FY 2014-15	TF	GF	FF
DSHP-BTR (DY 2014-15)	\$0	\$ (44,438)	\$ 44,438
DY 2010-11 Final Reconciliation	\$0	\$ 1,062	\$ (1,062)
DY 2011-12 Final Reconciliation	\$0	\$ (3,389)	\$ 3,389
Total	\$0	\$ (46,765)	\$ 46,765

(Dollars in Thousands)			
FY 2015-16	TF	GF	FF
DSHP-BTR (DY 2014-15)	\$0	\$ (5,289)	\$ 5,289
DY 2012-13 Final Reconciliation	\$0	\$ 9,530	\$ (9,530)
Total	\$0	\$ 4,241	\$ (4,241)

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>
FULL YEAR COST - TOTAL FUNDS	\$87,000	\$108,000
- GENERAL FUND	\$87,000	\$108,000
PAYMENT LAG	1.0000	1.0000
% REFLECTED IN BASE	0.00%	0.00%
APPLIED TO BASE - TOTAL FUNDS	\$87,000	\$108,000
- GENERAL FUND	\$87,000	\$108,000

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 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 clients enrolled in FY 2014-15 is eight, one less than the prior estimate. The average monthly premium per member decreased for Sickle Cell and increased for both Hemophilia and Cystic Fibrosis. The overall cost for FY 2014-15 decreased from the prior estimate because the covered condition for the projected new client changed from Hemophilia to Cystic Fibrosis and increased for FY 2015-16 due to one additional client with Hemophilia over the already assumed new Cystic Fibrosis client.

Methodology:

1. Assume the premium costs are \$1,000 per Hemophilia enrollee, \$200 per Sickle Cell Disease enrollee and \$900 per Cystic Fibrosis enrollee per month based on prior enrollment records.
2. Eight clients remain in the program after the second quarter of FY 2014-15.
3. Assume one client with Cystic Fibrosis will enroll in the last two quarters of FY 2014-15.
4. Assume two clients, one with Cystic Fibrosis and one with Hemophilia, will enroll in FY 2015-16.

	<u>TF</u>	<u>GF</u>
FY 2014-15	\$ 87,000	\$ 87,000
FY 2015-16	\$ 108,000	\$ 108,000

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>
FULL YEAR COST	- TOTAL FUNDS	-\$488,000	-\$752,000
	- GENERAL FUND	-\$488,000	-\$752,000
PAYMENT LAG		0.9983	0.9731
% REFLECTED IN BASE		98.86%	61.81%
APPLIED TO BASE	- TOTAL FUNDS	-\$5,500	-\$279,400
	- GENERAL FUND	-\$5,500	-\$279,400

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 for FY 2014-15 is nine clients, eight current and one anticipated. The overall savings for FY 2014-15 decreased from the prior estimate because the covered condition for the projected new client changed from Hemophilia to Cystic Fibrosis. A new client with Hemophilia, in addition to the new Cystic Fibrosis client assumed in the prior estimate, offsets this loss of savings in FY 2015-16.

Methodology:

1. Eight clients remain in the program after the second quarter of FY 2014-15.
2. Assume one client with Cystic Fibrosis will enroll in the last two quarters of FY 2014-15.

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

	<u>FY 2014-15</u>	<u>FY 2015-16</u>
Hemophilia	\$ 322,600	\$ 341,700
Cystic Fibrosis	\$ 15,300	\$ 16,200
Sickle Cell	\$ 12,000	\$ 13,300

5. Projected Savings (Rounded):

	<u>FY 2014-15</u>	<u>FY 2015-16</u>
Total Funds	\$ 488,000	\$ 752,000
General Funds	\$ 488,000	\$ 752,000

Funding:

100% GF (4260-111-0001)

DRG - INPATIENT HOSPITAL PAYMENT METHODOLOGY

POLICY CHANGE NUMBER: 7
IMPLEMENTATION DATE: 7/2013
ANALYST: Jerrold Anub

	<u>FY 2014-15</u>	<u>FY 2015-16</u>
FULL YEAR COST - TOTAL FUNDS	\$8,000	\$0
- GENERAL FUND	\$8,000	\$0
PAYMENT LAG	1.0000	1.0000
% REFLECTED IN BASE	0.00%	0.00%
APPLIED TO BASE - TOTAL FUNDS	\$8,000	\$0
- GENERAL FUND	\$8,000	\$0

Purpose:

This policy change estimates the fiscal impact in the Genetically Handicapped Person's Program (GHPP) by implementing the Diagnosis Related Group (DRG) payment methodology for private hospitals and Non-Designated Public Hospitals (NDPH).

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 annual savings are estimated to be 100% in the base expenditure estimate and are no longer in this policy change. The impact from Erroneous Payment Corrections (EPCs) are now included in FY 2014-15.

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. The Department will process several EPCs in FY 2014-15.
4. Assume GHPP costs are as follows:

	TF	GF
FY 2014-15	\$ 8,000	\$ 8,000

Funding:

100% General Fund (4260-111-0001)

ACA IMPACT TO GHPP

POLICY CHANGE NUMBER: 8
IMPLEMENTATION DATE: 07/2015
ANALYST: Raman Pabla

	<u>FY 2014-15</u>	<u>FY 2015-16</u>
FULL YEAR COST - TOTAL FUNDS	\$0	-\$1,568,000
- GENERAL FUND	\$0	-\$1,568,000
PAYMENT LAG	0.0000	1.0000
% REFLECTED IN BASE	0.00%	0.00%
APPLIED TO BASE - TOTAL FUNDS	\$0	-\$1,568,000
- GENERAL FUND	\$0	-\$1,568,000

Purpose

This policy change estimates the impact of the Affordable Care Act (ACA) to the Genetically Handicapped Persons Program (GHPP).

Authority:

Not Applicable

Interdependent Policy Changes:

Not Applicable

Background

The GHPP is projected to experience a decline in caseload due to the implementation of the ACA which allowed GHPP beneficiaries to qualify for Medi-Cal or subsidized coverage through the Exchange. Therefore, the caseload projection for the GHPP in FY 2015-16 will remain at the same level as FY 2014-15.

Reason for Change from Prior Estimate

This is a new policy change.

Methodology

1. The caseload projection for FY 2014-15 is 901 and 912 for FY 2015-16.
2. Due to the implementation of the ACA, the GHPP caseload for FY 2015-16 will remain at the FY 2014-15 level.
3. The total cost per case is \$134,850.17 in FY 2014-15 and \$142,543.86 in FY 2015-16.
4. The estimated reduction in General Fund (GF) expenditures in FY 2015-16 is:

$$\text{FY 2015-16: } 901 - 912 = (11) \times \$142,543.86 = \text{\$1,568,000}$$

Funding:

100% GF (4260-111-0001)

GHPP Trend Report
(Includes Actuals & Projected Base Values)

Total				
<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
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	1,767	771	996	31,712,495
4	1,801	849	952	27,828,104
2013-14	1,744	765	979	\$ 109,400,000
1	1,770	857	913	\$ 28,798,637
2	1,758	870	888	30,224,327
3	1,772	873	899	31,505,105
4	1,786	882	904	31,329,979
2014-15	1,772	871	901	\$ 121,858,000
1	1,797	890	907	\$ 31,858,691
2	1,810	899	911	32,387,405
3	1,821	907	914	32,916,117
4	1,831	914	917	33,444,829
2015-16	1,814	902	912	\$ 130,607,000

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)

Hemophilia

<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
2012-13	525	166	359	\$ 88,791,000
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
2013-14	580	194	386	\$ 103,372,000
1	607	243	364	\$ 27,161,356
2	613	262	351	28,663,539
3	618	262	356	29,741,700
4	622	264	358	29,602,518
2014-15	615	258	357	\$ 115,169,000
1	625	266	359	\$ 30,097,851
2	629	268	361	30,593,184
3	632	270	362	31,088,517
4	635	272	363	31,583,850
2015-16	630	269	361	\$ 123,363,000

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)

Cystic Fibrosis

<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
2012-13	491	174	317	\$ 6,916,000
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
2013-14	523	179	344	\$ 4,687,000
1	538	211	327	\$ 1,159,188
2	532	212	320	1,234,298
3	536	213	323	1,286,790
4	539	216	323	1,269,444
2014-15	536	213	323	\$ 4,950,000
1	541	218	323	\$ 1,287,957
2	544	221	323	1,306,473
3	547	223	324	1,324,986
4	549	225	324	1,343,500
2015-16	546	222	324	\$ 5,263,000

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)

Sickle Cell

<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
2012-13	347	223	124	\$ 1,715,000
1	353	222	131	\$ 230,526
2	362	230	132	271,501
3	363	231	132	215,003
4	367	247	120	310,627
2013-14	362	233	129	\$ 1,028,000
1	339	228	111	\$ 386,186
2	326	220	106	235,265
3	325	220	105	335,825
4	330	223	107	332,084
2014-15	330	223	107	\$ 1,289,000
1	333	225	108	\$ 344,214
2	336	227	109	356,345
3	339	229	110	368,475
4	342	231	111	380,605
2015-16	337	228	109	\$ 1,450,000

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)

Huntington

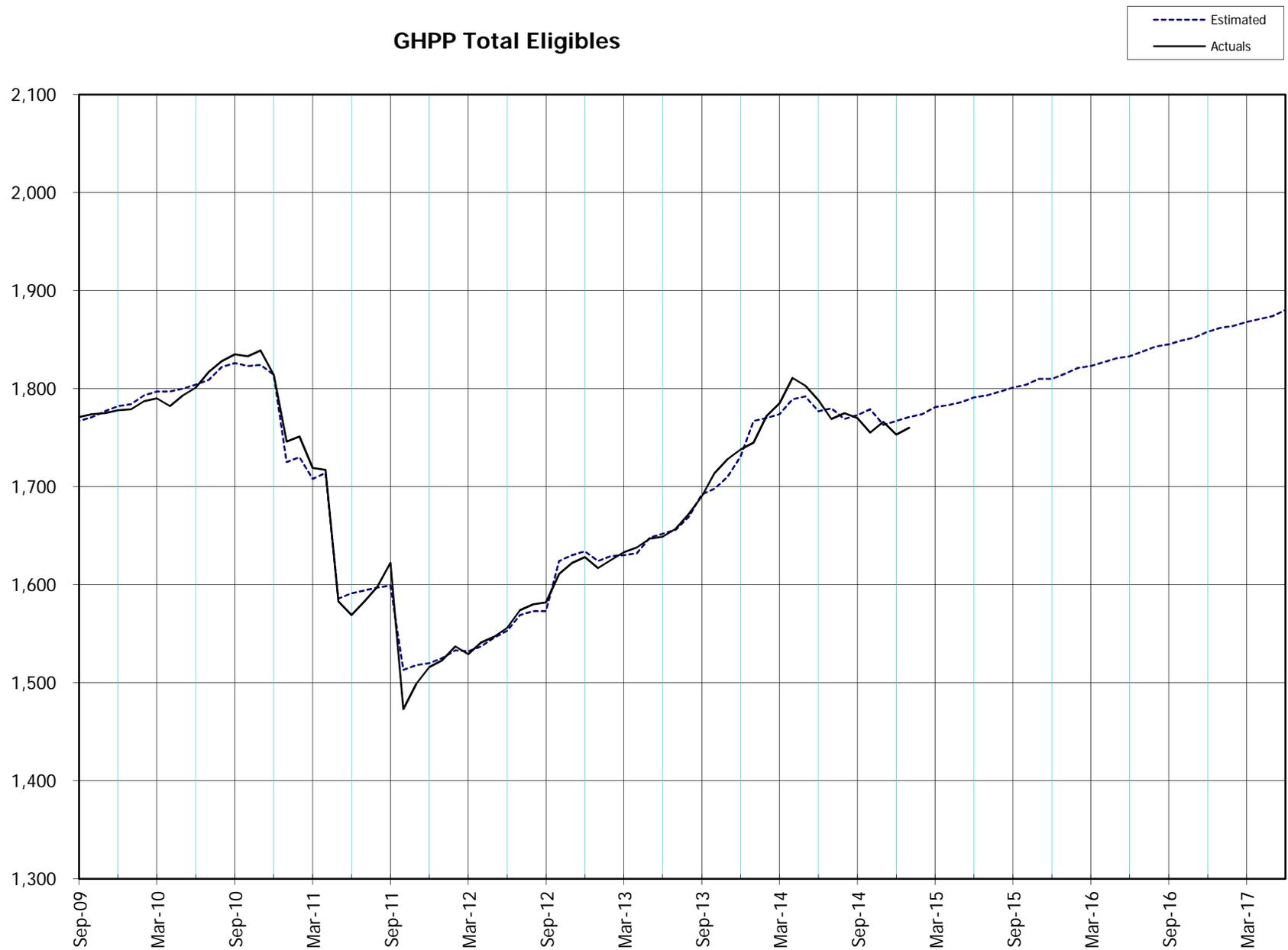
<u>Quarter</u>	<u>Total Caseload</u>	<u>Medi-Cal Caseload</u>	<u>GHPP Only Caseload</u>	<u>Total GHPP Only Payments</u>
1	149	88	61	\$ 137,875
2	153	86	67	70,826
3	150	83	67	82,348
4	150	82	68	98,701
2012-13	151	85	66	\$ 390,000
1	151	81	70	\$ 63,870
2	155	83	72	13,306
3	163	86	77	29,657
4	162	94	68	29,830
2013-14	158	86	72	\$ 137,000
1	158	97	61	\$ 16,255
2	159	96	63	9,497
3	162	96	66	20,525
4	162	97	65	19,742
2014-15	160	96	64	\$ 66,000
1	163	98	65	\$ 19,713
2	163	98	65	19,683
3	164	99	65	19,654
4	164	99	65	19,625
2015-16	163	98	65	\$ 79,000

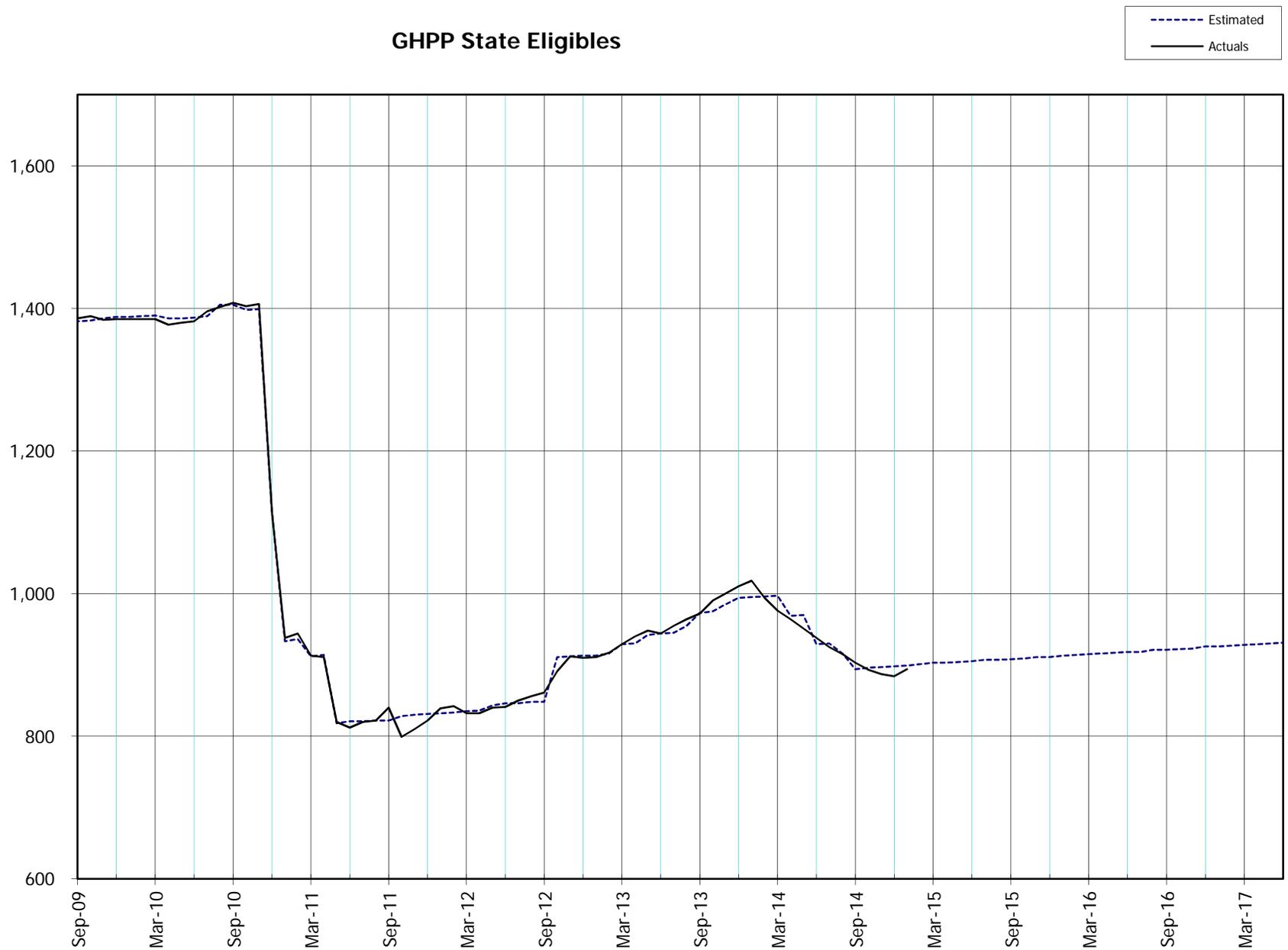
- Note: 1) Expenditures reflect Total Cash Payments, Not accrued expenses.
 2) FY 2014-15 reflects actuals and projected base estimate values.
 3) FY 2015-16 reflects projected base estimate values.

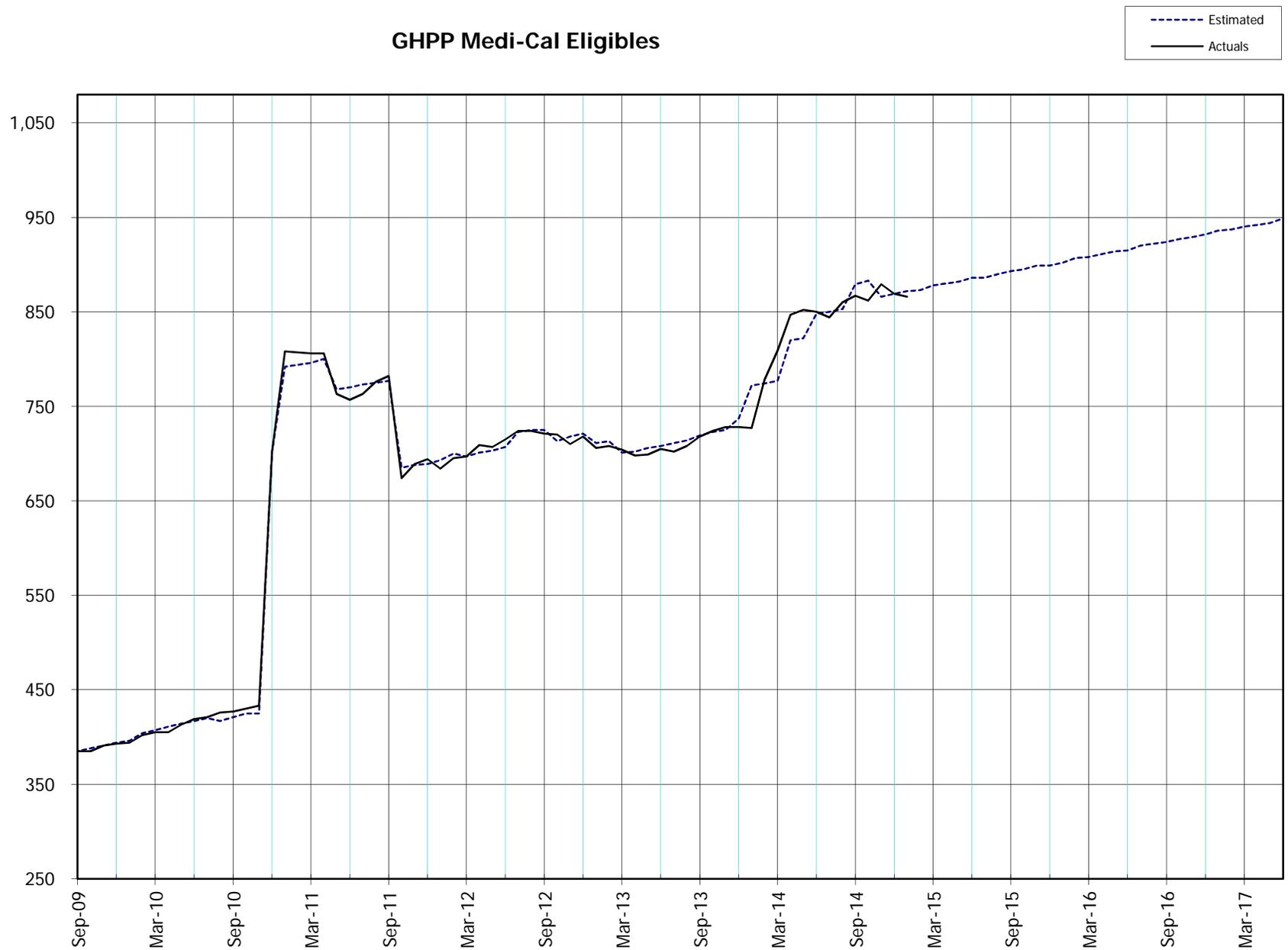
GHPP Trend Report
(Includes Actuals & Projected Base Values)

Metabolic				
<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
2012-13	103	63	40	\$ 177,000
1	110	65	45	\$ 86,932
2	120	70	50	16,446
3	123	75	48	32,846
4	128	80	48	40,131
2013-14	121	73	48	\$ 176,000
1	128	78	50	\$ 75,652
2	128	80	48	81,728
3	131	82	49	120,265
4	133	82	51	106,191
2014-15	131	81	50	\$ 384,000
1	135	83	52	\$ 108,956
2	138	85	53	111,720
3	139	86	53	114,485
4	141	87	54	117,249
2015-16	138	85	53	\$ 452,000

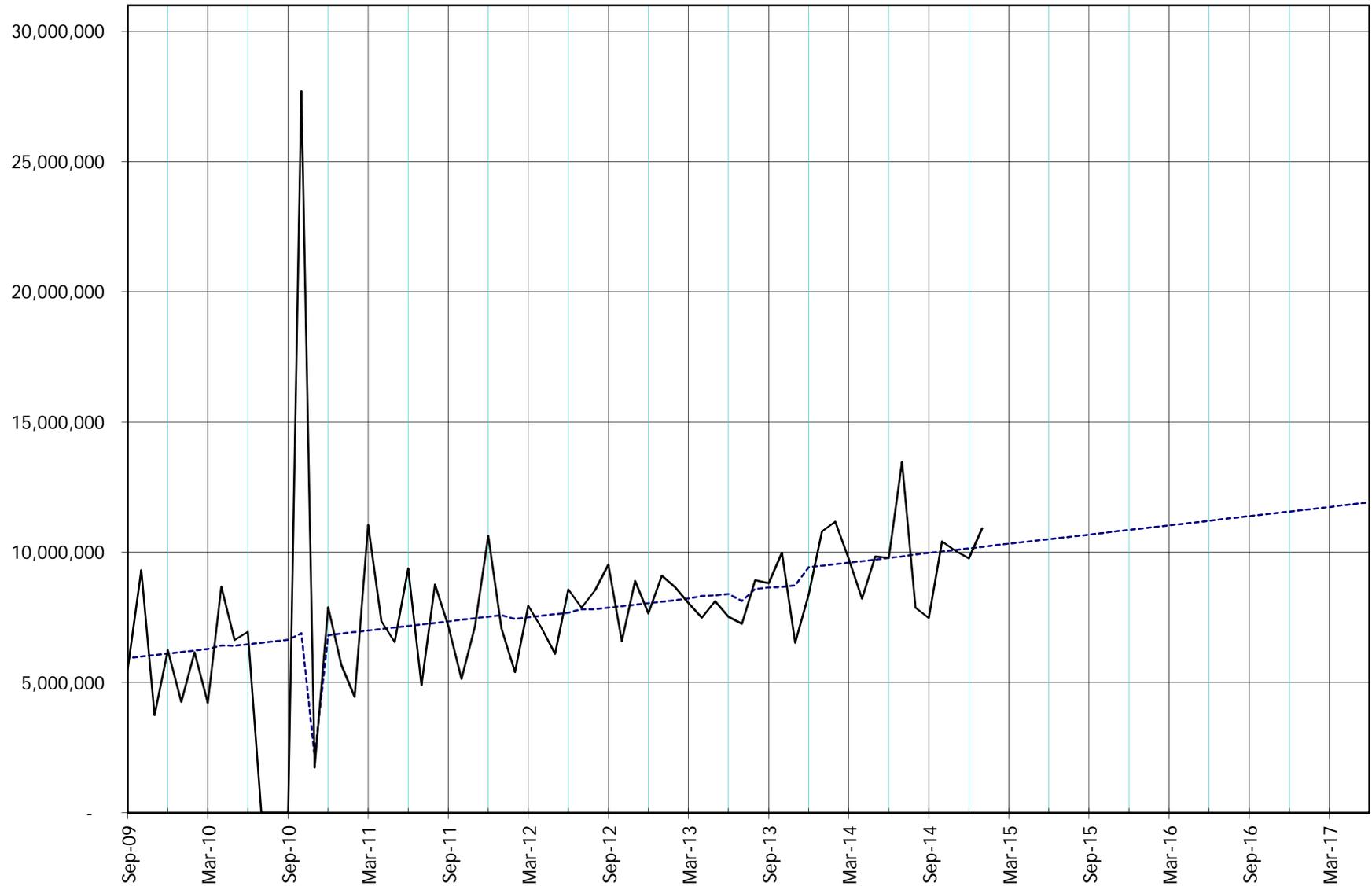
Note: 1) Expenditures reflect Total Cash Payments, Not accrued expenses.
 2) FY 2014-15 reflects actuals and projected base estimate values.
 3) FY 2015-16 reflects projected base estimate values.







GHPP State-Only Monthly Expenditures



EVERY WOMAN COUNTS PROGRAM Funding Summary

FY 2014-15, May 2015 Estimate Compared to November 2014 Estimate

	Nov. 2014 Est. <u>FY 2014-15</u>	May 2015 Est. <u>FY 2014-15</u>	Difference <u>Incr./(Decr.)</u>
Caseload:	275,219	275,219	0
Net Dollars:			
4260-111-0001 (General Fund)	\$16,572,000	\$15,573,000	(\$999,000)
4260-111-0236 (Prop 99)	\$25,318,000	\$25,318,000	\$0
4260-111-0009 (BCCA)	\$7,912,000	\$7,912,000	\$0
4260-111-0890 (CDC)	\$4,509,000	\$4,509,000	\$0
Total	<u>\$54,311,000</u>	<u>\$53,312,000</u>	<u>-\$999,000</u>

FY 2015-16, May 2015 Estimate Compared to November 2014 Estimate

	Nov. 2014 Est. <u>FY 2015-16</u>	May 2015 Est. <u>FY 2015-16</u>	Difference <u>Incr./(Decr.)</u>
Caseload:	213,000	213,000	0
Net Dollars:			
4260-111/114-0001 (General Fund)	\$4,617,000	\$4,401,000	(\$216,000)
4260-111/114-0236 (Prop 99)	\$25,318,000	\$25,318,000	\$0
4260-111/114-0009 (BCCA)	\$7,912,000	\$7,912,000	\$0
4260-111/114-0890 (CDC)	\$4,509,000	\$4,509,000	\$0
Total	<u>\$42,356,000</u>	<u>\$42,140,000</u>	<u>-\$216,000</u>

May 2015 Estimate, FY 2014-15 Compared to FY 2015-16

	May 2015 Est. <u>FY 2014-15</u>	May 2015 Est. <u>FY 2015-16</u>	Difference <u>Incr./(Decr.)</u>
Caseload:	275,219	213,000	(62,219)
Net Dollars:			
4260-111/114-0001 (General Fund)	\$15,573,000	\$4,401,000	(\$11,172,000)
4260-111/114-0236 (Prop 99)	\$25,318,000	\$25,318,000	\$0
4260-111/114-0009 (BCCA)	\$7,912,000	\$7,912,000	\$0
4260-111/114-0890 (CDC)	\$4,509,000	\$4,509,000	\$0
Total	<u>\$53,312,000</u>	<u>\$42,140,000</u>	<u>-\$11,172,000</u>

EVERY WOMAN COUNTS PROGRAM Funding Summary

FY 2014-15, May 2015 Estimate Compared to Appropriation

	Appropriation FY 2014-15	May 2015 Est. FY 2014-15	Difference Incr./((Decr.))
Caseload:	304,400	275,219	(29,181)
Net Dollars:			
4260-114-0001 (General Fund)	\$20,844,000	\$15,573,000	(\$5,271,000)
4260-114-0236 (Prop 99)	\$25,318,000	\$25,318,000	\$0
4260-114-0009 (BCCA)	\$7,912,000	\$7,912,000	\$0
4260-114-0890 (CDC)	\$4,509,000	\$4,509,000	\$0
Total	<u>\$58,583,000</u>	<u>\$53,312,000</u>	<u>-\$5,271,000</u>

May 2015 Estimate, FY 2015-16 Compared to FY 2014-15 Appropriation

	Appropriation FY 2014-15	May 2015 Est. FY 2015-16	Difference Incr./((Decr.))
Caseload:²	304,400	213,000	(91,400)
Net Dollars:			
4260-114-0001 (General Fund)	\$20,844,000	\$4,401,000	(\$16,443,000)
4260-114-0236 (Prop 99)	\$25,318,000	\$25,318,000	\$0
4260-114-0009 (BCCA)	\$7,912,000	\$7,912,000	\$0
4260-114-0890 (CDC)	\$4,509,000	\$4,509,000	\$0
Total	<u>\$58,583,000</u>	<u>\$42,140,000</u>	<u>-\$16,443,000</u>

² The May 2015 caseload estimate is based on data from July 2013 - May 2014.

EVERY WOMAN COUNTS PROGRAM
Funding Sources By Component
Fiscal Year 2014-15

May 2015 Estimate Compared to November 2014 Estimate, Total Funds

	Nov. 2014 Est. <u>FY 2014-15</u>	May 2015 Est. <u>FY 2014-15</u>	Difference <u>Incr./.(Decr.)</u>
1. Base Expenditure Estimate	\$ 39,171,000	\$ 39,171,000	\$ 0
2. Policy Changes	\$ 13,717,000	\$ 12,891,800	\$ (825,200)
	-----	-----	-----
Total for Services	\$ 52,888,000	\$ 52,062,800	\$ (825,200)
Fiscal Intermediary	\$ 1,423,000	\$ 1,249,000	\$ (174,000)
	-----	-----	-----
Total EWC Program	\$ 54,311,000	\$ 53,311,800	\$ (999,200)

May 2015 Estimate Compared to November 2014 Estimate, General Fund

	Nov. 2014 Est. <u>FY 2014-15</u>	May 2015 Est. <u>FY 2014-15</u>	Difference <u>Incr./.(Decr.)</u>
1. Base Expenditure Estimate	\$ 39,171,000	\$ 39,171,000	\$ 0
2. Policy Changes	\$ (24,022,000)	\$ (24,847,200)	\$ (825,200)
	-----	-----	-----
Total for Services	\$ 15,149,000	\$ 14,323,800	\$ (825,200)
Fiscal Intermediary	\$ 1,423,000	\$ 1,249,000	\$ (174,000)
	-----	-----	-----
Total EWC Program	\$ 16,572,000	\$ 15,572,800	\$ (999,200)

EVERY WOMAN COUNTS PROGRAM
Funding Sources By Component
Fiscal Year 2015-16

May 2015 Estimate Compared to November 2014 Estimate, Total Funds

	Nov. 2014 Est. <u>FY 2015-16</u>	May 2015 Est. <u>FY 2015-16</u>	Difference <u>Incr./(Decr.)</u>
1. Base Expenditure Estimate	\$ 33,662,000	\$ 33,662,000	\$ 0
2. Policy Changes	\$ 7,053,000	\$ 7,053,000	\$ 0
	-----	-----	-----
Total for Services	\$ 40,715,000	\$ 40,715,000	\$ 0
Fiscal Intermediary	\$ 1,641,000	\$ 1,425,000	\$ (216,000)
	-----	-----	-----
Total EWC Program	\$ 42,356,000	\$ 42,140,000	\$ (216,000)

May 2015 Estimate Compared to November 2014 Estimate, General Fund

	Nov. 2014 Est. <u>FY 2015-16</u>	May 2015 Est. <u>FY 2015-16</u>	Difference <u>Incr./(Decr.)</u>
1. Base Expenditure Estimate	\$ 33,662,000	\$ 33,662,000	\$ 0
2. Policy Changes	\$ (30,686,000)	\$ (30,686,000)	\$ 0
	-----	-----	-----
Total for Services	\$ 2,976,000	\$ 2,976,000	\$ 0
Fiscal Intermediary	\$ 1,641,000	\$ 1,425,000	\$ (216,000)
	-----	-----	-----
Total EWC Program	\$ 4,617,000	\$ 4,401,000	\$ (216,000)

EVERY WOMAN COUNTS PROGRAM
Funding Sources By Component
Current Year vs Budget Year

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

	May 2015 Est. FY 2014-15	May 2015 Est. FY 2015-16	Difference Incr./(Decr.)
1. Base Expenditure Estimate	\$ 39,171,000	\$ 33,662,000	\$ (5,509,000)
2. Policy Changes	\$ 12,891,800	\$ 7,053,000	\$ (5,838,800)
	-----	-----	-----
Total for Services	\$ 52,062,800	\$ 40,715,000	\$ (11,347,800)
Fiscal Intermediary	\$ 1,249,000	\$ 1,425,000	\$ 176,000
	-----	-----	-----
Total EWC Program	\$ 53,311,800	\$ 42,140,000	\$ (11,171,800)

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

	May 2015 Est. FY 2014-15	May 2015 Est. FY 2015-16	Difference Incr./(Decr.)
1. Base Expenditure Estimate	\$ 39,171,000	\$ 33,662,000	\$ (5,509,000)
2. Policy Changes	\$ (24,847,200)	\$ (30,686,000)	\$ (5,838,800)
	-----	-----	-----
Total for Services	\$ 14,323,800	\$ 2,976,000	\$ (11,347,800)
Fiscal Intermediary	\$ 1,249,000	\$ 1,425,000	\$ 176,000
	-----	-----	-----
Total EWC Program	\$ 15,572,800	\$ 4,401,000	\$ (11,171,800)

**EVERY WOMAN COUNT PROGRAM
Comparison of Assumed Fiscal Impacts of Policy Changes**

Fiscal Year 2014-15, Comparison of May 2015 and November 2014 Estimates

POLICY CHG. TYPE	NO.	DESCRIPTION	NOVEMBER 2014 ESTIMATE		MAY 2015 ESTIMATE		DIFFERENCE, Incr./(Decr.)	
			TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS
Benefits	1	FISCAL INTERMEDIARY EXPENDITURES	\$1,423,000	\$1,423,000	\$1,249,000	\$1,249,000	-\$174,000	-\$174,000
Other	2	CIGARETTE AND TOBACCO PRODUCTS SURTAX FUND	\$0	\$0	\$0	\$0	\$0	\$0
Other	3	BREAST CANCER CONTROL ACCOUNT	\$0	\$0	\$0	\$0	\$0	\$0
Other	4	CENTER FOR DISEASE CONTROL AND PREVENTION FUND	\$0	-\$4,509,000	\$0	-\$4,509,000	\$0	\$0
Benefits	5	CONSUMER TOLL-FREE LINE AND ONLINE PROVIDER LOCATOR	\$16,000	\$16,000	\$16,000	\$16,000	\$0	\$0
Benefits	6	REGIONAL CONTRACTS	\$3,057,000	\$3,057,000	\$3,057,000	\$3,057,000	\$0	\$0
Benefits	7	SAN DIEGO STATE UNIVERSITY RESEARCH FOUNDATION	\$300,000	\$300,000	\$300,000	\$300,000	\$0	\$0
Benefits	8	DIGITAL MAMMOGRAPHY RATE CHANGE	\$7,360,000	\$7,360,000	\$7,360,000	\$7,360,000	\$0	\$0
Benefits	9	DENSE BREAST NOTIFICATION SUPPLEMENTAL SCREENING	\$2,984,400	\$2,984,400	\$2,158,800	\$2,158,800	-\$825,600	-\$825,600
EWC TOTAL			\$15,140,400	\$10,631,400	\$14,140,800	\$9,631,800	-\$999,600	-\$999,600

Fiscal Year 2015-16, Comparison of May 2015 and November 2014 Estimates

POLICY CHG. TYPE	NO.	DESCRIPTION	NOVEMBER 2014 ESTIMATE		MAY 2015 ESTIMATE		DIFFERENCE, Incr./(Decr.)	
			TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS
Benefits	1	FISCAL INTERMEDIARY EXPENDITURES	\$1,641,000	\$1,641,000	\$1,425,000	\$1,425,000	-\$216,000	-\$216,000
Other	2	CIGARETTE AND TOBACCO PRODUCTS SURTAX FUND	\$0	\$0	\$0	\$0	\$0	\$0
Other	3	BREAST CANCER CONTROL ACCOUNT	\$0	\$0	\$0	\$0	\$0	\$0
Other	4	CENTER FOR DISEASE CONTROL AND PREVENTION FUND	\$0	-\$4,509,000	\$0	-\$4,509,000	\$0	\$0
Benefits	5	CONSUMER TOLL-FREE LINE AND ONLINE PROVIDER LOCATOR	\$16,000	\$16,000	\$16,000	\$16,000	\$0	\$0
Benefits	6	REGIONAL CONTRACTS	\$3,057,000	\$3,057,000	\$3,057,000	\$3,057,000	\$0	\$0
Benefits	7	SAN DIEGO STATE UNIVERSITY RESEARCH FOUNDATION	\$300,000	\$300,000	\$300,000	\$300,000	\$0	\$0
Benefits	8	DIGITAL MAMMOGRAPHY RATE CHANGE	\$3,680,000	\$3,680,000	\$3,680,000	\$3,680,000	\$0	\$0
Benefits	9	DENSE BREAST NOTIFICATION SUPPLEMENTAL SCREENING	\$0	\$0	\$0	\$0	\$0	\$0
EWC TOTAL			\$8,694,000	\$4,185,000	\$8,478,000	\$3,969,000	-\$216,000	-\$216,000

¹ Funds are referenced separately in the EWC Funding Summary pages.

FISCAL INTERMEDIARY EXPENDITURES

POLICY CHANGE NUMBER: 1
IMPLEMENTATION DATE: 07/2012
ANALYST: Joel Singh

		<u>FY 2014-15</u>	<u>FY 2015-16</u>
FULL YEAR COST	- TOTAL FUNDS	\$1,249,000	\$1,425,000
	- GENERAL FUND	\$1,249,000	\$1,425,000
PAYMENT LAG		1.0000	1.0000
% REFLECTED IN BASE		0.00%	0.00%
APPLIED TO BASE	- TOTAL FUNDS	\$1,249,000	\$1,425,000
	- GENERAL FUND	\$1,249,000	\$1,425,000

Purpose:

This policy change estimates the costs for the Fiscal Intermediary (FI) expenditures related to the Every Woman Counts (EWC) program.

Authority:

Health & Safety Code 104150 (c)

Interdependent Policy Changes:

Not Applicable

Background:

The EWC program utilizes the FI to adjudicate medical claims. FI expenditures consist of adjudicated claim line (ACL) costs, system development notices (SDNs), and EWC calls to FI telephone services. The SDNs are used to make improvements to DETEC, the program's web-based enrollment and data collection system, and to add, delete or modify EWC covered procedures in CA-MMIS.

Reason for Change from Prior Estimate:

Due to updated data from CA-MMIS, ACL claims for FY 2014-15 changed from 1,168,024 to 947,478. For FY 2015-16, ACL claims changed from 1,226,425 to 994,852.

Methodology:

1. The estimated medical FI administrative costs are:

	Estimated ACLs	Ave Cost per ACLs	Estimated ACL Expenditure
General ACLs	947,478	\$0.79	\$748,508
Online ACLs	2	\$0.58	\$1
FY 2014-15			\$748,509

General ACLs	994,852	\$0.93	\$925,212
Online ACLs	2	\$0.67	\$1
FY 2015-16			\$925,214

2. The EWC program is budgeted on an accrual basis.

	FY 2014-15	FY 2015-16
Processing Costs	\$749,000	\$925,000
SDNs	\$500,000	\$500,000
Total	\$1,249,000	\$1,425,000

Funding:

100% GF (4260-114-0001)

CIGARETTE AND TOBACCO PRODUCTS SURTAX FUND

POLICY CHANGE NUMBER: 2
IMPLEMENTATION DATE: 7/2012
ANALYST: Joel Singh

	<u>FY 2014-15</u>	<u>FY 2015-16</u>
FULL YEAR COST		
- TOTAL FUNDS	\$0	\$0
- GENERAL FUND	-\$25,318,000	-\$25,318,000
- PROP 99 FUND	\$25,318,000	\$25,318,000
PAYMENT LAG	1.0000	1.0000
% REFLECTED IN BASE	0.00%	0.00%
APPLIED TO BASE		
- TOTAL FUNDS	\$0	\$0
- GENERAL FUND	-\$25,318,000	-\$25,318,000
- PROP 99 FUND	\$25,318,000	\$25,318,000

Purpose:

This policy change shifts the Cigarette and Tobacco Products Surtax (CTPS/Proposition 99) funds from the Unallocated Accounts to the General Fund.

Authority:

Revenue & Taxation Code 30124 (b)(6)
 California Tobacco Health Education Act of 1988 (Proposition 99)

Interdependent Policy Changes:

Not Applicable

Background:

CTPS/Proposition 99 funds breast and cervical cancer screening and diagnostics for uninsured low-income women. These restricted funds pay clinical claims expenditures. Services include:

- Office visits and consults,
- Screening mammograms,
- Diagnostic mammograms,
- Diagnostic breast procedures,
- Case management, and
- Other clinical services.

Reason for Change from Prior Estimate:

There is no change from prior estimate.

Methodology:

1. The Every Woman Counts (EWC) program will receive \$25,318,000 in FY 2014-15 and FY 2015-16.
2. The EWC program is budgeted on an accrual basis.

Funding:

Proposition 99 Unallocated Local Assistance (4260-114-0236)
100% General Fund (4260-114-0001)

BREAST CANCER CONTROL ACCOUNT

POLICY CHANGE NUMBER: 3
IMPLEMENTATION DATE: 07/2012
ANALYST: Joel Singh

		<u>FY 2014-15</u>	<u>FY 2015-16</u>
FULL YEAR COST	- TOTAL FUNDS	\$0	\$0
	- GENERAL FUND	-\$7,912,000	-\$7,912,000
	- BCCA FUND	\$7,912,000	\$7,912,000
PAYMENT LAG		1.0000	1.0000
% REFLECTED IN BASE		0.00%	0.00%
APPLIED TO BASE	- TOTAL FUNDS	\$0	\$0
	- GENERAL FUND	-\$7,912,000	-\$7,912,000
	- BCCA FUND	\$7,912,000	\$7,912,000

Purpose:

This policy change shifts the Breast Cancer Control Account (BCCA) funds to the General Fund.

Authority:

Revenue & Taxation Code 30461.6

Interdependent Policy Changes:

Not Applicable

Background:

BCCA funds the provision of early breast cancer detection services for uninsured and underinsured women in the Every Woman Counts (EWC) program. The BCCA is funded by one cent of a two-cent tobacco tax. The BCCA is anticipated to slowly decline due to less tobacco use. BCCA funds may be used for direct services such as:

- Direct services contracts,
- Screening,
- Medical referrals,
- Outreach and health education,
- Clinical claims, and
- Processing costs.

Reason for Change from Prior Estimate:

There is no change from prior estimate.

Methodology:

1. The EWC program will receive \$7,912,000 of BCCA funds in FY 2014-15 and FY 2015-16.
2. The EWC program is budgeted on an accrual basis.

Funding:

Breast Cancer Control Account (4260-114-0009)
100% General Fund (4260-114-0001)

CENTER FOR DISEASE CONTROL AND PREVENTION FUND

POLICY CHANGE NUMBER: 4
IMPLEMENTATION DATE: 07/2012
ANALYST: Joel Singh

		<u>FY 2014-15</u>	<u>FY 2015-16</u>
FULL YEAR COST	- TOTAL FUNDS	\$0	\$0
	- GENERAL FUND	-\$4,509,000	-\$4,509,000
	- CDC FUNDS	\$4,509,000	\$4,509,000
PAYMENT LAG		1.0000	1.0000
% REFLECTED IN BASE		0.00%	0.00%
APPLIED TO BASE	- TOTAL FUNDS	\$0	\$0
	- GENERAL FUND	-\$4,509,000	-\$4,509,000
	- CDC FUNDS	\$4,509,000	\$4,509,000

Purpose:

This policy change shifts the grant funding from the Center for Disease Control and Prevention (CDC) fund to the General Fund.

Authority:

Health & Safety Code 104150 (a)(b)
 Affordable Care Act of 2010

Interdependent Policy Changes:

Not Applicable

Background:

The CDC provides federal funding through the National Breast and Cervical Cancer Early Detection Program (NBCCEDP) for direct service contracts and clinical claims. The program required 60% of the grant funds for breast and cervical cancer screening services and the remaining 40% for non-screening services. Effective July 1, 2015, per the 2015 Federal Appropriation Budget, the CDC has eliminated the 60/40 allocation requirement, therefore allowing states to expand activities such as outreach, education and quality assurance. CDC's guidance requires grantees to continue providing screening to priority population while allowing opportunity to expand activities to reach the eligible populations.

The program offers funding for:

- Breast and cervical cancer screening,
- Cervical and breast cancer outreach,
- Education on preventive benefits, and
- Assuring high quality clinical services.

Reason for Change from Prior Estimate:

There is no change from prior estimate.

Methodology:

1. The CDC grant is a multi-year contract beginning June 30, 2012 through June 29, 2017. The total grant amount is \$10,465,000 for FY 2014-15 and FY 2015-16.
2. The Department receives 66.56% of the total grant amount and the California Department of Public Health (CDPH) receives the remaining 33.44%.

Department	\$6,966,000
CDPH	\$3,499,000
Total CDC Grant Amount	\$10,465,000

3. The Department allocates 64.73% of the grant to local assistance and 35.27% to the support budget.

Local Assistance	\$4,509,000
Support	\$2,457,000
NBCCEDP Grant for EWC	\$6,966,000

4. The Every Woman Counts program is budgeted on an accrual basis.

Funding:

CDC Federal Fund (4260-114-0890)
 100% General Fund (4260-114-0001)

CONSUMER TOLL-FREE LINE AND ONLINE PROVIDER LOCATOR

POLICY CHANGE NUMBER: 5
IMPLEMENTATION DATE: 7/2012
ANALYST: Joel Singh

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

Purpose:

This policy change estimates the contract costs for the Every Woman Counts (EWC) consumer toll-free line automated voice response system (AVRS) and Online Provider Locator (OPL) system.

Authority:

Health & Safety Code 104150 (c)
 Revenue and Taxation Code 30461.6

Interdependent Policy Changes:

Not Applicable

Background:

The Department contracts with AT&T for the EWC consumer toll-free line automated voice response system (AVRS) for 24-hour provider referrals. The Department also administers an On-Line Provider Locator (OPL), previously called On-Line Clinic Locator (OCL), developed by the Department's Information Technology Services Division.

Reason for Change from Prior Estimate:

There is no change from prior estimate.

Methodology:

1. AVRS cost for the consumer toll-free line is determined based on the estimated call volume.
2. OPL cost is determined based on staff programming hours for system maintenance.

	FY 2014-15	FY 2015-16
AVRS	\$11,000	\$11,000
OPL	\$5,000	\$5,000
Total	\$16,000	\$16,000

Funding:

100% General Fund (4260-114-0001)

REGIONAL CONTRACTS

POLICY CHANGE NUMBER: 6
IMPLEMENTATION DATE: 7/2012
ANALYST: Joel Singh

		<u>FY 2014-15</u>	<u>FY 2015-16</u>
FULL YEAR COST	- TOTAL FUNDS	\$3,057,000	\$3,057,000
	- GENERAL FUND	\$3,057,000	\$3,057,000
PAYMENT LAG		1.0000	1.0000
% REFLECTED IN BASE		0.00%	0.00%
APPLIED TO BASE	- TOTAL FUNDS	\$3,057,000	\$3,057,000
	- GENERAL FUND	\$3,057,000	\$3,057,000

Purpose:

This policy change estimates Every Women Counts regional contractor's costs.

Authority:

Health & Safety Code 104150 (c)
 Revenue & Taxation Code 30461.6
 CA Health Collaborative Contract #12-89322
 Community Health Partnership Contract #12-89330
 County of Orange Contract #12-89327
 Santa Barbara County Contract #12-89329

Interdependent Policy Changes:

Not Applicable

Background:

As required by the National Breast and Cervical Cancer Early Detection Program (NBCCEDP) grant, the Department provides tailored health education to priority populations, quality clinical follow-up for recipients, and primary care provider network support. These services are provided through contractors located in 10 geographical

The objective of each contract is to:

- Promote breast and cervical cancer awareness,
- Increase first time and repeat breast and cervical cancer screening, and
- Promote high quality screening services through management of a regional primary care provider network.

Reason for Change from Prior Estimate:

There is no change from prior estimate.

Methodology:

1. The contracts began on January 1, 2012 and will end on December 31, 2016.
2. The contracts are funded by local assistance.

	FY 2014-15	FY 2015-16
CA Health Collab.	\$2,129,600	\$2,129,600
Community Health Partnership	\$266,800	\$266,800
County of Orange	\$306,800	\$306,800
Santa Barbara County	\$353,800	\$353,800
Total	\$3,057,000	\$3,057,000

3. The Every Woman Counts (EWC) program is budgeted on an accrual basis.

Funding:

100% General Fund (4260-114-0001)

SAN DIEGO STATE UNIVERSITY RESEARCH FOUNDATION

POLICY CHANGE NUMBER: 7
IMPLEMENTATION DATE: 7/2012
ANALYST: Joel Singh

		<u>FY 2014-15</u>	<u>FY 2015-16</u>
FULL YEAR COST	- TOTAL FUNDS	\$300,000	\$300,000
	- GENERAL FUND	\$300,000	\$300,000
PAYMENT LAG		1.0000	1.0000
% REFLECTED IN BASE		0.00%	0.00%
APPLIED TO BASE	- TOTAL FUNDS	\$300,000	\$300,000
	- GENERAL FUND	\$300,000	\$300,000

Purpose:

This policy change estimates the contract costs to the San Diego State University Research Foundation (SDSURF).

Authority:

Health & Safety Code 104150 (c)
 Contract #13-90028

Interdependent Policy Changes:

Not Applicable

Background:

The Department contracts with the SDSURF, a private non-profit organization that is an auxiliary to California State University, San Diego. The contract services include providing professional education to primary care providers and other health care professionals regarding breast and cervical cancer screening and diagnostic clinical care guidelines and data navigation for federal Center for Disease Control and Prevention (CDC) grant data reporting requirements. Provided services will lead to an improvement in the quality and timeliness of cancer screening and diagnosis, therefore, reducing mortality by earlier detection.

Reason for Change from Prior Estimate:

There is no change from prior estimate.

Methodology:

1. The current contract began on July 1, 2013 and will end on June 30, 2016.
2. The contract expenditures are funded by both local assistance and support dollars.

3. The projected expenditures for FY 2014-15 are \$747,000.

Local Assistance	\$300,000
Support	\$447,000
FY 2013-14	\$747,000

4. The projected expenditures for FY 2015-16 are \$747,000.

Local Assistance	\$300,000
Support	\$447,000
FY 2014-15	\$747,000

5. The Every Woman Counts program is budgeted on an accrual basis.

Funding:

100% General Fund (4260-114-0001)

DIGITAL MAMMOGRAPHY RATE CHANGE

POLICY CHANGE NUMBER: 8
IMPLEMENTATION DATE: 1/2014
ANALYST: Joel Singh

		<u>FY 2014-15</u>	<u>FY 2015-16</u>
FULL YEAR COST	- TOTAL FUNDS	\$9,200,000	\$9,200,000
	- GENERAL FUND	\$9,200,000	\$9,200,000
PAYMENT LAG		1.0000	1.0000
% REFLECTED IN BASE		20.00%	60.00%
APPLIED TO BASE	- TOTAL FUNDS	\$7,360,000	\$3,680,000
	- GENERAL FUND	\$7,360,000	\$3,680,000

Purpose

This policy change estimates the rate change for providers using digital mammography.

Authority

Revenue & Taxation Code 30461.6
 Welfare & Institutions Code 14105.18
 AB 359 (Chapter 435, Statutes of 2009)

Background

AB 359 limited payment rate for digital mammography at the Medi-Cal analog mammography rate until December 31, 2013. Effective January 1, 2014, the Department began reimbursing providers that utilize digital mammography screening at the current Medi-Cal digital mammography rate.

When digital mammography is not available, analog mammography screening may continue and will be paid at the analog mammography rate. The use of analog mammography will decrease as more providers offer digital mammography screening.

Reason for Change from Prior Estimate

There is no change from prior estimate.

Methodology

1. Digital mammography will be paid at the digital rate effective January 1, 2014.
2. Recent data shows that use of digital technology for mammograms has increased from 48.8% in FY 2011-12 to 66.1% in FY 2012-13.
3. Below are the analog and digital rates:

Mammogram	Analog Rate	Digital Rate	Difference
Screening (both breasts)	\$72.16	\$127.24	\$55.08
Diagnostic (both breasts)	\$85.80	\$132.97	\$47.17
Diagnostic (one breast)	\$68.76	\$107.57	\$38.81

4. The estimated annual digital mammography counts are:

Mammogram	FY 2013-14
Screening (both breasts)	131,467
Diagnostic (both breasts)	23,473
Diagnostic (one breast)	21,947
Total	176,887

5. The change in rates are:

Mammogram	Rate Difference	FY 2013-14 Counts	Cost Due to Change in Rate
Screening (both breasts)	\$55.08	131,467	\$7,241,000
Diagnostic (both breasts)	\$47.17	23,473	\$1,107,000
Diagnostic (one breast)	\$38.81	21,947	\$852,000
Total			\$9,200,000

6. The estimated excess cost resulting from the rate change in FY 2014-15 and FY 2015-16 is \$9,200,000.
7. The Every Woman Counts program is budgeted on an accrual basis.

Funding:

100% General Fund (4260-114-0001)

DENSE BREAST NOTIFICATION SUPPLEMENTAL SCREENING

POLICY CHANGE NUMBER: 9
IMPLEMENTATION DATE: 4/2013
ANALYST: Joel Singh

		<u>FY 2014-15</u>	<u>FY 2015-16</u>
FULL YEAR COST	- TOTAL FUNDS	\$3,598,000	\$2,784,000
	- GENERAL FUND	\$3,598,000	\$2,784,000
PAYMENT LAG		1.0000	0.0000
% REFLECTED IN BASE		40.00%	100.00%
APPLIED TO BASE	- TOTAL FUNDS	\$2,158,800	\$0
	- GENERAL FUND	\$2,158,800	\$0

Purpose

This policy change estimates the costs of increased utilization for breast cancer screening services as a result of notification of dense breast.

Authority

SB 1538 (Chapter 458, Statutes of 2012)

Interdependent Policy Changes:

Not Applicable

Background

SB 1538 requires health facilities, administering mammograms to women age 40 years and over, to notify patients whose breasts are categorized as being heterogeneously or extremely dense. The notification informs patients that they may benefit from supplementary screening due to the level of dense breast tissue (DBT) seen on the mammogram. The generated notices will result in patients requesting additional supplemental screening tests, such as magnetic resonance imaging (MRIs) and ultrasounds. The provisions of this bill became operative April 1, 2013 and will sunset on January 1, 2019.

Providers may bill for case management for each woman receiving additional services. Case management is a covered benefit for women requiring immediate workup, including additional diagnostic procedures.

Reason for Change from Prior Estimate:

Due to updated data, the projected caseload changed from 298,735 for both FY 2014-15 and FY 2015-16 to 212,384 for FY 2014-15 and 164,370 for FY 2015-16.

Methodology

1. Implementation began on April 1, 2013.
2. Assume mammography exams include screening and diagnostic.

3. Based on FY 2013-14 data, the projected number of women, age 40 or over, to received an annual mammography exam is 212,384 for FY 2014-15 and 164,370 for FY 2015-16.

	FY 2014-15	FY 2015-16
40 – 49 years:	95,466	73,884
50 and over:	116,918	90,486
Total	212,384	164,370

4. According to data presented by the American Society of Breast Surgeons (ASBS) in 2009, 75% of women 40 – 49 years of age and 42% of women over 50 years of age have dense breasts.

	FY 2014-15	FY 2015-16
40 – 49 years:	71,600	55,413
50 and over:	49,106	38,004
Total	120,705	93,417

5. Assume 30% of women, who receive a notice, would request a supplementary screening test from their physician.

FY 2014-15: $120,705 \times 30\% = 36,212$

FY 2015-16: $93,417 \times 30\% = 28,025$

6. Assume the reimbursement rate is \$49.35 for breast ultrasound and \$50 for case management reimbursement top providers.

	FY 2014-15	FY 2015-16
Breast Ultrasound	\$1,787,000	\$1,383,000
Case Management	\$1,811,000	\$1,401,000
Total	\$3,598,000	\$2,784,000

Funding:

100% General Fund (4260-114-0001)

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

Total				
Quarter	Base Estimate Caseload	Estimated Caseload from Policy Changes	Total Caseload	Total EWC Payments
July-Sept 2011				\$8,887,847 *
Oct-Dec 2011				\$8,300,724 *
Jan-Mar 2012				\$8,552,190 *
April -June 2012				\$9,242,149 *
FY 2011-12	262,463		262,463	\$34,982,910
July-Sept 2012				\$8,751,439 *
Oct-Dec 2012				\$8,880,878 *
Jan-Mar 2013				\$7,799,649 *
April -June 2013				\$9,097,681 *
FY 2012-13	298,723	3,037	301,760	\$34,529,646
July-Sept 2013				\$8,787,355 *
Oct-Dec 2013				\$9,161,285 *
Jan-Mar 2014				\$9,535,215 *
April -June 2014				\$9,909,145 *
FY 2013-14	291,900	1,014	292,914	\$37,393,000
July-Sept 2014				\$9,205,185 **
Oct-Dec 2014				\$9,596,895 **
Jan-Mar 2015				\$9,988,605 **
April -June 2015				\$10,380,315 **
FY 2014-15	275,219		275,219 **	\$39,171,000
July-Sept 2015				\$7,910,570 **
Oct-Dec 2015				\$8,247,190 **
Jan-Mar 2016				\$8,583,810 **
April -June 2016				\$8,920,430 **
FY 2015-16	213,000		213,000 **	\$33,662,000

Note: 1) Expenditures are based on an accrual basis.

* Actuals

** Estimated

EVERY WOMAN COUNTS PROGRAM
Fiscal Comparison Tables: November 2014 Estimate to May 2015 Estimate

(In Thousands)

FY 2014-15, May 2015 Estimate Compared to November 2014 Estimate

EWC Activity	November 2014 Estimate, FY 2014-15					May 2015 Estimate, FY 2014-15					Difference				
	Total	0236	0009	FF	GF	Total	0236	0009	FF	GF	Total	0236	0009	FF	GF
Clinical Services															
Office Visits and Consults	\$8,618	\$5,570	\$697	\$981	\$1,370	\$8,618	\$5,570	\$697	\$981	\$1,370	\$0	\$0	\$0	\$0	\$0
Screening Mammograms	\$13,318	\$8,608	\$1,076	\$1,516	\$2,118	\$13,318	\$8,608	\$1,076	\$1,516	\$2,118	\$0	\$0	\$0	\$0	\$0
Diagnostic Mammograms	\$4,308	\$2,785	\$348	\$490	\$685	\$4,308	\$2,785	\$348	\$490	\$685	\$0	\$0	\$0	\$0	\$0
Diagnostic Breast Procedures	\$6,267	\$4,051	\$507	\$713	\$996	\$6,267	\$4,051	\$507	\$713	\$996	\$0	\$0	\$0	\$0	\$0
Case Management	\$1,567	\$1,013	\$127	\$178	\$249	\$1,567	\$1,013	\$127	\$178	\$249	\$0	\$0	\$0	\$0	\$0
Other Clinical Services	\$5,093	\$3,291	\$412	\$580	\$810	\$5,093	\$3,291	\$412	\$580	\$810	\$0	\$0	\$0	\$0	\$0
Subtotal Clinical Service	\$39,171	\$25,318	\$3,167	\$4,458	\$6,228	\$39,171	\$25,318	\$3,167	\$4,458	\$6,228	\$0	\$0	\$0	\$0	\$0
Policy Changes															
Local Assistance Contracts	\$3,357	\$0	\$3,307	\$50	\$0	\$3,357	\$0	\$3,307	\$50	\$0	\$0	\$0	\$0	\$0	\$0
Online Clinic Locator Expenses	\$16	\$0	\$16	\$0	\$0	\$16	\$0	\$16	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Digital Mammography	\$7,360	\$0	\$0	\$0	\$7,360	\$7,360	\$0	\$173	\$0	\$7,187	\$0	\$0	\$173	\$0	-\$173
Dense Breast Notification Screenings	\$2,984	\$0	\$0	\$0	\$2,984	\$2,159	\$0	\$0	\$0	\$2,159	-\$825	\$0	\$0	\$0	-\$825
FI Processing Costs	\$923	\$0	\$923	\$0	\$0	\$749	\$0	\$749	\$0	\$0	-\$174	\$0	-\$174	\$0	\$0
FI SDN Costs	\$500	\$0	\$500	\$0	\$0	\$500	\$0	\$500	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Policy Changes	\$15,140	\$0	\$4,746	\$50	\$10,344	\$14,141	\$0	\$4,745	\$50	\$9,346	-\$999	\$0	-\$1	\$0	-\$998
Total Local Assistance Appropriation	\$54,311	\$25,318	\$7,913	\$4,508	\$16,572	\$53,312	\$25,318	\$7,912	\$4,508	\$15,574	-\$999	\$0	-\$1	\$0	-\$998

FY 2015-16, May 2015 Estimate Compared to November 2014 Estimate

EWC Activity	November 2014 Estimate, FY 2015-16					May 2015 Estimate, FY 2015-16					Difference				
	Total	0236	0009	FF	GF	Total	0236	0009	FF	GF	Total	0236	0009	FF	GF
Clinical Services															
Office Visits and Consults	\$7,407	\$5,570	\$649	\$982	\$206	\$7,407	\$5,570	\$649	\$982	\$206	\$0	\$0	\$0	\$0	\$0
Screening Mammograms	\$11,446	\$8,608	\$1,004	\$1,516	\$318	\$11,446	\$8,608	\$1,004	\$1,516	\$318	\$0	\$0	\$0	\$0	\$0
Diagnostic Mammograms	\$3,702	\$2,785	\$324	\$490	\$103	\$3,702	\$2,785	\$324	\$490	\$103	\$0	\$0	\$0	\$0	\$0
Diagnostic Breast Procedures	\$5,385	\$4,051	\$471	\$713	\$150	\$5,385	\$4,051	\$471	\$713	\$150	\$0	\$0	\$0	\$0	\$0
Case Management	\$1,346	\$1,013	\$118	\$178	\$37	\$1,346	\$1,013	\$118	\$178	\$37	\$0	\$0	\$0	\$0	\$0
Other Clinical Services	\$4,376	\$3,291	\$383	\$580	\$122	\$4,376	\$3,291	\$383	\$580	\$122	\$0	\$0	\$0	\$0	\$0
Subtotal Clinical Service	\$33,662	\$25,318	\$2,949	\$4,459	\$936	\$33,662	\$25,318	\$2,949	\$4,459	\$936	\$0	\$0	\$0	\$0	\$0
Policy Changes															
Local Assistance Contracts	\$3,357	\$0	\$3,307	\$50	\$0	\$3,357	\$0	\$3,307	\$50	\$0	\$0	\$0	\$0	\$0	\$0
Online Clinic Locator Expenses	\$16	\$0	\$16	\$0	\$0	\$16	\$0	\$16	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Digital Mammography	\$3,680	\$0	\$0	\$0	\$3,680	\$3,680	\$0	\$215	\$0	\$3,465	\$0	\$0	\$215	\$0	-\$215
Dense Breast Notification Screenings	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
FI Processing Costs	\$1,141	\$0	\$1,141	\$0	\$0	\$925	\$0	\$925	\$0	\$0	-\$216	\$0	-\$216	\$0	\$0
FI SDN Costs	\$500	\$0	\$500	\$0	\$0	\$500	\$0	\$500	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Policy Changes	\$8,694	\$0	\$4,964	\$50	\$3,680	\$8,478	\$0	\$4,963	\$50	\$3,465	\$216	\$0	\$1	\$0	\$215
Total Local Assistance Appropriation	\$42,356	\$25,318	\$7,913	\$4,509	\$4,616	\$42,140	\$25,318	\$7,912	\$4,509	\$4,401	\$216	\$0	\$1	\$0	\$215

FAMILY HEALTH ASSUMPTIONS
May 2015
FISCAL YEARS 2014-15 & 2015-16

INTRODUCTION

The Family Health Local Assistance Estimate, which is based upon the Assumptions outlined in the following pages, provides information and state only costs for California Children's Services, the Child Health and Disability Prevention program, the Genetically Handicapped Persons Program, and the Every Woman Counts Program. The Estimate also includes estimated expenditures for the Healthy Families Program Title XXI portion of California Children's Services. From January 2013 to November 2013, the Healthy Families Program transitioned to Medi-Cal's Optional Targeted Low Income Children's Program (OTLICP). Costs for children eligible for Medi-Cal, including the new OTLICP are included in the Medi-Cal Local Assistance Estimate.

The Family Health Local Assistance Estimate can be segregated into two main components for each program:

- (1) the base and
- (2) policy changes

The base estimate is the anticipated level of program expenditures assuming no changes in program direction. The base estimates are derived from a historical trend analysis of actual expenditure patterns. The policy changes are the estimated fiscal impacts of any program changes which are either anticipated to occur at some point in the future, have occurred so recently that they are not yet fully reflected in the historical data base, or are estimates of expenditures not included in the base estimate.

California Children's Services

The California Children's Services (CCS) program provides diagnostic and treatment services, medical case management, and physical and occupational therapy health care services to children under 21 years of age with CCS-eligible conditions (e.g., severe genetic diseases, chronic medical conditions, infectious diseases producing major sequelae, and traumatic injuries) from families unable to afford catastrophic health care costs. A child eligible for CCS must be a resident of California, have a CCS-eligible condition, and be in a family with an adjusted gross income of \$40,000 or less in the most recent tax year. Children in families with higher incomes may still be eligible for CCS if the estimated cost of care to the family in one year is expected to exceed 20% of the family's adjusted gross income.

Base funding for the state only CCS program services and case management is composed of 50% county funds (CF) and 50% State General Fund (GF). Services and case management for Medi-Cal eligible children are funded by a combined 50% match of GF and Title XIX federal financial participation (FFP). Services and case management authorized for children who are enrolled in Medi-Cal's OTLICP are funded by 65% federal Title XXI FFP and a combined 17.5% CF and 17.5% GF. In addition to the funding streams above, CCS is also supported by a fixed level of Federal Title V Maternal and Child Health (MCH) funding. GF expenditures are reduced by federal funding from the Safety Net Care Pool.

On January 1, 2013, the HFP ceased to enroll new subscribers and HFP subscribers began the transition into Medi-Cal's OTLICP through a phase-in methodology.

CCS benefit costs and administrative costs are budgeted on a cash basis.

Child Health and Disability Prevention

The Child Health and Disability Prevention (CHDP) program provides health screens (i.e., well child health assessments) and immunizations to Medi-Cal children under 21 years of age and non-Medi-Cal eligible children at or under 18 years of age whose family income is at or below 200% of the Federal Poverty Level (FPL).

Currently, the CHDP program is funded with a combination of State GF and Childhood Lead Poisoning Prevention (CLPP) funds.

Children from families with incomes at or below 200% of the FPL can pre-enroll in fee-for-service Medi-Cal under the presumptive eligibility for children provisions of the Medicaid program. This pre-enrollment will take place electronically over the Internet at CHDP provider offices at the time children receive health assessments. This process, known as the CHDP Gateway to Medi-Cal, will shift most CHDP costs to the Medi-Cal program. CHDP program funding will continue at a reduced level to cover services for children who are eligible for limited-scope Medi-Cal benefits.

The CHDP program is responsible for the screening component of the Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) benefit of the Medi-Cal program. The health assessments, immunizations, and laboratory screening procedures for full scope Medi-Cal children are funded 50% SF and 50% FFP and for limited scope Medi-Cal children are 100% SF. These screening costs funded through Medi-Cal are identified in the Medi-Cal estimate as EPSDT.

Additionally, Medi-Cal provides only emergency and pregnancy related services to beneficiaries with emergency Medi-Cal. CHDP provides 100% state funded health assessments for these beneficiaries.

Genetically Handicapped Persons Program

The Genetically Handicapped Persons Program (GHPP) provides comprehensive health care coverage for persons with specified genetic diseases including: cystic fibrosis; hemophilia; sickle cell disease and thalassemia; chronic degenerative neurological diseases including Huntington's Disease, Friedreich's Ataxia, and Joseph's Disease; and metabolic diseases including phenylketonuria. GHPP also provides access to social support services that may help ameliorate the physical and psychological problems resulting from the client's health condition. To meet eligibility requirements, applicants must reside in California; have a qualifying genetic disease; and pay the annually assessed enrollment fee. GHPP clients with an adjusted gross income between 200% and 299% of the federal income guidelines pay an enrollment fee that is 1.5% of their adjusted gross income; clients/families at an income level of 300% or greater of federal income guidelines pay an enrollment fee equal to 3% of their adjusted gross income.

GHPP benefit and administrative costs are budgeted on a cash basis beginning in FY 2005-06.

Every Woman Counts Program

The Every Woman Counts (EWC) program provides free breast and cervical cancer screening and diagnostic services to uninsured women with income at or below 200% of federal poverty level. Breast Cancer screening is available for women age 40 and older. Cervical Cancer screening is available for women age 25 and older.

EWC covered benefits and categories of service include office visits, screening mammograms, diagnostic mammograms, diagnostic breast procedures, such as ultrasound, fine needle and core biopsy, case management, and other clinical services for cervical cancer screening.

Currently, the EWC program is funded with a combination of Cigarette and Tobacco Products Surtax Unallocated Fund, Breast Cancer Fund, Centers for Disease Control and Prevention National Breast and Cervical Cancer Early Detection Program Grant, and General Fund.

EWC benefit and administrative costs are budgeted on an accrual basis.

BASE ESTIMATES

Historical cost data are used to make the base budget projections using regression equations. The general functional form of the regression equations is:

CASES	=	f(TND, S.DUM, O.DUM)
EXPENDITURES	=	f(TND, S.DUM, O.DUM)
TREATMENT \$	=	f(TND, S.DUM, O.DUM)
MTU \$	=	f(TND, S.DUM, O.DUM)

Where:

- | | | |
|--------------|---|--|
| TREATMENT \$ | = | Total quarterly net treatment expenditures for each county group. |
| MTU \$ | = | Total quarterly medical therapy unit expenditures for each county group. |
| TND | = | Linear trend variable. |
| S.DUM | = | Seasonally adjusting dummy variable. |
| O.DUM | = | Other dummy variables (as appropriate) to reflect exogenous shifts in the expenditure function (e.g. rate increases, price indices, etc.). |

California Children’s Services

A nine year data base of summary claim information on CCS treatment services and medical therapy unit expenditures is used to make the base budget projections using regression equations. Independent regressions are run on net treatment services expenditures (TREATMENT \$) and medical therapy unit expenditures (MTU \$). These expenditure categories are estimated separately for Alameda, Contra Costa, Fresno, Los Angeles, Monterey, Orange, Riverside, Sacramento, San Bernardino, San Diego, San Francisco, Santa Clara, other independent counties, and all other dependent counties as separate groups.

Following the estimation of coefficients for these variables during the base period, the independent variables are extended into the projection period and multiplied by the appropriate coefficients. The quarterly values for each expenditure category are then added together to arrive at quarterly expenditure estimates and summed to annual totals by county.

The net cost/savings for each Policy Change item is applied to the base estimate, after adjustment for the estimated percentage of each item reflected in the base.

Child Health and Disability Prevention

The estimate for CHDP screening consists of a base projection using the latest five years of monthly data to forecast average monthly screens and cost per screen. Separate forecasts utilizing multiple regression analysis are made for both screens and cost per screen for the CHDP program.

The net cost/savings for each Policy Change item is applied to the base estimate, after adjustment for the estimated percentage of each item reflected in the base.

Genetically Handicapped Persons Program

The most recent five years of actual GHPP caseload and expenditure data are used to make the budget projections using regression equations. The data system for GHPP includes only summary caseload and expenditure data for the base period. Independent regressions are run on each diagnosis category identified as follows: Cystic Fibrosis; Hemophilia; Sickle Cell; Huntington's disease (includes Friedreich's Ataxia, and Joseph's Disease); and Metabolic Conditions.

Estimates for expenditures are based on a history of payment data which is projected into the budget year and a future year.

The net cost/savings for each Policy Change item is applied to the base estimate, after adjustment for the estimated percentage of each item reflected in the base.

Every Woman Counts Program

Every Woman Count (EWC) estimates are based on an accrual basis due to the claims adjudication process that allows for payment of claims up to two years after the date of service. This accounts for late claims, resubmission of denied claims and provider appeals through the manual claims review process that may result in up to 100% reimbursement. The program uses previous years actual paid clinical claims cost data for estimate projections.

The net cost/savings for each Policy Change item is applied to the base estimate, after adjustment for the estimated percentage of each item reflected in the base.

INFORMATION ONLY:

CALIFORNIA CHILDREN'S SERVICES

1. CCS Redesign

The Department is conducting a CCS Redesign project with stakeholder input from a Redesign Stakeholder Advisory Board (RSAB). The goal is to improve access to health care for the Children and Youth with Special Health Care Needs (CYSHCN) population, as well as eliminate the fragmentation that exists in the current health care delivery system. The stakeholder process will draw from the expertise of a broad range of CCS community representatives, including, but not limited to: the California Children's Hospital Association, local county CCS programs, legislative staff, the Children's Specialty Care Coalition, Family Voices, independent CCS providers, state agencies, and children's advocates. The stakeholder meetings began on December 3, 2014. The Department is working with stakeholders to develop an action plan.

CHILD HEALTH AND DISABILITY PREVENTION

GENETICALLY HANDICAPPED PERSONS PROGRAM

1. GHPP Caseload Adjustments

Caseload counts have been adjusted due to the January 24th, 2011 system conversion for the GHPP case management system which added the functionality to sync eligibility status with MEDS and accurately calculate active cases from the State Only and Medi-Cal GHPP funding categories. Corrections to program eligibility segments in MEDS were also implemented to reflect accurate historical GHPP eligibility. The additional decline in caseload beginning in March 2011 is due to an ongoing effort of annual caseload review and closes cases that are delinquent in responding with their current financial status.

EVERY WOMAN COUNTS PROGRAM

1. Breast Cancer Awareness License Plates

Assembly Bill 49 (Buchanan, Chapter 351, Statute of 2014) adds Section 5156.7 to the Vehicle Code, thereby requiring the Department to apply to the Department of Motor Vehicles (DMV), to sponsor a breast cancer awareness license plate program.

The Department will be collecting application and fees in FY 2014-15 and reimbursing DMV for the administrative start-up fees for implementing this license plate program. A minimum of 7,500 license plate applications and associated fees must be collected in 12 months. If the minimum number of applications is not met, the fees will either be refunded or the collection date will be extended for another 12 months. The Department does not anticipate fiscal impact in FY 2014-15 and FY 2015-16.

Revenue generated from the sales of the plates shall be deposited into the Breast Cancer Control Account in the Breast Cancer Fund. This is expected to occur in FY 2016-17 after DMV has recovered all administrative start-up fees.

DISCONTINUED ASSUMPTIONS

Fully Incorporated Into Base Data/Ongoing

CCS

CHDP

GHPP

EWC

DISCONTINUED ASSUMPTIONS

Time-Limited/No Longer Applicable

CCS

CHDP

GHPP

EWC

DISCONTINUED ASSUMPTIONS

Withdrawn

CCS

CHDP

GHPP

EWC