FAMILY HEALTH
May 2012
LOCAL ASSISTANCE ESTIMATE
for
FISCAL YEARS
2011-12 and 2012-13

ASSUMPTIONS

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FAMILY HEALTH ASSUMPTIONS
May 2012
FISCAL YEARS 2011-12 & 2012-13

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INTRODUCTION

The Family Health 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, and the Genetically Handicapped Persons Program. The Estimate also includes costs for the Healthy Families Program Title XXI portion of California Children's Services. Costs for children eligible for Medi-Cal are not included. The Estimate can be segregated into two main components: (1) the base and (2) the adjustments to the base. The base estimate is the anticipated level of program expenditures assuming that there will be no changes in program direction, and is 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, or have occurred so recently that they are not yet fully reflected in the historical data base. The combination of these two estimate components produces the final Family Health 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 Healthy Families 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. In addition, GF expenditures are reduced by federal funding from the Safety Net Care Pool.

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 and the Healthy Families Program (HFP), the California Title XXI State Children's Health Insurance Program (SCHIP). 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 and Healthy Families, will shift most CHDP costs to the Medi-Cal program and to HFP. 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 Medi-Cal children are funded 50% GF and 50% FFP. These screening costs funded through Medi-Cal are identified in the Medi-Cal estimate as EPSDT.

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

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 attendant to genetically handicapping conditions. Persons eligible for GHPP must reside in California; have a qualifying genetic disease; and be otherwise financially ineligible for CCS. GHPP clients with 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 of families at an income level of 300% or greater 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.

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.

CALIFORNIA CHILDREN'S SERVICES

CCS: NEW ASSUMPTIONS

	Applicable F/Y C/Y	B/Y	
CCS 0.1 (PC-14A) (PC-14B)	X	X	Kalydeco for Treatment of Cystic Fibrosis Effective January 31, 2012, the U.S. Food and Drug Administration approved Kalydeco for the treatment of patients, six years and older, with cystic fibrosis (CF) who have a specific mutation in the CF regulator gene.

CCS: OLD ASSUMPTIONS

	Applicable F/Y C/Y	B/Y	
CCS 1 (PC-1)	X	X	Enrollment and Assessment Fees Budget Act language requires that enrollment and assessment fee revenues be shared 50/50 with the counties. It also requires the State to offset 50% of the allocated fee revenues against the State's portion of reimbursements to the counties.
CCS 2 (PC-2A) (PC-2B)	X	X	County Administrative Costs Pursuant to Health and Safety Code §123955, the State and the counties share the cost of administering the CCS program. The State reimburses counties for 50% of county administrative costs required to meet State-established staffing standards for CCS clients in the county CCS caseload who are ineligible for Medi-Cal or do not subscribe to the Healthy Families Program (HFP). The HFP is California's Title XXI SCHIP. Since 1997 CCS has provided services to treat CCS medically eligible conditions of children enrolled in HFP plans. CCS services are "carved out" of the HFP plans' capitation. These treatment services are funded 65% by federal Title XXI funds, 17.5% by the State General Fund, and 17.5% by county funds for HFP subscribers who meet the financial eligibility requirements of the CCS program; and 65% Federal Title XXI funds and 35% State General Fund for HFP subscribers who are not financially eligible for CCS. CCS State-Only case management costs are funded 50% by the State and 50% by the counties. In order to maximize FFP, Title XXI FFP is being claimed for case management costs for CCS/HFP clients.
CCS 3 (PC-3A) (PC-3B)	X	X	Fiscal Intermediary Expenditures The FI contractor adjudicates medical claims for the CCS program. The funding is based on actual claims and trends for CCS State Only and CCS Healthy Families clients.
CCS 4 (PC-4A) (PC-4B)	X	X	Fiscal Intermediary Expenditures (Dental) Delta Dental adjudicates dental claims for the CCS program. The funding is based on actual claims and trends for ~~aid codes 9K~~ CCS eligible ~~child)~~ and ~~9R and 9U (both~~ CCS**-HFP** eligible ~~HF child)~~ **children**.
CCS 5 (PC-5A) (PC-5B)	X	X	Children's Medical Services Network (CMS Net) The CMS Net automated eligibility, case management, and service authorization system is used by the CCS program to provide administrative case management for CCS clients. CMS Net was

CCS: OLD ASSUMPTIONS

	Applicable F/Y C/Y	B/Y	
			implemented in 1992 in the State regional offices and several counties. Currently, all 58 CCS counties, three State CCS regional offices, and the GHPP program utilize the system. CMS Net utilizes software called Caché for an operating system, script language, and certain database management functions. The Department purchases Caché licenses based on the estimated number of CMS Net system users.
CCS 6 (PC-6)	X	**X**	MH/UCD & BTR - Safety Net Care Pool Effective for dates-of-service on or after September 1, 2005, based on SB 1100 (Chapter 560, Statute of 2005), federal funding from the Safety Net Care Pool (SNCP) can be made available for the CCS State-Only program. The Department may claim federal reimbursement for expenditures for CCS State-Only services as certified public expenditures. The GF savings that accrue will be available to the SNCP for deposit into the Health Care Support Fund to provide funding for safety net hospitals. **The MH/UCD was extended for two months until October 31, 2010. Effective November 1, 2010, CMS approved a new five-year demonstration, California Bridge to Reform Section 1115(a) Medicaid Demonstration (BTR). The Special Terms and Conditions of the new demonstration allow the State to claim FFP using the CPEs of approved Designated State Health Programs (DSHP). The CCS program is included in the list of DSHP.**
CCS 7 (PC-7)	X	X	Shift of CCS State/County Costs to Medi-Cal With implementation of the enhancements to the CMS Net system to utilize eligibility data from the Medi-Cal Eligibility Data System (MEDS), claims for CCS-Only children determined to be retroactively eligible for Medi-Cal, or for CCS/Medi-Cal children with a Medi-Cal share of cost (SOC), may be processed in the claim payment system as CCS-Only prior to the Medi-Cal eligibility determination or an obligation of SOC becoming effective in MEDS. In order to properly charge these costs to the Medi-Cal program, beginning in April 2006 these claims are being periodically reprocessed by the Medi-Cal FI. The reprocessing results in crediting the CCS Program for claims previously paid as CCS-Only and charging the costs to Medi-Cal. This reprocessing to appropriately charge these costs to CCS clients' Medi-Cal coverage is an ongoing process that occurs every year.

CCS: OLD ASSUMPTIONS

	Applicable F/Y C/Y	B/Y	
CCS 8 (PC-8)	X	X	Title V Reimbursement from CDPH ~~SB 162 (Chapter 241, Statutes of 2006) requires the reorganization of the California Department of Health Services into two departments, the California Department of Health Care Services (DHCS) and the California Department of Public Health (CDPH).~~ The Maternal, Child, and Adolescent Health Title V grant is included in the CDPH budget. ~~As part of the reorganization, the~~ Title V federal funding for the CCS Program will be shown as a reimbursement in the ~~DHCS~~ **Department's** budget. ~~The amendments to the Budget Act of 2010 contained authorization for an additional $300,000 in Federal Title V funds to replace the GF for a portion of the County Administration case management costs.~~ **The CCS program is California's designated children and youth with special health care needs (CYSHCN) program. Therefore, CCS receives a portion of California's Title V funds.** The Legislature authorized an additional $1,666,000 in Federal Title V funds in FY 2011-12 to replace the GF for a portion of the County Administration case management costs.
CCS 10 (PC-9A) (PC-9B)	X	X	CCS and CCS-HFP Rebates Effective September 1, 2005, ~~the Special Terms and Conditions of the Medi-Cal Hospital/Uninsured Care Demonstration (MH/UCD), the Bridge to Reform Demonstration, and SB 1100 provide for the Department to claim federal reimbursement for expenditures for CCS services as certified public expenditures through the Safety Net Care Pool (SNCP). This federal reimbursement resulted in the program losing its SPAP status. However, it also enabled~~ CCS **began** participation in the Medi-Cal **blood** factor rebates **program**. ~~In order to capture utilization data and account for the federal reimbursement of any rebates collected for claims paid on or after September 1, 2005, modifications to the RAIS, the utilization accounting and rebate tracking system maintained and operated by the Medi-Cal FI contractor, have been completed.~~
CCS 11 (PC-10A) (PC-10B)	X	X	10% Provider Payment Reduction The Department proposed legislation to reduce CCS provider payments for specified providers by 10%.

CCS: OLD ASSUMPTIONS

	Applicable F/Y C/Y	B/Y	
CCS 12 (PC-11A) (PC-11B)	X	X	CCS Inpatient Reimbursement Methodology Prior to January 1, 2011, The CCS State-Only and CCS-HFP program reimbursed contract hospitals for inpatient services rendered to CCS State-Only and CCS-HFP clients at the Medi-Cal interim rates as required in Section 14105.18 of the Welfare and Institutions Code. This provision sunsetted on January 1, 2011 Welfare and Institutions Code Section 14105.18 also contains language that requires rates of payment to hospitals for CCS, GHPP, and other programs to be identical to the rates of payment for the same service performed by the same provider type pursuant to the Medi-Cal program. The provider rates of payment for services rendered shall be identical to the rates of payment for the same service performed by the same provider type pursuant to the Medi-Cal program. The provisions of this Section became operative on January 1, 2011. This reimbursement methodology change requires system modifications which are expected to be completed in 2012, with reimbursement retroactive to January 1, 2011.
CCS 13 (PC-12)		X	Means Test for the CCS Medical Therapy Program Effective July 1, 2012 children enrolled in CCS Medical Therapy Program (MTP) will be required to meet Section 123870 (establishing family income ceiling of $40,000 per annum adjusted gross income (AGI)) to qualify to receive MTP services.
CCS 14 (PC-13B) **(PC-15B)**		X	Shift of Healthy Families Children to Medi-Cal Effective October 1, 2012, children **enrolled** in the HFP ~~who have attained six years of age but not attained 19 years of age, with incomes above 100% and up to and including 250% of the federal poverty level~~ will be shifted to the Medi-Cal program **over a nine-month phased-in period**. Coverage of this population under Medicaid programs is permissible pursuant to ~~Section 1902(a)(10)(A)(ii)(XIV) of~~ the federal Social Security Act ~~(42 U.S.C. Sec. 1396a(a)(10)(A)(ii)(XIV))~~ to provide full scope Medi-Cal benefits ~~with no share of cost~~ to such eligible children who are optional targeted low-income children ~~pursuant to 1905(u)(2)(B) of the Social Security Act (42 U.S.C. section 1396d(u)(2)(B)),~~ with family incomes ~~above 100% and~~ up to and including ~~250~~ **200**% of the federal poverty level **(FPL)**. **Assets will be exempt for these children and an income disregard will be applied for children with incomes between 200% and 250% of the FPL creating an effective income level not to exceed 200% of the FPL.**

CHILD HEALTH & DISABILITY PREVENTION PROGRAM

CHDP: NEW ASSUMPTIONS

Applicable F/Y	
C/Y	B/Y

CHDP: OLD ASSUMPTIONS

	Applicable F/Y C/Y	B/Y	
CHDP 1 (PC-1)	X	X	Fiscal Intermediary Expenditures The FI contractor adjudicates medical claims for the CDHP program.
CHDP 2 (PC-3)	X	X	CLPP Funds Medi-Cal provides blood lead tests to children who are at risk for lead poisoning and are full-scope Medi-Cal beneficiaries or are pre-enrolled in Medi-Cal through the Child Health and Disability Prevention (CHDP) Gateway program. The CHDP State-Only program provides lead screenings to Medi-Cal beneficiaries who are eligible for emergency and pregnancy related services. The lead tests are funded by the CLPP Fund which receives revenues from a fee accessed on entities formerly or presently engaged in commerce involving lead products and collected by the Board of Equalization. The expenditures for the lead testing are in CHDP base trends and this policy change adjusts the funding.
CHDP 3 (PC-2)	X	X	10% Provider Payment Reduction The Department proposed legislation to reduce payments to State Only CHDP specified providers by 10%.

GENETICALLY HANDICAPPED PERSONS PROGRAM

GHPP: NEW ASSUMPTIONS

	Applicable F/Y C/Y	Applicable F/Y B/Y	
GHPP 0.1 (PC-9)	X	X	Kalydeco for Treatment of Cystic Fibrosis Effective January 31, 2012, the U.S. Food and Drug Administration approved Kalydeco for the treatment of patients, six years and older, with cystic fibrosis (CF) who have a specific mutation in the CF regulator gene.

GHPP: OLD ASSUMPTIONS

	Applicable F/Y C/Y	B/Y	
GHPP 1 (PC-1)	X	X	Enrollment Fees Since July 1, 1993, families receiving GHPP services have been subject to enrollment fees if they meet certain requirements pursuant to Health and Safety Code section 125165. It is mandated to close cases on the 61st day for failure to submit fee. An assessment of the enrollment eligibility of each client will be performed on the anniversary date of the opening of their case. Eligibility will trigger an enrollment fee collection. Effective December 1, 2009, the Department increased GHPP enrollment fees by requiring that GHPP clients with 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 of families at an income level of 300% or greater pay an enrollment fee equal to 3% of their adjusted gross income.
GHPP 2 (PC-2)	X	X	Fiscal Intermediary Expenditures The FI contractor adjudicates claims for the GHPP program.
GHPP 3 (PC-3)	X	X	Blood Factor Drug Rebates and Contract Savings Effective September 1, 2005, ~~the Special Terms and Conditions of the Medi-Cal Hospital/Uninsured Care Demonstration (MH/UCD), the Bridge to Reform Demonstration, and SB 1100 provide for the Department to claim federal reimbursement for expenditures for GHPP State-Only services as certified public expenditures through the SNCP. This federal reimbursement resulted in the program losing its SPAP status. However, it also enabled~~ GHPP **began** participation in the Medi-Cal **blood** factor rebates **program**. ~~The program's manual rebate collection activities were discontinued until GHPP could begin participating in the Rebate Accounting Information System (RAIS) to document GHPP rebates retroactively for factor claims paid on or after September 1, 2005.~~ ~~The RAIS system changes necessary to accommodate GHPP began in April 2009 and were completed in September 28, 2009.~~
GHPP 4 (PC-4)	X	**X**	MH/UCD & BTR - Safety Net Care Pool Effective for dates-of-service on or after September 1, 2005, based on SB 1100, federal funding from the SNCP can be made available for the GHPP State-Only program. The Department may claim federal reimbursement for expenditures for GHPP State-Only services as certified public expenditures. The GF savings that accrue will be available to the SNCP for deposit into the Health Care Support Fund to provide funding for safety net hospitals.

GHPP: OLD ASSUMPTIONS

	Applicable F/Y C/Y	B/Y	
			In addition, the Department will claim additional federal reimbursement for the 2009-10 DPHs' SNCP 10% reduction and the increase in SNCP from ARRA funding. **The MH/UCD was extended for two months until October 31, 2010. Effective November 1, 2010, CMS approved a new five-year demonstration, California Bridge to Reform Section 1115(a) Medicaid Demonstration (BTR). The Special Terms and Conditions of the new demonstration allow the State to claim FFP using the CPEs of approved Designated State Health Programs (DSHP). The GHPP program is included in the list of DSHP.**
GHPP 5 (PC-5) (PC-6)	X	X	GHPP Premium Payments Effective December 1, 2009, GHPP implemented a process for enrolling GHPP clients who are not eligible for employer-sponsored insurance or full-scope no share of cost Medi-Cal or Medicare into commercial insurance plans. The insurance premiums will be funded by the program and will cover the GHPP clients' full range of health care services.
GHPP 6 (PC- 7)	X	X	10% Provider Payment Reduction The Department proposed legislation to reduce GHPP provider payments for specified providers by 10%.
GHPP 7 (PC-8)	X	X	GHPP Inpatient Reimbursement Methodology Prior to January 1, 2011, the GHPP State-Only program reimbursed contract hospitals for inpatient services rendered to GHPP State-Only clients at the Medi-Cal interim rates as required in Section 14105.18 of the Welfare and Institutions Code. This provision sunsetted on January 1, 2011. Welfare and Institutions Code Section 14105.18 also contains language that requires rates of payment to hospitals for CCS, GHPP, and other programs to be identical to the rate of payment for the same service performed by the same provider type pursuant to the Medi-Cal Program. The provider rates of payment for services rendered shall be identical to the rates of payment for the same service performed by the same provider type pursuant to the Medi-Cal program. The provisions of the Section became operative on January 1, 2011. This reimbursement methodology change requires system modifications which are expected to be completed in 2012, with reimbursement retroactive to January 1, 2011.

INFORMATION ONLY:

CALIFORNIA CHILDREN'S SERVICES

1. CCS Program Pilots (Reworded)

   The Department will develop and implement four organized health care delivery models to serve CCS eligible children. The program pilot will be implemented in at least four geographical locations. This combined effort with CMS is a major component of the California BTR waiver and will result in securing additional FFP for the five year waiver life. The pilot contractor will perform administrative work traditionally performed by the pilot counties. As a result of this administrative shift, funding provided to the counties will shift to the pilot contractor.

   The four organized health care delivery systems to be tested during the course of the waiver are: the enhanced primary care case management model which will be developed by the Alameda County Health Care Services Agency; the accountable care organization model which will be developed by the Rady Children's Hospital in San Diego County and Children's Hospital Orange County; the existing Medi-Cal managed care organization which is being utilized by the Health Plan of San Mateo; and the specialty health care plan which will be developed by the Los Angeles Health Care Plan. It is anticipated that demonstration pilots will be phased into operation between April 2012 and October 2012.

2. **CCS Inpatient Reimbursement - Diagnosis Related Groups (DRGs)**

   On July 1, 2013, the Department will implement a new payment system, which will replace the SPCP and existing non-contract payment system currently utilized with a system based on diagnosis related groups (DRG). The DRG payment system will pay for inpatient fee for service hospital stays at all hospital except for Designated Public Hospitals. Rehabilitation and psychiatric stays will not be reimbursed by the DRG payment system. The implementation of the DRG payment system is expected to generate ongoing general fund savings compared to what would have occurred under the existing methodology due to the ability of the Department to eliminate the annual increases that currently occur under the contract rate and non-contract cost methodologies.

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.

INFORMATION ONLY:

2. **GHPP Inpatient Reimbursement – DRGs**

   On July 1, 2013, the Department will implement a new payment system, which will replace the SPCP and existing non-contract payment system currently utilized with a system based on diagnosis related groups (DRG). The DRG payment system will pay for inpatient fee for service hospital stays at all hospital except for Designated Public Hospitals. Rehabilitation and psychiatric stays will not be reimbursed by the DRG payment system. The implementation of the DRG payment system is expected to generate ongoing general fund savings compared to what would have occurred under the existing methodology due to the ability of the Department to eliminate the annual increases that currently occur under the contract rate and non-contract cost methodologies.

DISCONTINUED ASSUMPTIONS

Fully Incorporated Into Base Data/Ongoing

CALIFORNIA CHILDREN'S SERVICES

CHILD HEALTH DISABILITY PREVENTION

GENETICALLY HANDICAPPED PERSONS PROGRAM

DISCONTINUED ASSUMPTIONS

Time-Limited/No Longer Applicable

CALIFORNIA CHILDREN'S SERVICES

CHILD HEALTH DISABILITY PREVENTION

GENETICALLY HANDICAPPED PERSONS PROGRAM

DISCONTINUED ASSUMPTIONS

Withdrawn

CALIFORNIA CHILDREN'S SERVICES

CHILD HEALTH DISABILITY PREVENTION

GENETICALLY HANDICAPPED PERSONS PROGRAM