

**FAMILY HEALTH
MAY 2009
LOCAL ASSISTANCE ESTIMATE
for
FISCAL YEARS
2008-09 and 2009-10**

MANAGEMENT SUMMARY



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**Family Health Estimate
Management Summary
May 2009 Estimate**

Fiscal Year 2008-09

The November 2008 Family Health Estimate identified a 2008-09 General Fund (GF) surplus of \$23.8 million, compared to the Appropriation. The May 2009 Family Health Estimate identifies a surplus of \$19.3 million GF as compared to the Appropriation. This is a \$4.5 million GF increase from the November 2008 Family Health Estimate. The change from the November 2008 Family Health Estimate is explained as follows (dollars in millions):

November 2008 General Fund:	\$144.1
May 2009 General Fund:	<u>\$148.6</u>
General Fund Change:	\$4.5

For the specific programs included in the Family Health Estimate, the 2008-09 GF change from the November 2008 Family Health Estimate is:

California Children's Services (CCS)	\$3.6
Child Health and Disability Prevention Program (CHDP)	0.3
Genetically Handicapped Persons Program (GHPP)	<u>0.6</u>
Total Family Health	\$4.5

The major reasons for the change from the November 2008 Family Health Estimate are:

CCS

1. BBR-CCS State Only Provider Pmt by 10% PC 11A, CCS HFP Provider Pmt by 10% PC 11B, Base:CCS State-Only Treatment Services, and Base: CCS-HF Treatment Services: ABX3 5 (Chapter 3, Statutes of 2008) reduces payments to CCS State Only and CCS HFP provider payments by 10%, with specified exemptions. PC 11A and 11B include the savings from the reductions specified in ABX3 5. The combined savings from these reductions in the November 2008 Estimate was estimated to be \$4.216 million GF in 2008-09 and \$626,000 GF in 2009-10. In the May 2009 Family Health Estimate, 2008-09 and 2009-10 savings from the provider payment reductions are now rolled into the base and the provider reductions can no longer be identified separately. The overall base estimate which includes the impact of the payment reductions increased

by \$3.1 million GF in 2008-09 and a \$38,000 GF increase in 2009-10 compared to the November 2008 Family Health Estimate.

2. Base: State Only Medical Therapy Program Costs: In 2008-09, costs for Medical Therapy Program treatment services provided by CCS county program staff in CCS school-based medical therapy units are expected to be \$697,000 GF greater than anticipated in the 2008-09 November 2008 Family Health Estimate based on later actual data. An increase of \$3 million GF in 2009-10 is also projected.

Management Summary
Fiscal Year 2008-09
Comparison of Appropriation, November 2008, and May 2009 Estimates

	<u>Appropriation FY 2008-09</u>	<u>Nov. 08 Est. FY 2008-09</u>	<u>May 09 Est. FY 2008-09</u>	<u>Chg Approp - May 09 Est.</u>	<u>Chg Nov. 08 - May 09 Est.</u>
<u>California Children's Services</u>					
4260-111-0001 (General Fund)	\$ 107,220,400	\$ 97,923,100	\$ 101,552,500	\$ (5,667,900)	\$ 3,629,400
4260-601-0995 (CDPH Title V Reimbursement)	\$ 8,217,000	\$ 8,217,000	\$ 8,217,000	\$ 0	\$ 0
4260-601-7503 (Federal Title XIX HCSF)	\$ 18,000,000	\$ 22,000,000	\$ 22,000,000	\$ 4,000,000	\$ 0
4260-111-0890 (Federal Title XXI)	\$ 119,770,400	\$ 120,162,500	\$ 127,105,000	\$ 7,334,600	\$ 6,942,500
County Funds ¹	\$ 117,240,500	\$ 111,852,500	\$ 123,169,500	\$ 5,929,000	\$ 11,317,000
TOTAL CCS	<u>\$ 253,207,800</u>	<u>\$ 248,302,600</u>	<u>\$ 258,874,500</u>	<u>\$ 5,666,700</u>	<u>\$ 10,571,900</u>
<u>Child Health and Disability Prevention Program</u>					
4260-111-0001 (General Fund)	\$ 2,450,000	\$ 2,041,000	\$ 2,355,000	\$ (95,000)	\$ 314,000
4260-111-0080 (CLPP Funds)	\$ 24,000	\$ 11,000	\$ 8,000	\$ (16,000)	\$ (3,000)
TOTAL CHDP	<u>\$ 2,474,000</u>	<u>\$ 2,052,000</u>	<u>\$ 2,363,000</u>	<u>\$ (111,000)</u>	<u>\$ 311,000</u>
<u>Genetically Handicapped Persons Program</u>					
4260-111-0001 (General Fund)	\$ 58,199,000	\$ 44,142,400	\$ 44,659,200	\$ (13,539,800)	\$ 516,800
4260-601-7503 (Federal Title XIX HCSF)	\$ 8,000,000	\$ 17,000,000	\$ 19,096,000	\$ 11,096,000	\$ 2,096,000
4260-601-0995 (Enrollment Fees)	\$ 228,000	\$ 255,000	\$ 255,000	\$ 27,000	\$ 0
4260-601-3079 (Rebates Special Fund)	\$ 4,400,000	\$ 6,400,000	\$ 6,400,000	\$ 2,000,000	\$ 0
TOTAL GHPP	<u>\$ 70,827,000</u>	<u>\$ 67,797,400</u>	<u>\$ 70,410,200</u>	<u>\$ (416,800)</u>	<u>\$ 2,612,800</u>
GRAND TOTAL - ALL FUNDS	<u>\$ 326,508,800</u>	<u>\$ 318,152,000</u>	<u>\$ 331,647,700</u>	<u>\$ 5,138,900</u>	<u>\$ 13,495,700</u>
4260-111-0001	\$ 167,869,400	\$ 144,106,500	\$ 148,566,700	\$ (19,302,700)	\$ 4,460,200
4260-111-0890	\$ 119,770,400	\$ 120,162,500	\$ 127,105,000	\$ 7,334,600	\$ 6,942,500
4260-601-7503	\$ 26,000,000	\$ 39,000,000	\$ 41,096,000	\$ 15,096,000	\$ 2,096,000
4260-601-0995	\$ 8,445,000	\$ 8,472,000	\$ 8,472,000	\$ 27,000	\$ 0
4260-111-0080	\$ 24,000	\$ 11,000	\$ 8,000	\$ (16,000)	\$ (3,000)
4260-601-3079	\$ 4,400,000	\$ 6,400,000	\$ 6,400,000	\$ 2,000,000	\$ 0
County Funds ¹	\$ 117,240,500	\$ 111,852,500	\$ 123,169,500	\$ 5,929,000	\$ 11,317,000

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

**Family Health Estimate
Management Summary
May 2009 Estimate**

Fiscal Year 2009-10

The Family Health Estimate shows a 2009-10 General Fund increase of \$9.2 million compared to the November 2008 Family Health Estimate, as explained below (dollars in millions):

November 2008 Estimate:	\$116.1
May 2009 Estimate:	<u>\$125.3</u>
GF Change	\$9.2

For the specific programs included in the Family Health Estimate, the 2009-10 GF change from the November 2008 Family Health Estimate is:

California Children's Services (CCS)	\$7.0
Child Health and Disability Prevention Program (CHDP)	0.1
Genetically Handicapped Persons Program (GHPP)	<u>2.1</u>
Total Family Health	\$9.2

The major reasons for the increase in costs in 2009-10, compared to the November 2008 Family Health Estimate that were not discussed under 2008-09 are:

CCS

1. Reduction to Hospital Financing-DPH SNCP PC 15: In 2009-10 a savings of \$32.2 million GF is expected due to ABX3 5 (Chapter 20, Statutes 2009) which reduces the Safety Net Care Pool (SNCP) payments to Designated Public Hospitals (DPH) by 10% beginning July 1, 2009. The savings from this reduction is expected to decrease by \$5.1 million GF when compared to the November 2008 Family Health Estimate because the Department plans to increase the amount of CPE in the GHPP program and decrease the CPE in the CCS program.

GHPP

1. Base: Treatment Costs: GHPP base costs are expected to be \$8.2 million GF greater in 2009-10 than anticipated in the November 2008 Family Health Estimate based on later actual data.

2. Reduction to Hospital Financing-DPH SNCP PC 11: In 2009-10 a savings of \$16.9 million GF is expected due to ABX3 5 (Chapter 20, Statutes 2009) which reduces the SNCP payments to DPH by 10% beginning July 1, 2009. The savings from this reduction is expected to increase by \$6.9 million GF when compared to the November 2008 Family Health Estimate because the Department plans to increase the amount of CPE in the GHPP program and decrease the CPE in the CCS program.

Management Summary

Fiscal Year 2008-09 Compared to Fiscal Year 2009-10

	May 09 Est. FY 2008-09	May 09 Est. FY 2009-10	Difference Incr./.(Decr.)
<u>California Children's Services</u>			
4260-111-0001 (General Fund)	\$ 101,552,500	\$ 76,430,500	\$ (25,122,000)
4260-601-0995 (CDPH Title V Reimbursement)	\$ 8,217,000	\$ 6,867,000	\$ (1,350,000)
4260-601-7503 (Federal Title XIX HCSF)	\$ 22,000,000	\$ 54,157,000	\$ 32,157,000
4260-111-0890 (Federal Title XXI)	\$ 127,105,000	\$ 137,473,000	\$ 10,368,000
County Funds ¹	\$ 123,169,500	\$ 127,316,500	\$ 4,147,000
TOTAL CCS	<u>\$ 258,874,500</u>	<u>\$ 274,927,500</u>	<u>\$ 16,053,000</u>
<u>Child Health and Disability Prevention Program</u>			
4260-111-0001 (General Fund)	\$ 2,355,000	\$ 2,276,000	\$ (79,000)
4260-111-0080 (CLPP Funds)	\$ 8,000	\$ 8,000	\$ 0
TOTAL CHDP	<u>\$ 2,363,000</u>	<u>\$ 2,284,000</u>	<u>\$ (79,000)</u>
<u>Genetically Handicapped Persons Program</u>			
4260-111-0001 (General Fund)	\$ 44,659,200	\$ 46,585,900	\$ 1,926,700
4260-601-7503 (Federal Title XIX HCSF)	\$ 19,096,000	\$ 34,943,000	\$ 15,847,000
4260-601-0995 (Enrollment Fees)	\$ 255,000	\$ 1,413,000	\$ 1,158,000
4260-601-3079 (Rebates Special Fund)	\$ 6,400,000	\$ 4,000,000	\$ (2,400,000)
TOTAL GHPP	<u>\$ 70,410,200</u>	<u>\$ 86,941,900</u>	<u>\$ 16,531,700</u>
GRAND TOTAL - ALL FUNDS	<u>\$ 331,647,700</u>	<u>\$ 364,153,400</u>	<u>\$ 32,505,700</u>
4260-111-0001	\$ 148,566,700	\$ 125,292,400	\$ (23,274,300)
4260-111-0890	\$ 127,105,000	\$ 137,473,000	\$ 10,368,000
4260-601-7503	\$ 41,096,000	\$ 89,100,000	\$ 48,004,000
4260-601-0995	\$ 8,472,000	\$ 8,280,000	\$ (192,000)
4260-111-0080	\$ 8,000	\$ 8,000	\$ 0
4260-601-3079	\$ 6,400,000	\$ 4,000,000	\$ (2,400,000)
County Funds ¹	\$ 123,169,500	\$ 127,316,500	\$ 4,147,000

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Management Summary
Fiscal Year 2009-10
Comparison of Appropriation, November 2008, and May 2009 Estimates

	Approp Est. FY 2008-09	Nov. 08 Est. FY 2009-10	May 09 Est. FY 2009-10	Chg Approp - May 09 Est.	Chg Nov. 08 - May 09 Est.
California Children's Services					
4260-111-0001 (General Fund)	\$ 107,220,400	\$ 69,372,700	\$ 76,430,500	\$ (30,789,900)	\$ 7,057,800
4260-601-0995 (CDPH Title V Reimbursement)	\$ 8,217,000	\$ 6,867,000	\$ 6,867,000	\$ (1,350,000)	\$ 0
4260-601-7503 (Federal Title XIX HCSF)	\$ 18,000,000	\$ 59,257,000	\$ 54,157,000	\$ 36,157,000	\$ (5,100,000)
4260-111-0890 (Federal Title XXI)	\$ 119,770,400	\$ 134,871,500	\$ 137,473,000	\$ 17,702,600	\$ 2,601,500
County Funds ¹	\$ 117,240,500	\$ 117,848,500	\$ 127,316,500	\$ 10,076,000	\$ 9,468,000
TOTAL CCS	\$ 253,207,800	\$ 270,368,200	\$ 274,927,500	\$ 21,719,700	\$ 4,559,300
Child Health and Disability Prevention Program					
4260-111-0001 (General Fund)	\$ 2,450,000	\$ 2,214,000	\$ 2,276,000	\$ (174,000)	\$ 62,000
4260-111-0080 (CLPP Funds)	\$ 24,000	\$ 11,000	\$ 8,000	\$ (16,000)	\$ (3,000)
TOTAL CHDP	\$ 2,474,000	\$ 2,225,000	\$ 2,284,000	\$ (190,000)	\$ 59,000
Genetically Handicapped Persons Program					
4260-111-0001 (General Fund)	\$ 58,199,000	\$ 44,520,600	\$ 46,585,900	\$ (11,613,100)	\$ 2,065,300
4260-601-7503 (Federal Title XIX HCSF)	\$ 8,000,000	\$ 28,000,000	\$ 34,943,000	\$ 26,943,000	\$ 6,943,000
4260-601-0995 (Enrollment Fees)	\$ 228,000	\$ 1,632,000	\$ 1,413,000	\$ 1,185,000	\$ (219,000)
4260-601-3079 (Rebates Special Fund)	\$ 4,400,000	\$ 4,000,000	\$ 4,000,000	\$ (400,000)	\$ 0
TOTAL GHPP	\$ 70,827,000	\$ 78,152,600	\$ 86,941,900	\$ 16,114,900	\$ 8,789,300
GRAND TOTAL - ALL FUNDS	\$ 326,508,800	\$ 350,745,800	\$ 364,153,400	\$ 37,644,600	\$ 13,407,600
4260-111-0001	\$ 167,869,400	\$ 116,107,300	\$ 125,292,400	\$ (42,577,000)	\$ 9,185,100
4260-111-0890	\$ 119,770,400	\$ 134,871,500	\$ 137,473,000	\$ 17,702,600	\$ 2,601,500
4260-601-7503	\$ 26,000,000	\$ 87,257,000	\$ 89,100,000	\$ 63,100,000	\$ 1,843,000
4260-601-0995	\$ 8,445,000	\$ 8,499,000	\$ 8,280,000	\$ (165,000)	\$ (219,000)
4260-111-0080	\$ 24,000	\$ 11,000	\$ 8,000	\$ (16,000)	\$ (3,000)
4260-601-3079	\$ 4,400,000	\$ 4,000,000	\$ 4,000,000	\$ (400,000)	\$ 0
County Funds ¹	\$ 117,240,500	\$ 117,848,500	\$ 127,316,500	\$ 10,076,000	\$ 9,468,000

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