

GENETICALLY HANDICAPPED PERSONS PROGRAM
Funding Summary

FY 2015-16, May 2016 Estimate Compared to November 2015 Estimate

	<u>Nov. 2015 Est.</u> <u>FY 2015-16</u>	<u>May 2016 Est.</u> <u>FY 2015-16</u>	<u>Difference</u> <u>Incr./.(Decr.)</u>
State-Only Caseload:	887	881	(6)
Net Dollars:			
4260-111-0001 (General Fund)	\$120,026,100	\$105,690,500	(\$14,335,600)
4260-601-7503 (Federal Title XIX HCSF)	\$5,289,000	\$5,289,000	\$0
4260-601-0995 (Enrollment Fees)	\$440,900	\$405,000	(\$35,900)
4260-601-3079 (Rebate Special Fund)	\$23,500,000	\$23,500,000	\$0
Total	<u>\$149,256,000</u>	<u>\$134,884,500</u>	<u>(\$14,371,500)</u>

FY 2016-17, May 2016 Estimate Compared to November 2015 Estimate

	<u>Nov. 2015 Est.</u> <u>FY 2016-17</u>	<u>May 2016 Est.</u> <u>FY 2016-17</u>	<u>Difference</u> <u>Incr./.(Decr.)</u>
State-Only Caseload:	891	887	(4)
Net Dollars:			
4260-111-0001 (General Fund)	\$169,602,200	\$153,626,500	(\$15,975,700)
4260-601-7503 (Federal Title XIX HCSF)	\$0	\$0	\$0
4260-601-0995 (Enrollment Fees)	\$442,900	\$405,000	(\$37,900)
4260-601-3079 (Rebates Special Fund)	\$13,500,000	\$13,500,000	\$0
Total	<u>\$183,545,100</u>	<u>\$167,531,500</u>	<u>(\$16,013,600)</u>

May 2016 Estimate, FY 2015-16 Compared to FY 2016-17

	<u>May 2016 Est.</u> <u>FY 2015-16</u>	<u>May 2016 Est.</u> <u>FY 2016-17</u>	<u>Difference</u> <u>Incr./.(Decr.)</u>
State-Only Caseload:	881	887	6
Net Dollars:			
4260-111-0001 (General Fund)	\$105,690,500	\$153,626,500	\$47,936,000
4260-601-7503 (Federal Title XIX HCSF)	\$5,289,000	\$0	(\$5,289,000)
4260-601-0995 (Enrollment Fees)	\$405,000	\$405,000	\$0
4260-601-3079 (Rebates Special Fund)	\$23,500,000	\$13,500,000	(\$10,000,000)
Total	<u>\$134,884,500</u>	<u>\$167,531,500</u>	<u>\$32,647,000</u>

GENETICALLY HANDICAPPED PERSONS PROGRAM
Funding Summary
Fiscal Years 2015-16 and 2016-17 Compared to Appropriation

FY 2015-16, May 2016 Estimate Compared to Appropriation
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	<u>Appropriation FY 2015-16</u>	<u>May 2016 Est. FY 2015-16</u>	<u>Difference Incr./(Decr.)</u>
State-Only Caseload:	901	881	(20)
Net Dollars:			
4260-111-0001 (General Fund)	\$112,271,700	\$105,690,500	(\$6,581,200)
4260-601-7503 (Federal Title XIX HCSF)	-\$4,241,000	\$5,289,000	\$9,530,000
4260-601-0995 (Enrollment Fees)	\$436,300	\$405,000	(\$31,300)
4260-601-3079 (Rebates Special Fund)	<u>\$20,000,000</u>	<u>\$23,500,000</u>	<u>\$3,500,000</u>
Total	<u>\$128,467,000</u>	<u>\$134,884,500</u>	<u>\$6,417,500</u>

May 2016 Estimate for FY 2016-17 Compared to FY 2015-16 Appropriation
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	<u>Appropriation FY 2015-16</u>	<u>May 2016 Est. FY 2016-17</u>	<u>Difference Incr./(Decr.)</u>
State-Only Caseload:	901	887	(14)
Net Dollars:			
4260-111-0001 (General Fund)	\$112,271,700	\$153,626,500	\$41,354,800
4260-601-7503 (Federal Title XIX HCSF)	-\$4,241,000	\$0	\$4,241,000
4260-601-0995 (Enrollment Fees)	\$436,300	\$405,000	(\$31,300)
4260-601-3079 (Rebates Special Fund)	<u>\$20,000,000</u>	<u>\$13,500,000</u>	<u>-\$6,500,000</u>
Total	<u>\$128,467,000</u>	<u>\$167,531,500</u>	<u>\$39,064,500</u>

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

May 2016 Estimate Compared to November 2015 Estimate, Total Funds

	Nov. 2015 Est. <u>FY 2015-16</u>	May 2016 Est. <u>FY 2015-16</u>	Difference <u>Incr./Decr.</u>
1. Base Expenditure Estimate	\$ 136,327,000	\$ 129,039,000	\$ (7,288,000)
2. Policy Changes	\$ 12,857,000	\$ 5,773,500	\$ (7,083,500)
Total for Services	\$ 149,184,000	\$ 134,812,500	\$ (14,371,500)
Fiscal Intermediary	\$ 72,000	\$ 72,000	\$ 0
Total GHPP Program	\$ 149,256,000	\$ 134,884,500	\$ (14,371,500)

May 2016 Estimate Compared to November 2015 Estimate, General Fund

	Nov. 2015 Est. <u>FY 2015-16</u>	May 2016 Est. <u>FY 2015-16</u>	Difference <u>Incr./Decr.</u>
1. Base Expenditure Estimate	\$ 136,327,000	\$ 129,039,000	\$ (7,288,000)
2. Policy Changes	\$ (16,372,900)	\$ (23,420,500)	\$ (7,047,600)
Total for Services	\$ 119,954,100	\$ 105,618,500	\$ (14,335,600)
Fiscal Intermediary	\$ 72,000	\$ 72,000	\$ 0
Total GHPP Program	\$ 120,026,100	\$ 105,690,500	\$ (14,335,600)

May 2016 Estimate Compared to November 2015 Estimate, Federal Funds

	Nov. 2015 Est. <u>FY 2015-16</u>	May 2016 Est. <u>FY 2015-16</u>	Difference <u>Incr./Decr.</u>
1. Base Expenditure Estimate	-	-	-
2. Policy Changes	\$ 5,289,000	\$ 5,289,000	\$ 0
Total for Services	\$ 5,289,000	\$ 5,289,000	\$ 0
Fiscal Intermediary	-	-	-
Total GHPP Program	\$ 5,289,000	\$ 5,289,000	\$ 0

GENETICALLY HANDICAPPED PERSONS PROGRAM
Funding Sources By Component
Fiscal Year 2016-17

May 2016 Estimate Compared to November 2015 Estimate, Total Funds

	<u>Nov. 2015 Est.</u> <u>FY 2016-17</u>	<u>May 2016 Est.</u> <u>FY 2016-17</u>	<u>Difference</u> <u>Incr./(Decr.)</u>
1. Base Expenditure Estimate	\$ 141,703,000	\$ 138,005,000	\$ (3,698,000)
2. Policy Changes	\$ 41,786,100	\$ 29,470,500	\$ (12,315,600)
Total	\$ 183,489,100	\$ 167,475,500	\$ (16,013,600)
Fiscal Intermediary	\$ 56,000	\$ 56,000	\$ 0
Total GHPP Program	\$ 183,545,100	\$ 167,531,500	\$ (16,013,600)

May 2016 Estimate Compared to November 2015 Estimate, General Fund

	<u>Nov. 2015 Est.</u> <u>FY 2016-17</u>	<u>May 2016 Est.</u> <u>FY 2016-17</u>	<u>Difference</u> <u>Incr./(Decr.)</u>
1. Base Expenditure Estimate	\$ 141,703,000	\$ 138,005,000	\$ (3,698,000)
2. Policy Changes	\$ 27,843,200	\$ 15,565,500	\$ (12,277,700)
Total for Services	\$ 169,546,200	\$ 153,570,500	\$ (15,975,700)
Fiscal Intermediary	\$ 56,000	\$ 56,000	\$ 0
Total GHPP Program	\$ 169,602,200	\$ 153,626,500	\$ (15,975,700)

May 2016 Estimate Compared to November 2015 Estimate, Federal Funds

	<u>Nov. 2015 Est.</u> <u>FY 2016-17</u>	<u>May 2016 Est.</u> <u>FY 2016-17</u>	<u>Difference</u> <u>Incr./(Decr.)</u>
1. Base Expenditure Estimate	-	-	-
2. Policy Changes	-	\$ 0	\$ 0
Total for Services	-	\$ 0	\$ 0
Fiscal Intermediary	-	-	-
Total GHPP Program	-	\$ 0	\$ 0

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

May 2016 Estimate, FY 2015-16 Compared to FY 2016-17, Total Funds

	May 2016 Est. FY 2015-16	May 2016 Est. FY 2016-17	Difference Incr./Decr.
1. Base Expenditure Estimate	\$ 129,039,000	\$ 138,005,000	\$ 8,966,000
2. Policy Changes	\$ 5,773,500	\$ 29,470,500	\$ 23,697,000
Total for Services	\$ 134,812,500	\$ 167,475,500	\$ 32,663,000
Fiscal Intermediary	\$ 72,000	\$ 56,000	\$ (16,000)
Total GHPP Program	\$ 134,884,500	\$ 167,531,500	\$ 32,647,000

May 2016 Estimate, FY 2015-16 Compared to FY 2016-17, General Fund

	May 2016 Est. FY 2015-16	May 2016 Est. FY 2016-17	Difference Incr./Decr.
1. Base Expenditure Estimate	\$ 129,039,000	\$ 138,005,000	\$ 8,966,000
2. Policy Changes	\$ (23,420,500)	\$ 15,565,500	\$ 38,986,000
Total for Services	\$ 105,618,500	\$ 153,570,500	\$ 47,952,000
Fiscal Intermediary	\$ 72,000	\$ 56,000	\$ (16,000)
Total GHPP Program	\$ 105,690,500	\$ 153,626,500	\$ 47,936,000

May 2016 Estimate, FY 2015-16 Compared to FY 2016-17, Federal Funds

	May 2016 Est. FY 2015-16	May 2016 Est. FY 2016-17	Difference Incr./Decr.
1. Base Expenditure Estimate	-	-	-
2. Policy Changes	\$ 5,289,000	\$ 0	\$ (5,289,000)
Total for Services	\$ 5,289,000	\$ 0	\$ (5,289,000)
Fiscal Intermediary	-	-	-
Total GHPP Program	\$ 5,289,000	\$ 0	\$ (5,289,000)

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>
2014-15 Actuals	Hemophilia	353	\$ 309,200	\$ 109,132,000
	Cystic Fibrosis	323	12,700	4,095,000
	Sickle Cell	105	10,500	1,100,000
	Huntington's	64	700	42,000
	Metabolic 2/	47	6,300	298,000

		892	\$ 128,600	\$ 114,667,000
2015-16 Estimate	Hemophilia	347	\$ 349,500	\$ 121,283,000
	Cystic Fibrosis	327	21,000	6,855,000
	Sickle Cell	98	7,300	716,000
	Huntington's	69	100	7,000
	Metabolic 2/	40	4,500	178,000

		881	\$ 146,500	\$ 129,039,000
2016-17 Estimate	Hemophilia	348	\$ 373,300	\$ 129,912,000
	Cystic Fibrosis	330	22,000	7,257,000
	Sickle Cell	100	6,100	608,000
	Huntington's	69	200	12,000
	Metabolic 2/	40	5,400	216,000

		887	\$ 155,600	\$ 138,005,000

1/ Actual expenditure data is complete through January 2016.
 Actual caseload data is complete through January 2016.
 2/ Metabolic conditions category includes Von Hippel Lindau syndrome.

GENETICALLY HANDICAPPED PERSONS PROGRAM
Base Estimate Comparisons for Fiscal Years 2015-16 and 2016-17

FY 2015-16, May 2016 Estimate Compared to November 2015 Estimate

	Nov. 2015 Est. FY 2015-16	May 2016 Est. FY 2015-16	Difference Incr./Decr.
Hemophilia	\$ 130,071,000	\$ 121,283,000	\$ (8,788,000)
Cystic Fibrosis	4,708,000	6,855,000	2,147,000
Sickle Cell	1,136,000	716,000	(420,000)
Huntington's	26,000	7,000	(19,000)
Metabolic	386,000	178,000	(208,000)
TOTAL	\$ 136,327,000	\$ 129,039,000	\$ (7,288,000)

May 2016 Estimate, FY 2015-16 Compared to FY 2016-17

	May 16 Est. FY 2015-16	May 2016 Est. FY 2016-17	Difference Incr./Decr.
Hemophilia	\$ 121,283,000	\$ 129,912,000	\$ 8,629,000
Cystic Fibrosis	6,855,000	7,257,000	402,000
Sickle Cell	716,000	608,000	(108,000)
Huntington's	7,000	12,000	5,000
Metabolic	178,000	216,000	38,000
TOTAL	\$ 129,039,000	\$ 138,005,000	\$ 8,966,000

FY 2016-17, May 2016 Estimate Compared to November 2015 Estimate

	Nov. 2015 Est. FY 2016-17	May 2016 Est. FY 2016-17	Difference Incr./Decr.
Hemophilia	\$ 136,388,000	\$ 129,912,000	\$ (6,476,000)
Cystic Fibrosis	3,939,000	7,257,000	3,318,000
Sickle Cell	998,000	608,000	(390,000)
Huntington's	28,000	12,000	(16,000)
Metabolic	350,000	216,000	(134,000)
TOTAL	\$ 141,703,000	\$ 138,005,000	\$ (3,698,000)

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

FY 2015-16, May 2016 Estimate Compared to Appropriation

	Appropriation FY 2015-16	May 2016 Est. FY 2015-16	Difference Incr./(Decr.)
Hemophilia	\$ 123,363,000	\$ 121,283,000	(\$ 2,080,000)
Cystic Fibrosis	5,263,000	6,855,000	1,592,000
Sickle Cell	1,450,000	716,000	(734,000)
Huntington's	79,000	7,000	(72,000)
Metabolic	452,000	178,000	(274,000)
TOTAL	\$ 130,607,000	\$ 129,039,000	(\$ 1,568,000)

May 2016 Estimate for FY 2016-17 Compared to FY 2015-16 Appropriation

	Appropriation FY 2015-16	May 2016 Est. FY 2016-17	Difference Incr./(Decr.)
Hemophilia	\$ 123,363,000	\$ 129,912,000	\$ 6,549,000
Cystic Fibrosis	5,263,000	7,257,000	1,994,000
Sickle Cell	1,450,000	608,000	(842,000)
Huntington's	79,000	12,000	(67,000)
Metabolic	452,000	216,000	(236,000)
TOTAL	\$ 130,607,000	\$ 138,005,000	\$ 7,398,000

GENETICALLY HANDICAPPED PERSONS PROGRAM
Average Monthly Caseload Estimate

Fiscal Year 2015-16

	<u>Total Caseload</u>	<u>Medi-Cal Caseload</u>	<u>GHPP Only Caseload</u>
Hemophilia	649	302	347
Cystic Fibrosis	543	216	327
Sickle Cell	335	237	98
Huntington's	164	95	69
Metabolic	<u>135</u>	<u>95</u>	<u>40</u>
Total	1,826	945	881

Fiscal Year 2016-17

	<u>Total Caseload</u>	<u>Medi-Cal Caseload</u>	<u>GHPP Only Caseload</u>
Hemophilia	659	311	348
Cystic Fibrosis	550	220	330
Sickle Cell	348	248	100
Huntington's	164	95	69
Metabolic	<u>142</u>	<u>102</u>	<u>40</u>
Total	1,863	976	887

GENETICALLY HANDICAPPED PERSONS PROGRAM
Average Monthly State-Only Caseload Comparison

FY 2015-16, May 2016 Estimate Compared to November 2015 Estimate

	Nov. 2015 Est. <u>FY 2015-16</u>	May 2016 Est. <u>FY 2015-16</u>	Difference <u>Incr./(Decr.)</u>
Hemophilia	350	347	(3)
Cystic Fibrosis	326	327	1
Sickle Cell	101	98	(3)
Huntington's	66	69	3
Metabolic	<u>44</u>	<u>40</u>	<u>(4)</u>
Total	887	881	(6)

Fiscal Year 2015-16 Compared to Fiscal Year 2016-17
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	May 2016 Est. <u>FY 2015-16</u>	May 2016 Est. <u>FY 2016-17</u>	Difference <u>Incr./(Decr.)</u>
Hemophilia	347	348	1
Cystic Fibrosis	327	330	3
Sickle Cell	98	100	2
Huntington's	69	69	0
Metabolic	<u>40</u>	<u>40</u>	<u>0</u>
Total	881	887	6

GENETICALLY HANDICAPPED PERSONS PROGRAM
Average Monthly Medi-Cal Caseload Comparison

FY 2015-16, May 2016 Estimate Compared to November 2015 Estimate

	Nov. 2015 Est. <u>FY 2015-16</u>	May 2016 Est. <u>FY 2015-16</u>	Difference <u>Incr./(Decr.)</u>
Hemophilia	290	302	12
Cystic Fibrosis	210	216	6
Sickle Cell	224	237	13
Huntington's	95	95	0
Metabolic	<u>90</u>	<u>95</u>	<u>5</u>
Total	909	945	36

Fiscal Year 2015-16 Compared to Fiscal Year 2016-17

	May 2016 Est. <u>FY 2015-16</u>	May 2016 Est. <u>FY 2016-17</u>	Difference <u>Incr./(Decr.)</u>
Hemophilia	302	311	9
Cystic Fibrosis	216	220	4
Sickle Cell	237	248	11
Huntington's	95	95	0
Metabolic	<u>95</u>	<u>102</u>	<u>7</u>
Total	945	976	31

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

Fiscal Year 2015-16, Comparison of May 2016 and November 2015 Estimates								
<u>POLICY CHG.</u>		<u>NOVEMBER 2015 ESTIMATE</u>		<u>MAY 2016 ESTIMATE</u>		<u>DIFFERENCE, Incr./Decr.)</u>		
<u>TYPE</u>	<u>NO.</u>	<u>DESCRIPTION</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>
Other	1	ENROLLMENT FEES	\$0	\$0	\$0	\$0	\$0	\$0
FI	2	FISCAL INTERMEDIARY EXPENDITURES - GHPP	\$72,000	\$72,000	\$72,000	\$72,000	\$0	\$0
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	\$55,000	\$55,000	\$42,000	\$42,000	-\$13,000	-\$13,000
Benefits	6	GHPP PREMIUM SAVINGS	-\$469,300	-\$469,300	\$5,915,600	\$5,915,600	\$285,200	\$285,200
Benefits	7	ORKAMBI BENEFIT - GHPP	\$13,271,300	\$13,271,300	\$5,915,600	\$5,915,600	-\$7,355,700	-\$7,355,700
GHPP TOTAL			\$12,929,000	\$12,929,000	\$5,845,500	\$5,845,500	-\$7,083,500	-\$7,083,500

Fiscal Year 2016-17, Comparison of May 2016 and November 2015 Estimates								
<u>POLICY CHG.</u>		<u>NOVEMBER 2015 ESTIMATE</u>		<u>MAY 2016 ESTIMATE</u>		<u>DIFFERENCE, Incr./Decr.)</u>		
<u>TYPE</u>	<u>NO.</u>	<u>DESCRIPTION</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>
Other	1	ENROLLMENT FEES	\$0	\$0	\$0	\$0	\$0	\$0
FI	2	FISCAL INTERMEDIARY EXPENDITURES - GHPP	\$56,000	\$56,000	\$56,000	\$56,000	\$0	\$0
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	\$84,000	\$84,000	\$65,000	\$65,000	-\$19,000	-\$19,000
Benefits	6	GHPP PREMIUM SAVINGS	-\$514,900	-\$514,900	-\$414,200	-\$414,200	\$100,700	\$100,700
Benefits	7	ORKAMBI BENEFIT - GHPP	\$42,217,000	\$42,217,000	\$29,819,700	\$29,819,700	-\$12,397,300	-\$12,397,300
GHPP TOTAL			\$41,842,100	\$41,842,100	\$29,526,500	\$29,526,500	-\$12,315,600	-\$12,315,600

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

ENROLLMENT FEES

POLICY CHANGE NUMBER: 1
IMPLEMENTATION DATE: 7/1993
ANALYST: Melissa Weathers

		<u>FY 2015-16</u>	<u>FY 2016-17</u>
FULL YEAR COST	- TOTAL FUNDS	\$0	\$0
	- GENERAL FUND	-\$405,000	-\$405,000
	- ENROLLMENT FEES FUND	\$405,000	\$405,000
PAYMENT LAG		1.0000	1.0000
% REFLECTED IN BASE		0.00%	0.00%
APPLIED TO BASE	- TOTAL FUNDS	\$0	\$0
	- GENERAL FUND	-\$405,000	-\$405,000
	- ENROLLMENT FEES FUND	\$405,000	\$405,000

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 have been adjusted to reflect the actual enrollment fees collected to date.

Methodology:

1. Based on actual enrollment fees of \$410,306 collected in Fiscal Year (FY) 2014-15, and \$264,667 collected in the first eight months of FY 2015-16, base fee collections are estimated to be approximately \$405,000 for FY 2015-16 and FY 2016-17.

FY 2015-16: $$(410,306 + 264,667) \div 20 \times 12 = \$404,984$ (\$405,000 GF)

FY 2016-17: $$(410,306 + 264,667) \div 20 \times 12 = \$404,984$ (\$405,000 GF)

Funding:

100% GF (4260-111-0001)

FISCAL INTERMEDIARY EXPENDITURES - GHPP

POLICY CHANGE NUMBER: 2
IMPLEMENTATION DATE: 7/2003
ANALYST: Shannon Hoerner

		<u>FY 2015-16</u>	<u>FY 2016-17</u>
FULL YEAR COST	- TOTAL FUNDS	\$72,000	\$56,000
	- GENERAL FUND	\$72,000	\$56,000
PAYMENT LAG		1.0000	1.0000
% REFLECTED IN BASE		0.00%	0.00%
APPLIED TO BASE	- TOTAL FUNDS	\$72,000	\$56,000
	- GENERAL FUND	\$72,000	\$56,000

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:

There is no change from the prior estimate. The change from FY 2015-16 to FY 2016-17, in the current estimate, is due to updated projected ACLs and SARs and updated average costs per ACLs and SARs.

Methodology:

1. The estimated medical FI administrative costs are:

FY 2015-16	Estimated ACLs	Ave Cost per ACLs	Estimated ACL Expenditure
General ACLs	38,199	\$ 0.99	\$ 38,000
Online ACLs	44,989	\$ 0.71	\$ 32,000
Total FY 2015-16			\$ 70,000

FY 2016-17	Estimated ACLs	Ave Cost per ACLs	Estimated ACL Expenditure
General ACLs	38,460	\$ 0.76	\$ 29,000
Online ACLs	45,295	\$ 0.56	\$ 25,000
Total FY 2016-17			\$ 54,000

2. The estimated dental FI administrative costs are:

FY 2015-16	Estimated Claims	Rates	Estimated Expenditure
ACLs	210	\$ 2.90	\$ 1,000
SARs	61	\$ 11.58	\$ 1,000
Total FY 2015-16			\$ 2,000

FY 2016-17	Estimated Claims	Rates	Estimated Expenditure
ACLs	210	\$ 2.94	\$ 1,000
SARs	61	\$ 11.84	\$ 1,000
Total FY 2016-17			\$ 2,000

	FY 2015-16	FY 2016-17
Medical	\$ 70,000	\$ 54,000
Dental	\$ 2,000	\$ 2,000
Total	\$ 72,000	\$ 56,000

Funding:

100% GF (4260-111-0001)

BLOOD FACTOR DRUG REBATES AND CONTRACT SAVINGS

POLICY CHANGE NUMBER: 3
IMPLEMENTATION DATE: 7/2003
ANALYST: Shannon Hoerner

		<u>FY 2015-16</u>	<u>FY 2016-17</u>
FULL YEAR COST	- TOTAL FUNDS	\$0	\$0
	- GENERAL FUND	-\$23,500,000	-\$13,500,000
	- REBATE SPECIAL FUND	\$23,500,000	\$13,500,000
PAYMENT LAG		1.0000	1.0000
% REFLECTED IN BASE		0.00%	0.00%
APPLIED TO BASE	- TOTAL FUNDS	\$0	\$0
	- GENERAL FUND	-\$23,500,000	-\$13,500,000
	- REBATE SPECIAL FUND	\$23,500,000	\$13,500,000

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)
 California Medi-Cal 2020 Section 1115(a) Medicaid Demonstration

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:

There is no change from the prior estimate. Reason for change from FY 2015-16 to FY 2016-17, in the current estimate, is due to outstanding rebates from prior years being collected in FY 2015-16. FY 2016-17 does not include any prior year receipts.

Methodology:

1. The estimate is based on ongoing rebate collections.
2. Collections are based on 75% of the average of the last four quarters of invoices.
3. The Department anticipates to collect \$23,500,000 in FY 2015-16 and \$13,500,000 in FY 2016-17 for GHPP rebates.

Funding:

Children's Medical Services Rebate Fund (4260-601-3079)

MH/UCD & BTR - SAFETY NET CARE POOL

POLICY CHANGE NUMBER: 4
IMPLEMENTATION DATE: 9/2005
ANALYST: Joy Oda

	<u>FY 2015-16</u>	<u>FY 2016-17</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 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.

The BTR was extended for two months, until December 31, 2015. Funding for the two-month extension of the prior BTR GHPP is included in the California Medi-Cal 2020 Demonstration Waiver.

Reason for Change:

There is no change from the prior estimate.

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 impact is reflected in the Family Health Estimate.

(Dollars in Thousands)

FY 2015-16	TF	GF	FF
DSHP-BTR (DY 2014-15)	\$0	(\$5,289)	\$5,289
Total	\$0	(\$5,289)	\$5,289

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: Melissa Weathers

	<u>FY 2015-16</u>	<u>FY 2016-17</u>
FULL YEAR COST - TOTAL FUNDS	\$42,000	\$65,000
- GENERAL FUND	\$42,000	\$65,000
PAYMENT LAG	1.0000	1.0000
% REFLECTED IN BASE	0.00%	0.00%
APPLIED TO BASE - TOTAL FUNDS	\$42,000	\$65,000
- GENERAL FUND	\$42,000	\$65,000

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:

The reason for change from the prior estimate, for FY 2015-16 and FY 2016-17, is due to increased estimated premiums, offset by lower estimated member months resulting in a decrease in annual estimated premium payments for FY 2015-16 and FY 2016-17. Average monthly premiums increased for sickle cell by \$80 per month, and cystic fibrosis by \$60, based on the average current monthly premiums. The estimated client member months for FY 2015-16 is 86, 33 member months lower than the prior estimate and FY 2016-17 is 134, 36 member months lower than the prior estimate. The change between FY 2015-16 and FY 2016-17 is due to four additional clients (an estimated 48 member months) anticipated to enroll in FY 2016-17.

Methodology:

1. Assume the premium costs are \$600 per hemophilia enrollee, \$300 per sickle cell disease enrollee and \$480 per cystic fibrosis enrollee per month based on prior enrollment records.
2. Nine clients were in the program starting FY 2015-16, four discontinued during the first seven months, three with cystic fibrosis and one with hemophilia. As of February 2016, five clients remain in the program. The total member months for current clients in FY 2015-16 is 72 and in FY 2016-17 is 60.

	Member Months	
	FY 2015-16	FY 2016-17
Hemophilia	18	12
Cystic Fibrosis	42	36
Sickle Cell	12	12

3. Assume four clients, one with cystic fibrosis, one with sickle cell, and two with hemophilia, will enroll in the last two quarters of FY 2015-16. The estimated member months for additional clients enrolling in the current year is 14 for FY 2015-16 and 48 for FY 2016-17.

	Member Months	
	FY 2015-16	FY 2016-17
Hemophilia	4	24
Cystic Fibrosis	5	12
Sickle Cell	5	12

4. Assume four clients, one with cystic fibrosis, one with sickle cell, and two with hemophilia, will enroll in FY 2016-17. The estimated member months for additional clients enrolling in the budget year 26 for FY 2016-17.

	Member Months	
	FY 2016-17	
Hemophilia	7	
Cystic Fibrosis	11	
Sickle Cell	8	

5. Total Member Months:

	Member Months	
	FY 2015-16	FY 2016-17
Hemophilia	22	43
Cystic Fibrosis	47	59
Sickle Cell	17	32
Total	86	134

6. Projected Premium Payments (Rounded):

	FY 2015-16	FY 2016-17
Total Funds	\$ 42,000	\$ 65,000
General Funds	\$ 42,000	\$ 65,000

Funding:

100% GF (4260-111-0001)

GHPP PREMIUM SAVINGS

POLICY CHANGE NUMBER: 6
IMPLEMENTATION DATE: 12/2009
ANALYST: Melissa Weathers

		<u>FY 2015-16</u>	<u>FY 2016-17</u>
FULL YEAR COST	- TOTAL FUNDS	-\$845,000	-\$1,696,000
	- GENERAL FUND	-\$845,000	-\$1,696,000
PAYMENT LAG		0.9563	0.9760
% REFLECTED IN BASE		77.22%	74.98%
APPLIED TO BASE	- TOTAL FUNDS	-\$184,100	-\$414,200
	- GENERAL FUND	-\$184,100	-\$414,200

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:

The reason for change from the prior estimate, for FY 2015-16 and FY 2016-17, is due to lower estimated member months resulting in reduced estimated savings for FY 2015-16 and FY 2016-17. The estimated client member months for FY 2015-16 is 86, 33 member months lower than the prior estimate and FY 2016-17 is 134, 36 member months lower than the prior estimate. The change between FY 2015-16 and FY 2016-17 is due to four additional clients (an estimated 48 member months) anticipated to enroll in FY 2016-17 and increased estimated costs per case, based on historic trends.

Methodology:

1. Nine clients were in the program starting FY 2015-16, four discontinued during the first seven months, three with cystic fibrosis and one with hemophilia. As of February 2016, five clients remain in the program. The total member months for current clients in FY 2015-16 is 72 and in FY 2016-17 is 60.

	Member Months	
	FY 2015-16	FY 2016-17
Hemophilia	18	12
Cystic Fibrosis	42	36
Sickle Cell	12	12

2. Assume four clients, one with cystic fibrosis, one with sickle cell, and two with hemophilia, will enroll in the last two quarters of FY 2015-16. The estimated member months for additional clients enrolling in the current year is 14 for FY 2015-16 and 48 for FY 2016-17.

	Member Months	
	FY 2015-16	FY 2016-17
Hemophilia	4	24
Cystic Fibrosis	5	12
Sickle Cell	5	12

3. Assume four clients, one with cystic fibrosis, one with sickle cell, and two with hemophilia, will enroll in FY 2016-17. The estimated member months for additional clients enrolling in the budget year 26 for FY 2016-17.

	Member Months	
	FY 2016-17	
Hemophilia	7	
Cystic Fibrosis	11	
Sickle Cell	8	

4. Total Member Months:

	Member Months	
	FY 2015-16	FY 2016-17
Hemophilia	22	43
Cystic Fibrosis	47	59
Sickle Cell	17	32
Total	86	134

5. Assume the savings per client enrolled is equal to the Annual Cost per Case in the May 2016 Family Health Estimate:

	FY 2015-16	FY 2016-17
Hemophilia	\$ 337,800	\$ 366,500
Cystic Fibrosis	\$ 32,500	\$ 33,800
Sickle Cell	\$ 19,700	\$ 17,900

6. Projected Savings (Rounded):

	<u>FY 2015-16</u>	<u>FY 2016-17</u>
Total Funds	\$ 845,000	\$ 1,696,000
General Funds	\$ 845,000	\$ 1,696,000

Funding:

100% GF (4260-111-0001)

ORKAMBI BENEFIT - GHPP

POLICY CHANGE NUMBER: 7
IMPLEMENTATION DATE: 7/2015
ANALYST: Shannon Hoerner

		<u>FY 2015-16</u>	<u>FY 2016-17</u>
FULL YEAR COST	- TOTAL FUNDS	\$10,023,000	\$33,981,000
	- GENERAL FUND	\$10,023,000	\$33,981,000
PAYMENT LAG		0.9080	0.9860
% REFLECTED IN BASE		35.00%	11.00%
APPLIED TO BASE	- TOTAL FUNDS	\$5,915,600	\$29,819,700
	- GENERAL FUND	\$5,915,600	\$29,819,700

Purpose:

This policy change estimates the cost of Orkambi for the treatment of certain Genetically Handicapped Persons Program (GHPP) clients with cystic fibrosis (CF).

Authority:

Social Security Act, section 1927 [42 U.S.C. 1396r-8]

Interdependent Policy Changes:

Not Applicable

Background:

Orkambi is a two-drug therapy combining the drugs ivacaftor with lumacaftor in a single pill designed to address chloride channel abnormalities in CF patients. This condition affects approximately 50% of the total CF population. The FDA approved Orkambi for use in people with CF ages 12 and older who have a specific gene mutation and meet the required level of impaired lung function.

Reason for Change:

The change from the prior estimate, for both FY 2015-16 and FY 2016-17, is due to updated costs based on actuals and a 15-month phase-in starting July 1, 2015. The change from FY 2015-16 to FY 2016-17, in the current estimate, is due to updated actuals and the projected phase-in of eligibles.

Methodology:

1. Assume the cost of Orkambi is \$214,000 per client per year.
2. For FY 2015-16 and FY 2016-17, assume there are 326 GHPP clients, age 12 and older with CF.

- 3. Assume 50% of the CF population will be prescribed Orkambi by October 1, 2016.
- 4. Assume a staggered phase-in of eligibles over a 15-month period beginning July 1, 2015.
- 5. The cost of Orkambi for FY 2015-16 and FY 2016-17 is estimated to be:

FY 2015-16		FY 2016-17	
TF	GF	TF	GF
\$10,023,000	\$10,023,000	\$33,981,000	\$33,981,000

Funding:

100% General Fund (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	1,673	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	1,759	874	885	29,054,749
4	1,772	893	879	26,590,230
2014-15	1,765	873	892	\$ 114,667,000
1	1,808	925	883	\$ 34,674,750
2	1,811	942	869	31,442,362
3	1,837	953	884	30,002,156
4	1,845	960	885	32,918,797
2015-16	1,826	945	881	\$ 129,039,000
1	1,853	967	886	\$ 33,551,756
2	1,860	973	887	34,184,715
3	1,868	980	888	34,817,673
4	1,875	986	889	35,450,633
2016-17	1,863	976	887	\$ 138,005,000

Note: 1) Expenditures reflect Total Cash Payments, Not accrued expenses.
 2) FY 2015-16 reflects actuals and projected base estimate values.
 3) FY 2016-17 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	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	616	267	349	27,839,090
4	630	284	346	25,468,234
2014-15	617	264	353	\$ 109,132,000
1	640	295	345	\$ 32,983,050
2	646	302	344	29,368,119
3	653	304	349	28,036,037
4	654	306	348	30,895,594
2015-16	649	302	347	\$ 121,283,000
1	656	308	348	\$ 31,528,553
2	658	310	348	32,161,512
3	660	312	348	32,794,470
4	662	314	348	33,427,430
2016-17	659	311	348	\$ 129,912,000

Note: 1) Expenditures reflect Total Cash Payments, Not accrued expenses.
 2) FY 2015-16 reflects actuals and projected base estimate values.
 3) FY 2016-17 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	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	533	211	322	844,460
4	529	205	324	857,436
2014-15	533	210	323	\$ 4,095,000
1	540	212	328	\$ 1,396,325
2	538	215	323	1,883,101
3	546	218	328	1,761,278
4	547	219	328	1,814,250
2015-16	543	216	327	\$ 6,855,000
1	549	220	329	\$ 1,814,250
2	550	220	330	1,814,250
3	552	221	331	1,814,250
4	553	221	332	1,814,250
2016-17	550	220	330	\$ 7,257,000

Note: 1) Expenditures reflect Total Cash Payments, Not accrued expenses.
 2) FY 2015-16 reflects actuals and projected base estimate values.
 3) FY 2016-17 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	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	320	217	103	262,782
4	323	224	99	215,839
2014-15	327	222	105	\$ 1,100,000
1	329	230	99	\$ 279,666
2	332	237	95	134,498
3	338	239	99	149,977
4	342	242	100	151,980
2015-16	335	237	98	\$ 716,000
1	344	244	100	\$ 151,980
2	347	247	100	151,980
3	349	249	100	151,980
4	351	251	100	151,980
2016-17	348	248	100	\$ 608,000

Note: 1) Expenditures reflect Total Cash Payments, Not accrued expenses.
 2) FY 2015-16 reflects actuals and projected base estimate values.
 3) FY 2016-17 reflects projected base estimate values.

GHPP Trend Report
(Includes Actuals & Projected Base Values)

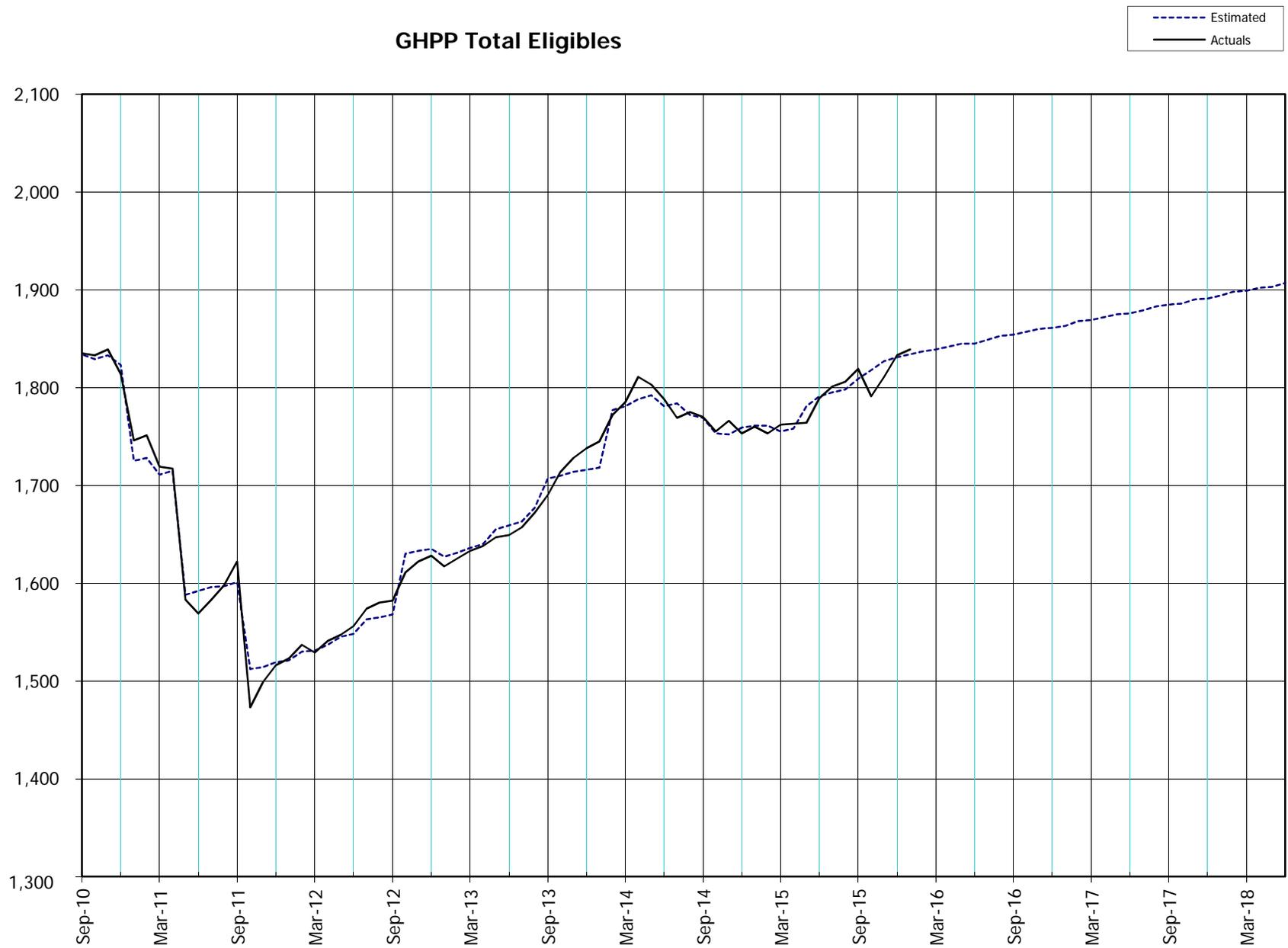
Huntington				
<u>Quarter</u>	<u>Total Caseload</u>	<u>Medi-Cal Caseload</u>	<u>GHPP Only Caseload</u>	<u>Total GHPP Only Payments</u>
1	151	81	70	\$ 63,870
2	155	83	72	13,306
3	163	86	77	29,657
4	162	94	68	29,830
2013-14	158	86	72	\$ 137,000
1	158	97	61	\$ 16,255
2	159	96	63	9,497
3	161	95	66	15,161
4	160	93	67	1,191
2014-15	159	95	64	\$ 42,000
1	165	95	70	\$ 580
2	163	94	69	879
3	164	95	69	2,147
4	164	95	69	3,006
2015-16	164	95	69	\$ 7,000
1	164	95	69	\$ 3,006
2	164	95	69	3,006
3	164	95	69	3,006
4	164	95	69	3,006
2016-17	164	95	69	\$ 12,000

Note: 1) Expenditures reflect Total Cash Payments, Not accrued expenses.
 2) FY 2015-16 reflects actuals and projected base estimate values.
 3) FY 2016-17 reflects projected base estimate values.

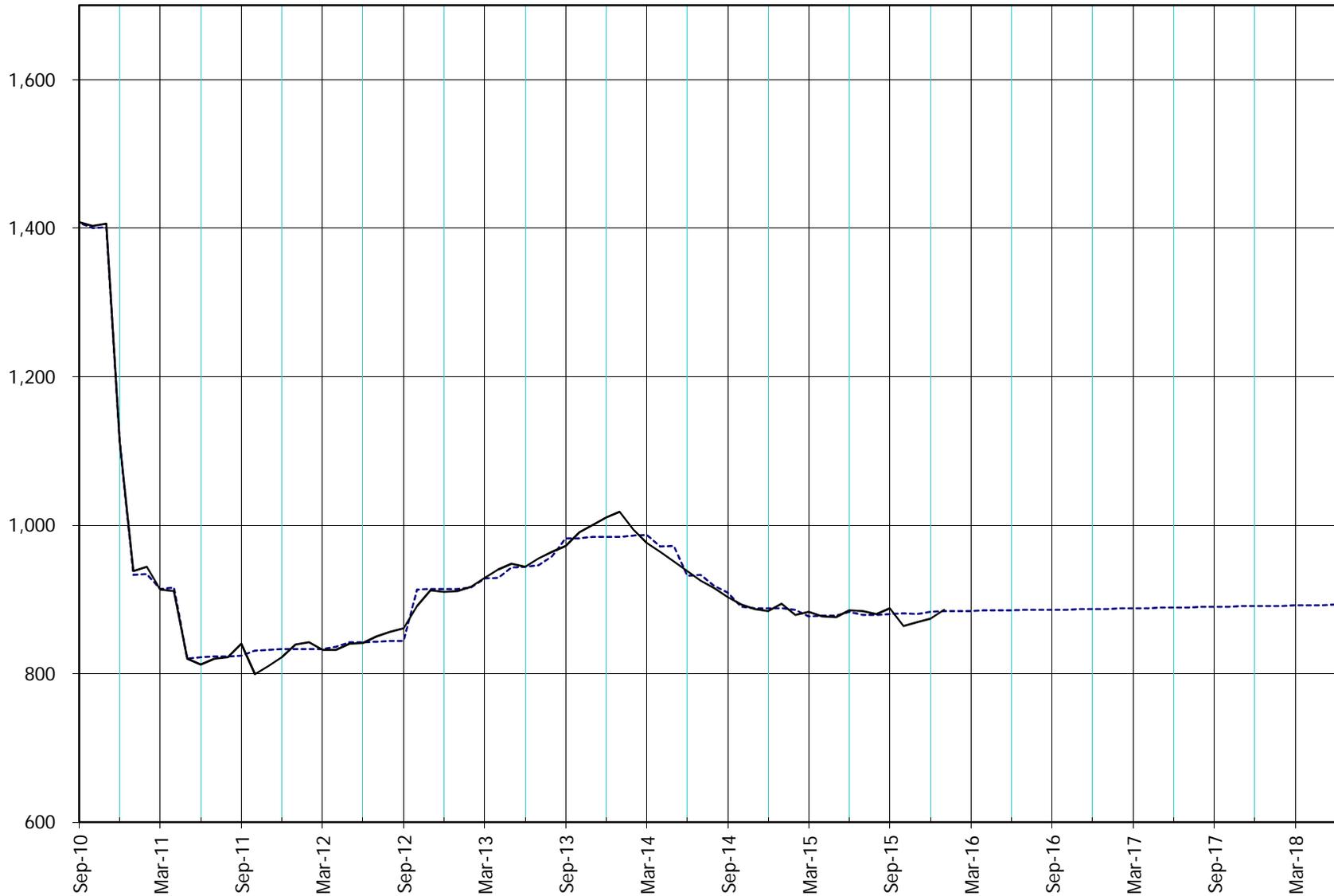
GHPP Trend Report
(Includes Actuals & Projected Base Values)

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	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	129	84	45	93,256
4	130	87	43	47,530
2014-15	129	82	47	\$ 298,000
1	134	93	41	\$ 15,129
2	132	94	38	55,765
3	136	97	39	52,717
4	138	98	40	53,967
2015-16	135	95	40	\$ 178,000
1	140	100	40	\$ 53,967
2	141	101	40	53,967
3	143	103	40	53,967
4	145	105	40	53,967
2016-17	142	102	40	\$ 216,000

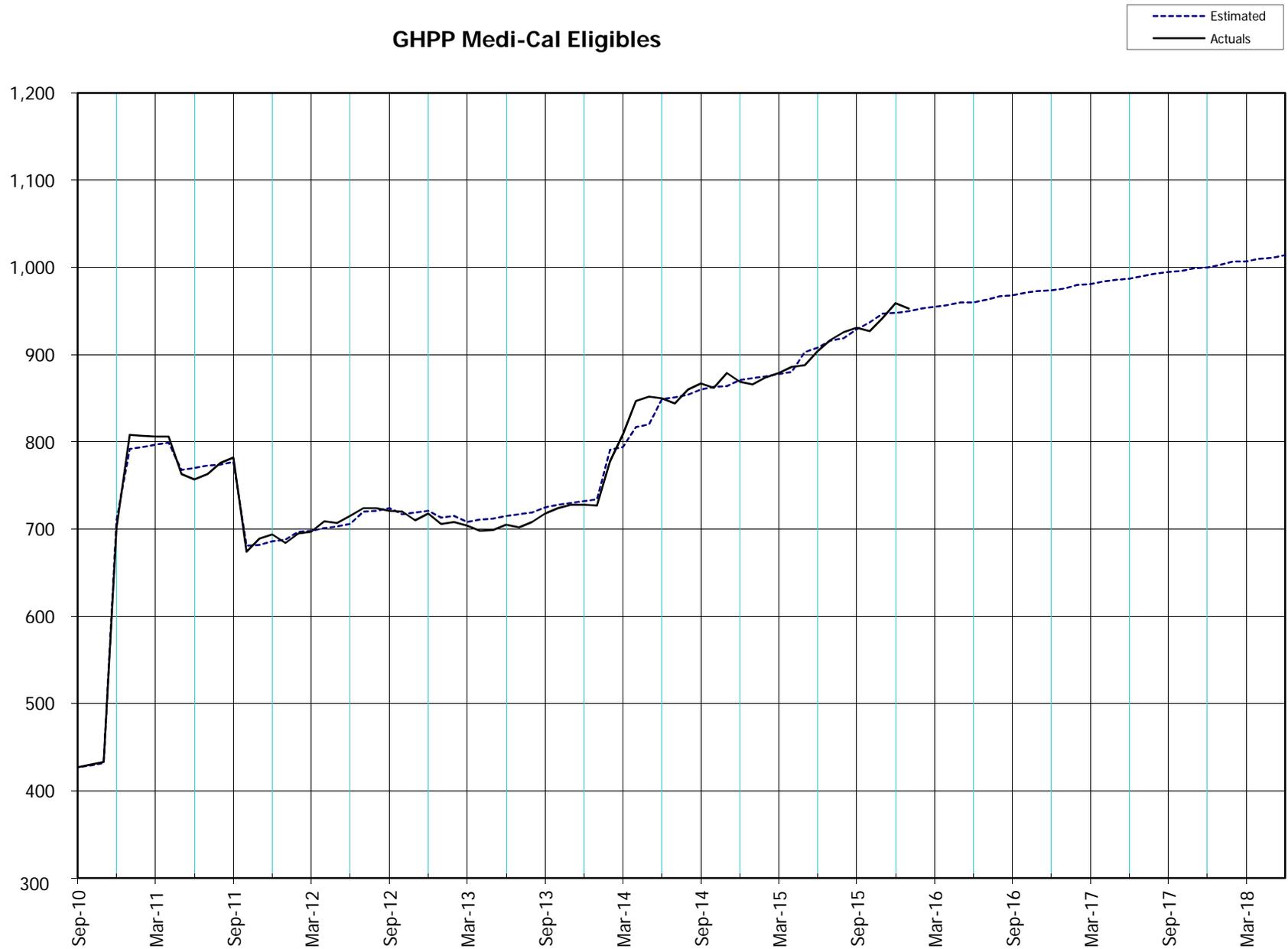
Note: 1) Expenditures reflect Total Cash Payments, Not accrued expenses.
 2) FY 2015-16 reflects actuals and projected base estimate values.
 3) FY 2016-17 reflects projected base estimate values.



GHPP State Eligibles



GHPP Medi-Cal Eligibles



GHPP State-Only Monthly Expenditures

--- Estimated
— Actuals

