

**FAMILY HEALTH
November 2012
LOCAL ASSISTANCE ESTIMATE
for
FISCAL YEARS
2012-13 and 2013-14**

**EVERY WOMAN COUNTS
PROGRAM**

Fiscal Forecasting and Data Management Branch
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EVERY WOMAN COUNTS PROGRAM

Funding Summary

FY 2012-13, November 2012 Estimate Compared to May 2012 Estimate

	<u>Appropriation</u> <u>FY 2012-13</u>	<u>Nov. 2012 Est.</u> <u>FY 2012-13</u>	<u>Difference</u> <u>Incr./.(Decr.)</u>
Caseload:	295,000	301,760	6,760
Net Dollars:			
4260-114-0001 (General Fund)	\$10,317,000	\$4,002,000	(\$6,315,000)
4260-114-0236 (Prop 99)	\$22,081,000	\$22,081,000	\$0
4260-114-0009 (BCCA)	\$7,912,000	\$7,912,000	\$0
4260-114-0890 (CDC)	\$4,509,000	\$4,913,000	\$404,000
Total	<u>\$44,819,000</u>	<u>\$38,908,000</u>	<u>-\$5,911,000</u>

November 2012 Estimate, FY 2012-13 Compared to FY 2013-14

	<u>Nov. 2012 Est.</u> <u>FY 2012-13</u>	<u>Nov. 2012 Est.</u> <u>FY 2013-14</u>	<u>Difference</u> <u>Incr./.(Decr.)</u>
Caseload:	301,760	313,548	11,788
Net Dollars:			
4260-114-0001 (General Fund)	\$4,002,000	\$13,960,000	\$9,958,000
4260-114-0236 (Prop 99)	\$22,081,000	\$22,081,000	\$0
4260-114-0009 (BCCA)	\$7,912,000	\$7,912,000	\$0
4260-114-0890 (CDC)	\$4,913,000	\$4,644,000	(\$269,000)
Total	<u>\$38,908,000</u>	<u>\$48,597,000</u>	<u>\$9,689,000</u>

EVERY WOMAN COUNTS PROGRAM
Funding Sources By Component
Fiscal Year 2012-13

November 2012 Estimate Compared to May 2012 Estimate, Total Funds

	Appropriation FY 2012-13	Nov. 2012 Est. FY 2012-13	Difference Incr./(Decr.)
1. Base Expenditure Estimate	\$ 47,474,000	\$ 32,629,000	\$ (14,845,000)
2. Policy Changes	\$ (3,906,000)	\$ 5,028,000	\$ 8,934,000
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Total for Services	\$ 43,568,000	\$ 37,657,000	\$ (5,911,000)
Fiscal Intermediary	\$ 1,251,000	\$ 1,251,000	\$ 0
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Total EWC Program	\$ 44,819,000	\$ 38,908,000	\$ (5,911,000)

November 2012 Estimate Compared to May 2012 Estimate, General Fund

	Appropriation FY 2012-13	Nov. 2012 Est. FY 2012-13	Difference Incr./(Decr.)
1. Base Expenditure Estimate	\$ 52,319,000	\$ 32,629,000	\$ (19,690,000)
2. Policy Changes	\$ (42,002,000)	\$ (29,878,000)	\$ 12,124,000
	-----	-----	-----
Total for Services	\$ 10,317,000	\$ 2,751,000	\$ (7,566,000)
Fiscal Intermediary	\$ 0	\$ 1,251,000	\$ 1,251,000
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Total EWC Program	\$ 10,317,000	\$ 4,002,000	\$ (6,315,000)

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

November 2012 Estimate, FY 2012-13 Compared to FY 2013-14, Total Funds

	Nov. 2012 Est.	Nov. 2012 Est.	Difference
	<u>FY 2012-13</u>	<u>FY 2013-14</u>	<u>Incr./.(Decr.)</u>
1. Base Expenditure Estimate	\$ 32,629,000	\$ 34,260,000	\$ 1,631,000
2. Policy Changes	\$ 5,028,000	\$ 12,547,000	\$ 7,519,000
	-----	-----	-----
Total for Services	\$ 37,657,000	\$ 46,807,000	\$ 9,150,000
Fiscal Intermediary	\$ 1,251,000	\$ 1,790,000	\$ 539,000
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Total EWC Program	\$ 38,908,000	\$ 48,597,000	\$ 9,689,000

November 2012 Estimate, FY 2012-13 Compared to FY 2013-14, General Fund

	Nov. 2012 Est.	Nov. 2012 Est.	Difference
	<u>FY 2012-13</u>	<u>FY 2013-14</u>	<u>Incr./.(Decr.)</u>
1. Base Expenditure Estimate	\$ 32,629,000	\$ 34,260,000	\$ 1,631,000
2. Policy Changes	\$ (29,878,000)	\$ (22,090,000)	\$ 7,788,000
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Total for Services	\$ 2,751,000	\$ 12,170,000	\$ 9,419,000
Fiscal Intermediary	\$ 1,251,000	\$ 1,790,000	\$ 539,000
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Total EWC Program	\$ 4,002,000	\$ 13,960,000	\$ 9,958,000

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

Fiscal Year 2012-13, November 2012 Estimate Compared to Appropriation									
POLICY CHG.		FY 2012-13 APPROPRIATION				NOVEMBER 2012 ESTIMATE		DIFFERENCE, Incr./(Decr.)	
TYPE	NO.	DESCRIPTION	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS	
Benefits	1	FISCAL INTERMEDIARY EXPENDITURES	\$1,251,000	\$0	\$1,251,000	\$1,251,000	\$0	\$1,251,000	
Other	2	CIGARETTE AND TOBACCO PRODUCTS SURTAX FUND	\$0	-\$22,081,000	\$0	-\$22,081,000	\$0	\$0	
Other	3	BREAST CANCER CONTROL ACCOUNT	\$0	-\$7,912,000	\$0	-\$7,912,000	\$0	\$0	
Other	4	CENTER FOR DISEASE CONTROL AND PREVENTION (CDC) FUND	\$0	-\$4,509,000	\$0	-\$4,913,000	\$0	-\$404,000	
Benefits	5	CONSUMER TOLL-FREE LINE	\$768,000	\$0	\$768,000	\$768,000	\$0	\$768,000	
Benefits	6	REGIONAL CONTRACTS	\$2,588,000	\$0	\$2,588,000	\$2,588,000	\$0	\$2,588,000	
Benefits	7	SAN DIEGO STATE UNIVERSITY RESEARCH FOUNDATION	\$238,000	\$0	\$238,000	\$238,000	\$0	\$238,000	
Other	8	DIGITAL MAMMOGRAPHY RATE CHANGE	\$0	\$0	\$0	\$0	\$0	\$0	
Other	9	EWC ENROLLEES SHIFT TO LIHP	-\$7,500,000	-\$7,500,000	\$0	\$0	\$7,500,000	\$7,500,000	
Benefits	10	ONE-TIME PREVENTION AND PUBLIC HEALTH GRANT	\$0	\$0	\$404,000	\$404,000	\$404,000	\$404,000	
Benefits	11	DENSE BREAST NOTIFICATION SUPPLEMENTAL SCREENING	\$0	\$0	\$1,030,000	\$1,030,000	\$1,030,000	\$1,030,000	
EWC TOTAL			-\$2,655,000	-\$42,002,000	\$6,279,000	-\$28,627,000	\$8,934,000	\$13,375,000	

Fiscal Year 2012-13 Compared to Fiscal Year 2013-14									
POLICY CHG.		Nov. 2012 Est. for FY 2012-13				Nov. 2012 Est. for FY 2013-14		DIFFERENCE, Incr./(Decr.)	
TYPE	NO.	DESCRIPTION	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS	
Benefits	1	FISCAL INTERMEDIARY EXPENDITURES	\$1,251,000	\$1,251,000	\$1,790,000	\$1,790,000	\$539,000	\$539,000	
Other	2	CIGARETTE AND TOBACCO PRODUCTS SURTAX FUND	\$0	-\$22,081,000	\$0	-\$22,081,000	\$0	\$0	
Other	3	BREAST CANCER CONTROL ACCOUNT	\$0	-\$7,912,000	\$0	-\$7,912,000	\$0	\$0	
Other	4	CENTER FOR DISEASE CONTROL AND PREVENTION (CDC) FUND	\$0	-\$4,913,000	\$0	-\$4,644,000	\$0	\$269,000	
Benefits	5	CONSUMER TOLL-FREE LINE	\$768,000	\$768,000	\$806,000	\$806,000	\$38,000	\$38,000	
Benefits	6	REGIONAL CONTRACTS	\$2,588,000	\$2,588,000	\$2,588,000	\$2,588,000	\$0	\$0	
Benefits	7	SAN DIEGO STATE UNIVERSITY RESEARCH FOUNDATION	\$238,000	\$238,000	\$300,000	\$300,000	\$62,000	\$62,000	
Other	8	DIGITAL MAMMOGRAPHY RATE CHANGE	\$0	\$0	\$4,600,000	\$4,600,000	\$4,600,000	\$4,600,000	
Other	9	EWC ENROLLEES SHIFT TO LIHP	\$0	\$0	\$0	\$0	\$0	\$0	
Benefits	10	ONE-TIME PREVENTION AND PUBLIC HEALTH GRANT	\$404,000	\$404,000	\$135,000	\$135,000	-\$269,000	-\$269,000	
Benefits	11	DENSE BREAST NOTIFICATION SUPPLEMENTAL SCREENING	\$1,030,000	\$1,030,000	\$4,118,000	\$4,118,000	\$3,088,000	\$3,088,000	
EWC TOTAL			\$6,279,000	-\$28,627,000	\$14,337,000	-\$20,300,000	\$8,058,000	\$8,327,000	

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

FISCAL INTERMEDIARY EXPENDITURES

POLICY CHANGE NUMBER: 1
IMPLEMENTATION DATE: 07/2012
ANALYST: Raman Pabla

		<u>FY 2012-13</u>	<u>FY 2013-14</u>
FULL YEAR COST	- TOTAL FUNDS	\$1,251,000	\$1,790,000
	- GENERAL FUND	\$1,251,000	\$1,790,000
PAYMENT LAG		1.0000	1.0000
% REFLECTED IN BASE		0.00%	0.00%
APPLIED TO BASE	- TOTAL FUNDS	\$1,251,000	\$1,790,000
	- GENERAL FUND	\$1,251,000	\$1,790,000

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:

To implement the federal breast and cervical cancer early detection program, the EWC program utilizes the Department's FI to adjudicate medical claims. Beginning July 1, 2013, FI expenditures will consist of both processing costs and system development notices (SDNs).

The SDNs will be used to make improvements to DETEC, the program's web-based enrollment and data collection system. Changes will also need to be made to the CA-MMIS to allow payment for cervical cancer claims to women over the age of 21, per the new cervical cancer

Reason for Change from Prior Estimate:

Funding has shifted from support to local assistance funds for the SDNs.

Methodology:

1. The estimated medical FI administrative costs are:

	<u>Estimated ACLs</u>	<u>Ave Cost</u> <u>per ACLs</u>	<u>Estimated ACL</u> <u>Expenditure</u>
General ACLs	1,368,244	\$ 0.74	\$ 1,012,501
Online ACLs	41	\$ 0.42	\$ 17
Total FY 2012-13			\$ 1,012,518
General ACLs	1,436,657	\$ 0.55	\$ 790,161
Online ACLs	43	\$ 0.28	\$ 12
Total FY 2013-14			\$ 790,173

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

(In Thousands)

	<u>FY 2012-13</u>	<u>FY 2013-14</u>
Processing Costs	\$1,013	\$790
System Development	\$238	\$1,000
Total	\$1,251	\$1,790

Funding:

State General Fund (4260-111/114-0001)

CIGARETTE AND TOBACCO PRODUCTS SURTAX FUND

POLICY CHANGE NUMBER: 2
IMPLEMENTATION DATE: 7/2012
ANALYST: Raman Pabla

		<u>FY 2012-13</u>	<u>FY 2013-14</u>
FULL YEAR COST	- TOTAL FUNDS	\$0	\$0
	- GENERAL FUND	-\$22,081,000	-\$22,081,000
	- PROP 99 FUND	\$22,081,000	\$22,081,000
PAYMENT LAG		1.0000	1.0000
% REFLECTED IN BASE		0.00%	0.00%
APPLIED TO BASE	- TOTAL FUNDS	\$0	\$0
	- GENERAL FUND	-\$22,081,000	-\$22,081,000
	- PROP 99 FUND	\$22,081,000	\$22,081,000

Purpose:

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

Authority:

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

Interdependent Policy Changes:

Not Applicable

Background:

CTPS/Proposition 99 Unallocated Funds are allocated to aid in the funding for breast and cervical cancer screening and diagnostics for uninsured low-income women. These restricted funds can only be used for expenditures related to clinical claims. 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.

Methodology:

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

Funding:

Proposition 99 Unallocated Local Assistance (4260-111/114-0236)

State General Fund (4260-111/114-0001)

BREAST CANCER CONTROL ACCOUNT

POLICY CHANGE NUMBER: 3
IMPLEMENTATION DATE: 07/2012
ANALYST: Raman Pabla

		<u>FY 2012-13</u>	<u>FY 2013-14</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:

The policy change shifts the Breast Cancer Control Account (BCCA) funds to the Department's General Fund.

Authority:

Revenue & Taxation Code 30461.6

Interdependent Policy Changes:

Not Applicable

Background:

BCCA funds for the provision of early breast cancer detection services for uninsured and underinsured women in the Every Woman Counts (EWC) program. The BCCA is 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 material change.

Methodology:

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

Funding:

Breast Cancer Control Account (4260-111/114-0009)

State General Fund (4260-111/114-0001)

CENTER FOR DISEASE CONTROL AND PREVENTION (CDC) FUND

POLICY CHANGE NUMBER: 4
IMPLEMENTATION DATE: 07/2012
ANALYST: Raman Pabla

		<u>FY 2012-13</u>	<u>FY 2013-14</u>
FULL YEAR COST	- TOTAL FUNDS	\$0	\$0
	- GENERAL FUND	-\$4,913,000	-\$4,644,000
	- CDC FUNDS	\$4,913,000	\$4,644,000
PAYMENT LAG		1.0000	1.0000
% REFLECTED IN BASE		0.00%	0.00%
APPLIED TO BASE	- TOTAL FUNDS	\$0	\$0
	- GENERAL FUND	-\$4,913,000	-\$4,644,000
	- CDC FUNDS	\$4,913,000	\$4,644,000

Purpose:

This policy change shifts the grant funding from the Center for Disease Control and Prevention (CDC) breast and cervical cancer early detection program to the Department's General Fund.

Authority:

Health & Safety Code 140150 (a)
Patient Protection and Affordable Care Act (ACA) of 2010

Interdependent Policy Changes:

Not Applicable

Background:

The CDC provides federal funding through a program known as the National Breast and Cervical Cancer Early Detection Program (NBCCEDP) for direct service contracts and clinical claims. The program offers funding for:

- Cervical and breast cancer outreach,
- Education,
- Early detection, and
- Assuring high quality clinical services.

In addition, the EWC program received a one-time supplemental NBCCEDP grant to increase breast and cervical cancer screening and diagnostic services to serve more women in the EWC program. The grant does not allow funds to be used to supplant existing state funding for breast and cervical cancer screening services.

Reason for Change from Prior Estimate:

Funding increased due to the one-time Prevention and Public Health Grant of \$538,000.

Methodology:

1. The NBCCEDP grant is a multi-year contract beginning on June 30, 2012 and ending on June 29, 2017. The total contract amount is \$10,572,696 per fiscal year.
2. The Department receives 65% of the total grant amount of \$10,572,696 and the California Department of Public Health (CDPH) receives 35% of the grant.

Department	\$6,878,596
CDPH	\$3,694,100
Total NBCCEDP Grant Amount	<u>\$10,572,696</u>

3. The Department allocates 65% of the grant to local assistance and 35% to the support budget.

Local Assistance	\$4,508,706
Support	\$2,369,397
NBCCEDP Grant Amount for EWC	<u>\$6,878,596</u>

4. The one-time Prevention and Public Health Grant contract began on September 30, 2012 and will end on September 29, 2013. The total grant amount is \$538,000.
5. The EWC program assumes that 75% of the one-time Prevention and Public Health Grant will be used in FY 2012-13 and the remainder will be used in FY 2013-14.

\$538,000 x 75% = \$404,000	FY 2012-13
\$538,000 x 25% = \$135,000	FY 2013-14
6. The EWC program is budgeted on an accrual basis.

	(In Thousands)	
	<u>FY 2012-13</u>	<u>FY 2013-14</u>
CDC Fund	\$4,509	\$4,509
One-Time Grant	\$404	\$135
Total	<u>\$4,913</u>	<u>\$4,644</u>

Funding:

CDC Fund (Federal) (4260-111/114-0890)

State General Fund (4260-111/114-0001)

CONSUMER TOLL-FREE LINE

POLICY CHANGE NUMBER: 5
IMPLEMENTATION DATE: 7/2012
ANALYST: Raman Pabla

		<u>FY 2012-13</u>	<u>FY 2013-14</u>
FULL YEAR COST	- TOTAL FUNDS	\$768,000	\$806,000
	- GENERAL FUND	\$768,000	\$806,000
PAYMENT LAG		1.0000	1.0000
% REFLECTED IN BASE		0.00%	0.00%
APPLIED TO BASE	- TOTAL FUNDS	\$768,000	\$806,000
	- GENERAL FUND	\$768,000	\$806,000

Purpose:

This policy change estimates the contract costs for the consumer toll-free line.

Authority:

Contract #10-10317

Interdependent Policy Changes:

Not Applicable

Background:

The Department contracts with the Cancer Prevention Institute of California (CPIC) to provide direct breast and cervical information and screening referral services to consumers via a consumer toll-free line. These services include:

1. Answering questions,
2. Prequalifying women,
3. Referring women to providers,
4. Providing eligibility information,
5. Referring ineligible women to other organizations,
6. Following up to ensure services were accessed,
7. Referring diagnosed women to the Breast and Cervical Cancer Treatment Program (BCCTP), and
8. Processing complaints.

Reason for Change from Prior Estimate:

There is no material change.

Methodology:

1. The term of the contract is from January 1, 2011 to December 31, 2013.
2. The maximum amount payable for this contract is \$2,422,272 over three fiscal years.
3. The projected expenditures for FY 2012-13 are \$817,000. The expenditures will be paid by both local assistance and support dollars.

Local Assistance	\$768,000
Support Dollars	<u>\$49,811</u>
	\$817,811

4. The projected expenditures for FY 2013-14 is \$416,000. The current contract will end on December 31, 2013. The Department is in the process of executing a new contract with CPIC beginning January 1, 2014.

Current contract, ends Dec. 2013	\$416,000
New contract, effective Jan. 2014	<u>\$390,000</u>
Total expenditures in FY 2013-14	\$806,000

5. The new contract in FY 2013-14 will be paid by 100% local assistance since costs are for beneficiary services.
6. The EWC program is budgeted on an accrual basis.

Funding:

State General Fund (4260-111/114-0001)

REGIONAL CONTRACTS

POLICY CHANGE NUMBER: 6
IMPLEMENTATION DATE: 7/2012
ANALYST: Raman Pabla

		<u>FY 2012-13</u>	<u>FY 2013-14</u>
FULL YEAR COST	- TOTAL FUNDS	\$2,588,000	\$2,588,000
	- GENERAL FUND	\$2,588,000	\$2,588,000
PAYMENT LAG		1.0000	1.0000
% REFLECTED IN BASE		0.00%	0.00%
APPLIED TO BASE	- TOTAL FUNDS	\$2,588,000	\$2,588,000
	- GENERAL FUND	\$2,588,000	\$2,588,000

Purpose:

This policy change estimates the costs for regional contractors.

Authority:

CA Health Collaborative Contract #11-10315
 Community Health Partnership Contract #11-10687
 County of Orange Contract #11-10684
 Inland Agency Contract #11-10685
 Santa Barbara Contract #11-10686

Interdependent Policy Changes:

Not Applicable

Background:

The Department contracts with regional contractors to provide breast and cervical cancer tailored health education to priority populations, quality clinical follow-up for recipients, and primary care provider network support in 10 geographic regions of California.

The objective of the contract is to:

- Promote breast and cervical cancer awareness,
- Increase first time and repeat breast and cervical cancer screening, and
- Provide high quality screening services.

Reason for Change from Prior Estimate:

There is no change.

Methodology:

1. All of the contracts begin on January 1, 2012 and end on December 31, 2014.
2. The contract amount for each regional contract is:

	Total Contract Amount
CA Health Collaborative	\$4,684,338
Community Health	\$660,000
County of Orange	\$778,678
Inland Agency	\$720,000
Santa Barbara	\$922,440

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

	(In Thousands)			
	<u>FY 2012-13</u>		<u>FY 2013-14</u>	
	<u>TF</u>	<u>GF</u>	<u>TF</u>	<u>GF</u>
CA Health Collab.	\$1,561	\$31	\$1,561	\$31
Community Health	\$220	\$4	\$220	\$4
County of Orange	\$260	\$5	\$260	\$5
Inland Agency	\$240	\$5	\$240	\$5
Santa Barbara	<u>\$307</u>	<u>\$6</u>	<u>\$307</u>	<u>\$6</u>
Total	\$2,588	\$52	\$2,588	\$52

Funding:

State General Fund (4260-111/114-0001)

SAN DIEGO STATE UNIVERSITY RESEARCH FOUNDATION

POLICY CHANGE NUMBER: 7
IMPLEMENTATION DATE: 7/2012
ANALYST: Raman Pabla

		<u>FY 2012-13</u>	<u>FY 2013-14</u>
FULL YEAR COST	- TOTAL FUNDS	\$238,000	\$300,000
	- GENERAL FUND	\$238,000	\$300,000
PAYMENT LAG		1.0000	1.0000
% REFLECTED IN BASE		0.00%	0.00%
APPLIED TO BASE	- TOTAL FUNDS	\$238,000	\$300,000
	- GENERAL FUND	\$238,000	\$300,000

Purpose:

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

Authority:

Contract #08-85237

Interdependent Policy Changes:

Not Applicable

Background:

The Department contracts with the San Diego State University Research Foundation (SDSURF), a private non-profit organization that is an auxiliary to California State University, San Diego.

The contract provides professional education to primary care providers regarding breast and cervical cancer screening and diagnostic clinical care guidelines. The services provided will lead to an improvement in the quality and timeliness of screening and diagnosis. The purpose of these services is to reduce mortality by earlier detection.

Reason for Change from Prior Estimate:

There is no change.

Methodology:

1. The current contract began on July 1, 2008 will end on June 30, 2013, but the Department plans to renew the contract.

2. The projected expenditures for FY 2012-13 are \$621,000. The expenditures will be paid with both local assistance and support dollars.

Local Assistance	\$238,000
Support	\$383,000
	<hr/>
	\$621,000

3. The projected expenditures for FY 2013-14 are \$797,000. The expenditures will be paid with both local assistance and support dollars.

Local Assistance	\$300,000
Support	\$497,000
	<hr/>
	\$797,000

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

Funding:

State General Fund (4260-111/114-0001)

DIGITAL MAMMOGRAPHY RATE CHANGE

POLICY CHANGE NUMBER: 8
IMPLEMENTATION DATE: 01/2014
ANALYST: Raman Pabla

	<u>FY 2012-13</u>	<u>FY 2013-14</u>
FULL YEAR COST - TOTAL FUNDS	\$0	\$4,600,000
- GENERAL FUND	\$0	\$4,600,000
PAYMENT LAG	0.0000	1.0000
% REFLECTED IN BASE	0.00%	0.00%
APPLIED TO BASE - TOTAL FUNDS	\$0	\$4,600,000
- GENERAL FUND	\$0	\$4,600,000

Purpose:

This policy change estimates the change in rates paid to providers using digital mammography.

Authority:

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

Interdependent Policy Changes:

Not Applicable

Background:

AB 359 limits the payment rate for digital mammography to the Medi-Cal analog mammography rate. AB 359 will sunset on December 31, 2013. Effective January 1, 2014, the Department will reimburse providers who use the digital mammography screening to 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 is expected to decrease as more providers are providing digital mammography screening.

Reason for Change from Prior Estimate:

This is a new policy change.

Methodology:

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

<u>Mammogram</u>	<u>Analog Rate</u>	<u>Digital Rate</u>	<u>Difference</u>
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:

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

5. The change in rates are:

<u>Mammogram</u>	<u>Rate Difference</u>	<u>FY 2013-14 Counts</u>	<u>Cost Due to Change in Rate</u>
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
			<u>\$9,200,000</u>

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

	(In Thousands)
	<u>FY 2013-14</u>
Digital Mammograms	\$4,600

Funding:

State General Fund (4260-114-0001)

EWC ENROLLEES SHIFT TO LIHP

POLICY CHANGE NUMBER: 9
IMPLEMENTATION DATE: 07/2012
ANALYST: Raman Pabla

		<u>FY 2012-13</u>	<u>FY 2013-14</u>
FULL YEAR COST	- TOTAL FUNDS	-\$7,488,000	-\$7,488,000
	- GENERAL FUND	-\$7,488,000	-\$7,488,000
PAYMENT LAG		1.0000	1.0000
% REFLECTED IN BASE		100.00%	100.00%
APPLIED TO BASE	- TOTAL FUNDS	\$0	\$0
	- GENERAL FUND	\$0	\$0

Purpose:

This policy change estimates the savings to the Every Woman Counts (EWC) program due to the eligible individuals who are enrolled in the Low-Income Health Program (LIHP).

Authority:

Revenue & Taxation Code 30461.6
 Health & Safety Code 104150

Interdependent Policy Changes:

Not Applicable

Background:

Federal and state law stipulates that the EWC program is payer of last resort. EWC services are limited to uninsured and/or underinsured women. Individuals who are enrolled in a local LIHP are not eligible for the EWC program effective July 1, 2012.

Reason for Change from Prior Estimate:

There is no material change.

Methodology:

1. As of June 2012, the enrollment was at 460,158. At an average compounded monthly growth rate of 8.5%, LIHP reached its capacity of 500,000 by September 2012.
2. For FY 2012-13, assume that the estimated 52,000 EWC eligibles that were eligible for LIHP have already shifted to the program.

3. Assume a \$144 average cost per woman.
52,000 x \$144 = \$7,488,000

	(In Thousands)	
	<u>FY 2012-13</u>	<u>FY 2013-14</u>
Savings due to shifting EWC enrollees to LIHP	-\$7,488	-\$7,488

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

Funding:

State General Fund (4260-111/114-0001)

ONE-TIME PREVENTION AND PUBLIC HEALTH GRANT

POLICY CHANGE NUMBER: 10
IMPLEMENTATION DATE: 9/2012
ANALYST: Raman Pabla

		<u>FY 2012-13</u>	<u>FY 2013-14</u>
FULL YEAR COST	- TOTAL FUNDS	\$404,000	\$135,000
	- GENERAL FUND	\$404,000	\$135,000
PAYMENT LAG		1.0000	1.0000
% REFLECTED IN BASE		0.00%	0.00%
APPLIED TO BASE	- TOTAL FUNDS	\$404,000	\$135,000
	- GENERAL FUND	\$404,000	\$135,000

Purpose:

This policy change estimates the costs to increase breast and cervical cancer screening services to serve more women in the Every Woman Counts (EWC) program.

Authority:

Patient Protection and Affordable Care Act (ACA) of 2010

Interdependent Policy Changes:

Not Applicable

Background:

The EWC program will receive one-time supplemental National Breast and Cervical Cancer Early Detection Program (NBCCEDP) grant funding from the Prevention and Public Health Fund to increase breast and cervical cancer screening and diagnostic services to serve more women in the EWC program. The grant does not allow funds to be used to supplant existing state funding for breast and cervical cancer screening services. The Department expects to screen 4,051 more women with this grant funding.

Reason for Change from Prior Estimate:

This is a new policy change.

Methodology:

1. The one-time Prevention and Public Health Grant contract began on September 30, 2012 and will end on September 29, 2013. The total grant amount is \$538,000.

2. The EWC program assumes that 75% of the one-time Prevention and Public Health Grant will be used in FY 2012-13 and the remainder will be used in FY 2013-14.

$\$538,000 \times 75\% = \mathbf{\$404,000}$ FY 2012-13

$\$538,000 \times 25\% = \mathbf{\$135,000}$ FY 2013-14

3. The EWC program assumes that 3,037 additional women will receive services in FY 2012-13 and 1,014 in FY 2013-14.
4. The EWC program is budgeted on an accrual basis.

Funding:

State General Fund (4260-111/114-0001)

DENSE BREAST NOTIFICATION SUPPLEMENTAL SCREENING

POLICY CHANGE NUMBER: 11
IMPLEMENTATION DATE: 4/2013
ANALYST: Raman Pabla

		<u>FY 2012-13</u>	<u>FY 2013-14</u>
FULL YEAR COST	- TOTAL FUNDS	\$1,030,000	\$4,118,000
	- GENERAL FUND	\$1,030,000	\$4,118,000
PAYMENT LAG		1.0000	1.0000
% REFLECTED IN BASE		0.00%	0.00%
APPLIED TO BASE	- TOTAL FUNDS	\$1,030,000	\$4,118,000
	- GENERAL FUND	\$1,030,000	\$4,118,000

Purpose

This policy change estimates the costs due to 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 would require health facilities administering mammograms to women 40 years and over to notify patients whose breasts are categorized as being heterogeneously or extremely dense and inform the 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 screening tests, such as magnetic resonance imaging (MRIs) and ultrasounds. The provisions of this bill will become operative April 1, 2013 and sunset on January 1, 2019.

Reason for Change from Prior Estimate

This is a new policy change.

Methodology

1. Assume implementation begins April 1, 2013.
2. Assume mammography exams include screening and diagnostic.
3. Based on FY 2011-12 data, the average number of women who received a mammography exam is 298,735 per year for age 40 and over.

40 – 49 years:	125,458
50 and over:	<u>173,277</u>
Total	298,735

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.

40 – 49 years:	$125,458 \times 75\% =$	94,094
50 and over:	$173,277 \times 42\% =$	<u>72,776</u>
Total		166,870

5. Assume 50% of women, who receive a notice, would request a supplementary screening test, such as ultrasound, from their physician.

40 – 49 years:	$94,094 \times 50\% =$	47,047
50 and over:	$72,776 \times 50\% =$	<u>36,388</u>
Total		83,435

6. Assume the reimbursement rate per breast ultrasound is \$49.35.

40 – 49 years:	$47,047 \times \$49.35 =$	\$2,321,769
50 and over:	$36,388 \times \$49.35 =$	<u>\$1,795,748</u>
Total		\$4,117,517

7. Expenditures are estimated to be \$1,030,000 in FY 2012-13 and \$4,118,000 in FY 2013-14.

Funding:

State General Fund (4260-111/114-0001)

EWC Trend Report
(Includes Actuals & Projected Base Values)

Total				
<u>Quarter</u>	<u>Base Estimate Caseload</u>	<u>Estimated Caseload from Policy Changes</u>	<u>Total Caseload</u>	<u>Total EWC Payments</u>
July-Sept 2010				\$2,680,187 *
Oct-Dec 2010				\$3,608,040 *
Jan-Mar 2011				\$6,283,977 *
April -June 2011				\$8,990,830 *
FY 2010-11	208,989		208,989 *	\$21,563,034
July-Sept 2011				\$5,401,033 **
Oct-Dec 2011				\$8,003,916 **
Jan-Mar 2012				\$8,456,066 **
April -June 2012				\$9,213,921 **
FY 2011-12	262,463		262,463 **	\$31,074,936
July-Sept 2012				\$5,671,085 **
Oct-Dec 2012				\$8,404,111 **
Jan-Mar 2013				\$8,878,870 **
April -June 2013				\$9,674,617 **
FY 2012-13	298,723	3,037	301,760 **	\$32,628,683
July-Sept 2013				\$6,625,139 **
Oct-Dec 2013				\$8,724,243 **
Jan-Mar 2014				\$9,515,083 **
April -June 2014				\$9,395,653 **
FY 2013-14	312,534	1,014	313,548 **	\$34,260,118

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

* Actuals

** Estimated