

**MEDI-CAL
MAY 2006
LOCAL ASSISTANCE ESTIMATE
for
FISCAL YEARS
2005-06 and 2006-07**

Fiscal Forecasting and Data Management Branch
State Department of Health Services
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**BUDGET
YEAR**

ARNOLD SCHWARZENEGGER
Governor
State of California

S. Kimberly Belshé
Secretary
California Health and Human Services Agency

Sandra Shewry
Director
Department of Health Services

MEDI-CAL PROGRAM ESTIMATE SUMMARY FISCAL YEAR 2006-07

	<u>TOTAL FUNDS</u>	<u>FEDERAL FUNDS</u>	<u>STATE FUNDS</u>
I. BASE ESTIMATES			
A. B/Y FFS BASE	\$17,959,341,630	\$8,979,670,810	\$8,979,670,810
B. B/Y NON-FFS BASE	\$13,867,608,000	\$8,454,110,000	\$5,413,498,000
C. BASE ADJUSTMENTS	-\$418,160,000	-\$331,657,900	-\$86,502,100
D. ADJUSTED BASE	<u>\$31,408,789,630</u>	<u>\$17,102,122,920</u>	<u>\$14,306,666,710</u>
II. POLICY CHANGES			
A. ELIGIBILITY	\$614,866,630	\$247,755,600	\$367,111,030
B. BENEFITS	-\$2,523,497,970	-\$1,096,522,780	-\$1,426,975,180
C. MANAGED CARE	-\$68,169,000	-\$34,068,500	-\$34,100,500
D. OTHER	\$2,923,739,660	\$2,480,922,840	\$442,816,820
E. TOTAL CHANGES	<u>\$946,939,320</u>	<u>\$1,598,087,150</u>	<u>-\$651,147,830</u>
III. TOTAL MEDI-CAL ESTIMATE	<u><u>\$32,355,728,950</u></u>	<u><u>\$18,700,210,070</u></u>	<u><u>\$13,655,518,880</u></u>

SUMMARY OF REGULAR POLICY CHANGES FISCAL YEAR 2006-07

POLICY CHG. NO.	CATEGORY & TITLE	TOTAL FUNDS	FEDERAL FUNDS	STATE FUNDS
ELIGIBILITY				
1	FAMILY PLANNING INITIATIVE	\$457,301,000	\$308,344,400	\$148,956,600
2	BREAST AND CERVICAL CANCER TREATMENT	\$83,895,000	\$48,891,050	\$35,003,950
3	CHDP GATEWAY - PREENROLLMENT	\$17,303,000	\$11,246,950	\$6,056,050
4	BRIDGE TO HFP	\$5,217,000	\$3,391,050	\$1,825,950
5	REDETERMINATION FORM SIMPLIFICATION	\$37,387,520	\$18,693,760	\$18,693,760
6	BCCTP RETROACTIVE COVERAGE	\$744,260	\$483,770	\$260,490
7	MEDI-CAL TO HF ACCELERATED ENROLLMENT	\$5,667,530	\$3,683,900	\$1,983,640
8	RESOURCE DISREGARD - % PROGRAM CHILDREN	\$0	\$15,046,950	-\$15,046,950
9	REFUGEES	\$0	\$2,712,000	-\$2,712,000
10	NEW QUALIFIED ALIENS	\$0	-\$170,898,500	\$170,898,500
11	ACCELERATED ENROLLMENT-SCHIP TITLE XXI	\$0	\$0	\$0
142	ELIG. FOR CHILDREN IN MONTH PRIOR TO SSI/SSP GRAN	\$1,240,540	\$620,270	\$620,270
143	HURRICANE KATRINA SECTION 1115 WAIVER	\$0	\$2,318,000	-\$2,318,000
148	MEDI-CAL/HF BRIDGE PERFORMANCE STANDARDS	\$1,110,790	\$722,010	\$388,770
149	SHIFT OF CCS STATE/COUNTY COSTS TO MEDI-CAL	\$5,000,000	\$2,500,000	\$2,500,000
	ELIGIBILITY SUBTOTAL	\$614,866,630	\$247,755,600	\$367,111,030
BENEFITS				
13	ADULT DAY HEALTH CARE - CDA	\$415,187,730	\$207,593,870	\$207,593,870
14	LOCAL EDUCATION AGENCY (LEA) PROVIDERS	\$153,000,000	\$153,000,000	\$0
15	MEDI-CAL CONTINUATION OF PART D EXCLUDED	\$193,888,580	\$96,944,290	\$96,944,290
16	MULTIPURPOSE SENIOR SERVICES PROGRAM-CDA	\$44,515,000	\$22,257,500	\$22,257,500
17	MEDICARE PART B DEDUCTIBLE INCREASE	\$28,475,570	\$14,237,790	\$14,237,790
18	HIV/AIDS PHARMACY PILOT PROGRAM	\$1,276,370	\$638,180	\$638,180
19	CONLAN V. BONTA	\$27,971,580	\$13,985,790	\$13,985,790
22	CDSS SHARE OF COST PAYMENT FOR IHSS	\$0	-\$5,418,500	\$5,418,500
23	SCHIP FUNDING FOR PRENATAL CARE	\$0	\$94,144,700	-\$94,144,700
24	\$1800 DENTAL CAP FOR ADULTS	-\$3,126,000	-\$1,563,000	-\$1,563,000
25	ADULT DAY HEALTH CARE REFORMS	-\$18,957,000	-\$9,478,500	-\$9,478,500
26	FLUORIDE VARNISH	\$3,951,220	\$1,975,610	\$1,975,610
28	MMA MEDICARE DRUG BENEFIT	-\$3,371,181,030	-\$1,685,590,510	-\$1,685,590,510
151	DENTAL HEALTH FOR CHILDREN	\$1,500,000	\$750,000	\$750,000
	BENEFITS SUBTOTAL	-\$2,523,497,970	-\$1,096,522,780	-\$1,426,975,180
MANAGED CARE				
32	QUALITY IMPROVEMENT ASSESSMENT FEE	\$2,736,000	\$1,368,000	\$1,368,000
36	CAL OPTIMA 3% RATE INCREASE	\$22,402,000	\$11,179,500	\$11,222,500
38	MANAGED CARE INTERGOVERNMENTAL TRANSFER	\$8,000,000	\$4,000,000	\$4,000,000
39	STANISLAUS 2-PLAN MODEL RECONVERSION	-\$14,135,000	-\$7,030,000	-\$7,105,000
40	RISK PAYMENTS FOR MANAGED CARE PLANS	\$6,300,000	\$3,150,000	\$3,150,000
43	SAN DIEGO COMMUNITY HEALTH GROUP AUGMENTATIC	\$3,000,000	\$1,500,000	\$1,500,000
44	PCCM AIDS HEALTHCARE FDN EXPANSION	\$1,616,000	\$808,000	\$808,000
46	FFS COSTS FOR MANAGED CARE ENROLLEES	\$0	\$0	\$0
47	MMA -- MANAGED CARE CAPITATION SAVINGS	-\$225,988,000	-\$112,994,000	-\$112,994,000
146	RESTORATION OF PROVIDER PAYMENT DECREASE	\$65,415,000	\$32,707,500	\$32,707,500

SUMMARY OF REGULAR POLICY CHANGES FISCAL YEAR 2006-07

POLICY CHG. NO.	CATEGORY & TITLE	TOTAL FUNDS	FEDERAL FUNDS	STATE FUNDS
MANAGED CARE				
147	TWO-PLAN MODEL DEFAULT ALGORITHM	\$1,310,000	\$655,000	\$655,000
150	CAPITATION RATE INCREASES	\$61,175,000	\$30,587,500	\$30,587,500
	MANAGED CARE SUBTOTAL	-\$68,169,000	-\$34,068,500	-\$34,100,500
OTHER				
51	HOSP FINANCING - DPH AND NDPH DSH PMT	\$1,454,133,000	\$862,378,500	\$591,754,500
52	SNF RATE CHANGES AND QA FEE	\$763,020,430	\$381,510,220	\$381,510,220
55	HOSP FINANCING-DPH INTERIM PAYMENT	\$767,703,000	\$767,703,000	\$0
56	HOSP FINANCING - SAFETY NET CARE POOL	\$633,169,000	\$633,169,000	\$0
58	HOSP FINANCING - PRIVATE DSH REPLACEMENT	\$542,546,000	\$271,273,000	\$271,273,000
61	HOSP FINANCING - PRIVATE HOSPITAL SUPP PMT	\$246,742,000	\$123,371,000	\$123,371,000
62	CAPITAL PROJECT DEBT REIMBURSEMENT	\$101,012,000	\$50,506,000	\$50,506,000
64	HOSPITAL OUTPATIENT SUPPLEMENTAL PAYMENT	\$130,000,000	\$130,000,000	\$0
65	LTC RATE ADJUSTMENT	\$151,263,390	\$75,631,700	\$75,631,700
66	HOSP FINANCING-DPH PHYSICIAN & NON-PHYSICIAN	\$96,763,000	\$96,763,000	\$0
70	FFP FOR LOCAL TRAUMA CENTERS	\$24,000,000	\$12,000,000	\$12,000,000
72	CERTIFICATION PAYMENTS FOR DP-NFS	\$36,000,000	\$36,000,000	\$0
73	FQHC RATE ADJUSTMENTS	\$1,865,630	\$932,820	\$932,810
74	HOSP FINANCING - DISTRESSED HOSPITAL FUND	\$53,680,000	\$26,840,000	\$26,840,000
78	HOSPICE RATE INCREASES	\$14,473,270	\$7,236,640	\$7,236,640
79	ANTI-FRAUD BIC CLAIMS REPROCESSING	\$9,808,000	\$4,904,000	\$4,904,000
80	ANNUAL MEI INCREASE FOR FQHCS/RHCS	\$26,068,470	\$13,034,230	\$13,034,230
81	HEALTHY FAMILIES - CDMH	\$16,998,000	\$16,998,000	\$0
83	ORTHOPAEDIC HOSPITAL - LAB SERVICES	\$11,133,760	\$5,566,880	\$5,566,880
84	NON-CONTRACT HOSP. 10% INTERIM RATE RED.	\$42,523,000	\$21,261,500	\$21,261,500
85	DSH OUTPATIENT PAYMENT METHOD CHANGE	\$10,000,000	\$5,000,000	\$5,000,000
86	MINOR CONSENT SETTLEMENT	\$9,467,000	\$0	\$9,467,000
89	SRH OUTPATIENT PAYMENT METHOD CHANGE	\$8,000,000	\$4,000,000	\$4,000,000
90	NURSE-TO-PATIENT RATIOS FOR HOSPITALS	\$14,682,000	\$7,341,000	\$7,341,000
92	HOSP FINANCING - NDPH SUPPLEMENTAL PMT	\$3,818,000	\$1,909,000	\$1,909,000
93	WEEKLY FORMULARY PRICING UPDATE	\$629,850	\$314,930	\$314,930
96	TWO-PLAN MODEL NOTICES OF DISPUTE	\$1,000,000	\$0	\$1,000,000
97	OUT-OF-STATE HOSPITAL JUDGMENT	\$266,730	\$133,360	\$133,360
100	HOSP FINANCING-MIA LTC	\$0	\$24,031,000	-\$24,031,000
101	HOSP FINANCING - BCCTP	\$0	\$692,310	-\$692,310
102	FAMILY PACT STERILIZATION POLICY	\$0	\$2,000,000	-\$2,000,000
103	CIGARETTE AND TOBACCO SURTAX FUNDS	\$0	\$0	\$0
104	NON FFP DRUGS	\$0	-\$536,000	\$536,000
105	INDIAN HEALTH SERVICES	\$0	\$5,511,000	-\$5,511,000
106	STATE-ONLY IMD ANCILLARY SERVICES	\$0	-\$11,900,000	\$11,900,000
108	MEDICAL SUPPORT ENHANCEMENTS	-\$966,960	-\$483,480	-\$483,480
109	ANTI-FRAUD EXPANSION FOR FY 2006-07	-\$52,414,270	-\$26,207,140	-\$26,207,140
111	ENTERAL NUTRITION PRODUCTS	-\$843,560	-\$421,780	-\$421,780
113	INPATIENT PSYCHIATRIC CARE SAVINGS	-\$1,765,690	\$0	-\$1,765,690

SUMMARY OF REGULAR POLICY CHANGES FISCAL YEAR 2006-07

POLICY CHG. NO.	CATEGORY & TITLE	TOTAL FUNDS	FEDERAL FUNDS	STATE FUNDS
OTHER				
114	MEDICAL SUPPLY CONTRACTING	-\$5,675,190	-\$2,837,590	-\$2,837,590
116	EDS COST CONTAINMENT PROJECTS	-\$2,723,960	-\$1,421,310	-\$1,302,650
117	NON-CONTRACT HOSPITAL AUDITS	-\$3,117,000	-\$1,558,500	-\$1,558,500
118	AGED DRUG REBATE RESOLUTION	-\$15,000,000	-\$7,500,000	-\$7,500,000
121	NEW RECOVERY ACTIVITIES	-\$113,146,760	-\$56,573,380	-\$56,573,380
122	NEW THERAPEUTIC CATEGORY REVIEWS/REBATES	-\$23,599,420	-\$11,799,710	-\$11,799,710
124	5% PROVIDER PAYMENT DECREASE - AB 1735	-\$57,976,840	-\$30,564,230	-\$27,412,610
125	ANTI-FRAUD EXPANSION FOR FY 2005-06	-\$100,274,240	-\$50,137,120	-\$50,137,120
126	FAMILY PACT DRUG REBATES	-\$18,134,000	-\$12,319,200	-\$5,814,800
128	HOSP FINANCING - INPATIENT BASE REDUCTION	-\$813,634,000	-\$406,817,000	-\$406,817,000
129	STATE SUPPLEMENTAL DRUG REBATES	-\$341,651,000	-\$171,357,100	-\$170,293,900
130	FEDERAL DRUG REBATE PROGRAM	-\$768,172,000	-\$385,281,200	-\$382,890,800
131	ESTATE RECOVERY REGULATIONS	\$701,000	\$350,500	\$350,500
136	NON-INSTITUTIONAL PROVIDER OVERPAYMENTS	\$0	-\$36,000,000	\$36,000,000
139	5% PAYMENT DECREASE RESCISSION - SB 912	\$64,147,000	\$33,822,000	\$30,325,000
141	HOSP FINANCING - CCS AND GHPP	\$72,453,000	\$72,453,000	\$0
144	HOSP FINANCING - DPH RATE RECONCILIATION	-\$65,232,000	\$0	-\$65,232,000
	OTHER SUBTOTAL	\$2,923,739,660	\$2,480,922,830	\$442,816,830
	GRAND TOTAL	\$946,939,320	\$1,598,087,160	-\$651,147,830

MEDI-CAL EXPENDITURES BY SERVICE CATEGORY FISCAL YEAR 2006-07

SERVICE CATEGORY	TOTAL FUNDS	FEDERAL FUNDS	STATE FUNDS
PROFESSIONAL	\$3,818,883,650	\$2,014,054,100	\$1,804,829,550
PHYSICIANS	\$1,181,114,340	\$591,866,590	\$589,247,750
OTHER MEDICAL	\$1,917,536,550	\$997,230,930	\$920,305,620
COUNTY OUTPATIENT	\$165,292,480	\$122,567,560	\$42,724,920
COMMUNITY OUTPATIENT	\$554,940,290	\$302,389,030	\$252,551,260
PHARMACY	\$1,979,578,910	\$970,418,170	\$1,009,160,730
HOSPITAL INPATIENT	\$6,957,179,370	\$4,380,734,230	\$2,576,445,140
COUNTY INPATIENT	\$2,425,922,790	\$1,916,887,680	\$509,035,110
COMMUNITY INPATIENT	\$4,531,256,580	\$2,463,846,550	\$2,067,410,030
LONG TERM CARE	\$4,295,755,270	\$2,123,566,310	\$2,172,188,960
NURSING FACILITIES	\$3,875,308,530	\$1,915,967,530	\$1,959,341,000
ICF-DD	\$420,446,740	\$207,598,780	\$212,847,960
OTHER SERVICES	\$1,403,289,000	\$770,697,930	\$632,591,070
MEDICAL TRANSPORTATION	\$139,308,390	\$67,830,590	\$71,477,800
OTHER SERVICES	\$1,079,114,380	\$611,501,800	\$467,612,570
HOME HEALTH	\$184,866,230	\$91,365,540	\$93,500,700
TOTAL FEE-FOR-SERVICE	\$18,454,686,200	\$10,259,470,740	\$8,195,215,460
MANAGED CARE	\$5,700,061,350	\$2,796,955,350	\$2,903,106,010
TWO PLAN MODEL	\$3,348,337,640	\$1,635,272,060	\$1,713,065,580
COUNTY ORGANIZED HEALTH SYSTEMS	\$1,532,295,040	\$754,728,580	\$777,566,460
GEOGRAPHIC MANAGED CARE	\$480,993,860	\$239,024,020	\$241,969,840
PHP & OTHER MANAG. CARE	\$338,434,810	\$167,930,690	\$170,504,120
DENTAL	\$566,079,390	\$292,788,530	\$273,290,860
MENTAL HEALTH	\$1,448,883,610	\$1,447,682,540	\$1,201,060
AUDITS/ LAWSUITS	\$12,332,180	\$926,040	\$11,406,140
EPSDT SCREENS	\$70,712,670	\$34,684,860	\$36,027,820
MEDICARE PAYMENTS	\$3,274,385,000	\$917,114,500	\$2,357,270,500
STATE HOSP./DEVELOPMENTAL CNTRS.	\$313,371,100	\$313,370,360	\$730
MISC. SERVICES	\$2,777,240,900	\$2,766,676,840	\$10,564,060
RECOVERIES	-\$262,023,440	-\$129,459,680	-\$132,563,760
GRAND TOTAL MEDI-CAL	\$32,355,728,950	\$18,700,210,070	\$13,655,518,880

**MEDI-CAL EXPENDITURES BY SERVICE CATEGORY
CURRENT YEAR COMPARED TO BUDGET YEAR
FISCAL YEARS 2005-06 AND 2006-07**

SERVICE CATEGORY	MAY 2006 EST. FOR 2005-06	MAY 2006 EST. FOR 2006-07	DOLLAR DIFFERENCE	% CHANGE
PROFESSIONAL	\$3,577,328,810	\$3,818,883,650	\$241,554,840	6.75
PHYSICIANS	\$1,125,115,820	\$1,181,114,340	\$55,998,520	4.98
OTHER MEDICAL	\$1,735,892,860	\$1,917,536,550	\$181,643,680	10.46
COUNTY OUTPATIENT	\$163,654,680	\$165,292,480	\$1,637,800	1.00
COMMUNITY OUTPATIENT	\$552,665,440	\$554,940,290	\$2,274,840	0.41
PHARMACY	\$2,224,022,470	\$1,979,578,910	-\$244,443,560	-10.99
HOSPITAL INPATIENT	\$6,694,483,490	\$6,957,179,370	\$262,695,880	3.92
COUNTY INPATIENT	\$2,520,483,890	\$2,425,922,790	-\$94,561,090	-3.75
COMMUNITY INPATIENT	\$4,173,999,600	\$4,531,256,580	\$357,256,980	8.56
LONG TERM CARE	\$4,172,208,010	\$4,295,755,270	\$123,547,250	2.96
NURSING FACILITIES	\$3,774,859,630	\$3,875,308,530	\$100,448,900	2.66
ICF-DD	\$397,348,390	\$420,446,740	\$23,098,350	5.81
OTHER SERVICES	\$1,287,736,880	\$1,403,289,000	\$115,552,120	8.97
MEDICAL TRANSPORTATION	\$136,299,570	\$139,308,390	\$3,008,820	2.21
OTHER SERVICES	\$983,347,260	\$1,079,114,380	\$95,767,120	9.74
HOME HEALTH	\$168,090,050	\$184,866,230	\$16,776,190	9.98
TOTAL FEE-FOR-SERVICE	\$17,955,779,660	\$18,454,686,200	\$498,906,530	2.78
MANAGED CARE	\$5,624,730,050	\$5,700,061,350	\$75,331,300	1.34
TWO PLAN MODEL	\$3,311,114,340	\$3,348,337,640	\$37,223,300	1.12
COUNTY ORGANIZED HEALTH SYSTEMS	\$1,588,167,990	\$1,532,295,040	-\$55,872,950	-3.52
GEOGRAPHIC MANAGED CARE	\$490,189,020	\$480,993,860	-\$9,195,160	-1.88
PHP & OTHER MANAG. CARE	\$235,258,700	\$338,434,810	\$103,176,120	43.86
DENTAL	\$656,826,520	\$566,079,390	-\$90,747,130	-13.82
MENTAL HEALTH	\$1,578,257,790	\$1,448,883,610	-\$129,374,190	-8.20
AUDITS/ LAWSUITS	-\$3,441,000	\$12,332,180	\$15,773,180	-458.39
EPSDT SCREENS	\$68,282,860	\$70,712,670	\$2,429,810	3.56
MEDICARE PAYMENTS	\$1,998,783,000	\$3,274,385,000	\$1,275,602,000	63.82
STATE HOSP./DEVELOPMENTAL CNTRS.	\$372,182,000	\$313,371,100	-\$58,810,900	-15.80
MISC. SERVICES	\$2,774,005,000	\$2,777,240,900	\$3,235,900	0.12
RECOVERIES	-\$267,359,070	-\$262,023,440	\$5,335,630	-2.00
GRAND TOTAL MEDI-CAL	\$30,758,046,820	\$32,355,728,950	\$1,597,682,130	5.19
STATE FUNDS	\$12,965,073,950	\$13,655,518,880	\$690,444,930	5.33

**MEDI-CAL EXPENDITURES BY SERVICE CATEGORY
MAY 2006 ESTIMATE COMPARED TO NOVEMBER 2005 ESTIMATE
FISCAL YEAR 2006-07**

SERVICE CATEGORY	NOV. 2005 EST. FOR 2006-07	MAY 2006 EST. FOR 2006-07	DOLLAR DIFFERENCE	% CHANGE
PROFESSIONAL	\$3,715,581,550	\$3,818,883,650	\$103,302,100	2.78
PHYSICIANS	\$1,113,989,210	\$1,181,114,340	\$67,125,130	6.03
OTHER MEDICAL	\$1,879,924,360	\$1,917,536,550	\$37,612,190	2.00
COUNTY OUTPATIENT	\$167,554,640	\$165,292,480	-\$2,262,160	-1.35
COMMUNITY OUTPATIENT	\$554,113,350	\$554,940,290	\$826,940	0.15
PHARMACY	\$3,132,812,610	\$1,979,578,910	-\$1,153,233,700	-36.81
HOSPITAL INPATIENT	\$7,216,424,640	\$6,957,179,370	-\$259,245,270	-3.59
COUNTY INPATIENT	\$2,673,578,190	\$2,425,922,790	-\$247,655,390	-9.26
COMMUNITY INPATIENT	\$4,542,846,460	\$4,531,256,580	-\$11,589,880	-0.26
LONG TERM CARE	\$4,326,228,320	\$4,295,755,270	-\$30,473,050	-0.70
NURSING FACILITIES	\$3,906,875,110	\$3,875,308,530	-\$31,566,590	-0.81
ICF-DD	\$419,353,210	\$420,446,740	\$1,093,530	0.26
OTHER SERVICES	\$1,360,727,140	\$1,403,289,000	\$42,561,860	3.13
MEDICAL TRANSPORTATION	\$130,355,600	\$139,308,390	\$8,952,790	6.87
OTHER SERVICES	\$1,058,975,780	\$1,079,114,380	\$20,138,600	1.90
HOME HEALTH	\$171,395,760	\$184,866,230	\$13,470,480	7.86
TOTAL FEE-FOR-SERVICE	\$19,751,774,260	\$18,454,686,200	-\$1,297,088,060	-6.57
MANAGED CARE	\$5,786,128,870	\$5,700,061,350	-\$86,067,520	-1.49
TWO PLAN MODEL	\$3,048,421,220	\$3,348,337,640	\$299,916,420	9.84
COUNTY ORGANIZED HEALTH SYSTEMS	\$1,624,695,700	\$1,532,295,040	-\$92,400,660	-5.69
GEOGRAPHIC MANAGED CARE	\$437,902,270	\$480,993,860	\$43,091,590	9.84
PHP & OTHER MANAG. CARE	\$675,109,680	\$338,434,810	-\$336,674,870	-49.87
DENTAL	\$653,420,200	\$566,079,390	-\$87,340,810	-13.37
MENTAL HEALTH	\$1,098,600,800	\$1,448,883,610	\$350,282,810	31.88
AUDITS/ LAWSUITS	\$12,332,000	\$12,332,180	\$180	0.00
EPSDT SCREENS	\$67,459,500	\$70,712,670	\$3,253,180	4.82
MEDICARE PAYMENTS	\$2,016,806,610	\$3,274,385,000	\$1,257,578,390	62.35
STATE HOSP./DEVELOPMENTAL CNTRS.	\$343,710,000	\$313,371,100	-\$30,338,900	-8.83
MISC. SERVICES	\$2,674,213,500	\$2,777,240,900	\$103,027,400	3.85
RECOVERIES	-\$234,135,600	-\$262,023,440	-\$27,887,840	11.91
GRAND TOTAL MEDI-CAL	\$32,170,310,130	\$32,355,728,950	\$185,418,820	0.58
STATE FUNDS	\$13,783,489,780	\$13,655,518,880	-\$127,970,900	-0.93

**COMPARISON OF FISCAL IMPACTS OF REGULAR POLICY CHANGES
MAY 2006 ESTIMATE COMPARED TO NOVEMBER 2005 ESTIMATE
FISCAL YEAR 2006-07**

NO.	POLICY CHANGE TITLE	NOV. 2005 EST. FOR 2006-07		MAY 2006 EST. FOR 2006-07		DIFFERENCE	
		TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS
ELIGIBILITY							
1	FAMILY PLANNING INITIATIVE	\$476,252,000	\$142,027,800	\$457,301,000	\$148,956,600	-\$18,951,000	\$6,928,800
2	BREAST AND CERVICAL CANCER TREATMENT	\$85,319,000	\$33,129,200	\$83,895,000	\$35,003,950	-\$1,424,000	\$1,874,750
3	CHDP GATEWAY - PREENROLLMENT	\$17,840,000	\$6,244,000	\$17,303,000	\$6,056,050	-\$537,000	-\$187,950
4	BRIDGE TO HFP	\$7,002,000	\$2,450,700	\$5,217,000	\$1,825,950	-\$1,785,000	-\$624,750
5	REDETERMINATION FORM SIMPLIFICATION	\$42,138,480	\$21,069,240	\$37,387,520	\$18,693,760	-\$4,750,960	-\$2,375,480
6	BCCTP RETROACTIVE COVERAGE	\$361,000	\$126,350	\$744,260	\$260,490	\$383,260	\$134,140
7	MEDI-CAL TO HF ACCELERATED ENROLLMENT	\$5,515,270	\$1,930,340	\$5,667,530	\$1,983,640	\$152,260	\$53,290
8	RESOURCE DISREGARD - % PROGRAM CHILDREN	\$0	-\$13,847,100	\$0	-\$15,046,950	\$0	-\$1,199,850
9	REFUGEES	\$0	-\$2,639,000	\$0	-\$2,712,000	\$0	-\$73,000
10	NEW QUALIFIED ALIENS	\$0	\$199,587,500	\$0	\$170,898,500	\$0	-\$28,689,000
11	ACCELERATED ENROLLMENT-SCHIP TITLE XXI	\$0	\$0	\$0	\$0	\$0	\$0
142	ELIG. FOR CHILDREN IN MONTH PRIOR TO SSI/SSP GR	\$0	\$0	\$1,240,540	\$620,270	\$1,240,540	\$620,270
143	HURRICANE KATRINA SECTION 1115 WAIVER	\$0	\$0	\$0	-\$2,318,000	\$0	-\$2,318,000
148	MEDI-CAL/HF BRIDGE PERFORMANCE STANDARDS	\$0	\$0	\$1,110,790	\$388,770	\$1,110,790	\$388,770
149	SHIFT OF CCS STATE/COUNTY COSTS TO MEDI-CAL	\$0	\$0	\$5,000,000	\$2,500,000	\$5,000,000	\$2,500,000
--	CRAIG V. BONTA DISABILITY APPELLANTS	-\$24,361,270	-\$12,180,630	\$0	\$0	\$24,361,270	\$12,180,630
	ELIGIBILITY SUBTOTAL	\$610,066,480	\$377,898,400	\$614,866,630	\$367,111,030	\$4,800,150	-\$10,787,370
BENEFITS							
13	ADULT DAY HEALTH CARE - CDA	\$445,874,190	\$222,937,090	\$415,187,730	\$207,593,870	-\$30,686,450	-\$15,343,230
14	LOCAL EDUCATION AGENCY (LEA) PROVIDERS	\$153,000,000	\$0	\$153,000,000	\$0	\$0	\$0
15	MEDI-CAL CONTINUATION OF PART D EXCLUDED	\$206,098,000	\$103,049,000	\$193,888,580	\$96,944,290	-\$12,209,420	-\$6,104,710
16	MULTIPURPOSE SENIOR SERVICES PROGRAM-CDA	\$44,515,000	\$22,257,500	\$44,515,000	\$22,257,500	\$0	\$0
17	MEDICARE PART B DEDUCTIBLE INCREASE	\$39,532,020	\$19,766,010	\$29,823,600	\$14,911,800	-\$9,708,420	-\$4,854,210
18	HIV/AIDS PHARMACY PILOT PROGRAM	\$2,565,000	\$1,282,500	\$4,218,000	\$2,109,000	\$1,653,000	\$826,500
19	CONLAN V. BONTA	\$13,512,550	\$6,756,270	\$27,971,580	\$13,985,790	\$14,459,030	\$7,229,520
22	CDSS SHARE OF COST PAYMENT FOR IHSS	\$0	\$12,000,000	\$0	\$5,418,500	\$0	-\$6,581,500
23	SCHIP FUNDING FOR PRENATAL CARE	\$0	-\$92,249,000	\$0	-\$94,144,700	\$0	-\$1,895,700
24	\$1800 DENTAL CAP FOR ADULTS	-\$3,126,000	-\$1,563,000	-\$3,126,000	-\$1,563,000	\$0	\$0
25	ADULT DAY HEALTH CARE REFORMS	-\$19,819,650	-\$9,909,820	-\$18,957,000	-\$9,478,500	\$862,650	\$431,320

**COMPARISON OF FISCAL IMPACTS OF REGULAR POLICY CHANGES
MAY 2006 ESTIMATE COMPARED TO NOVEMBER 2005 ESTIMATE
FISCAL YEAR 2006-07**

NO.	POLICY CHANGE TITLE	NOV. 2005 EST. FOR 2006-07		MAY 2006 EST. FOR 2006-07		DIFFERENCE	
		TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS
BENEFITS							
26	FLUORIDE VARNISH	-\$845,000	-\$422,500	\$3,951,220	\$1,975,610	\$4,796,220	\$2,398,110
28	MMA MEDICARE DRUG BENEFIT	-\$3,583,464,000	-\$1,791,732,000	-\$3,371,181,030	-\$1,685,590,510	\$212,282,980	\$106,141,490
151	DENTAL HEALTH FOR CHILDREN	\$0	\$0	\$1,500,000	\$750,000	\$1,500,000	\$750,000
--	ADHC MORATORIUM	-\$12,098,750	-\$6,049,380	\$0	\$0	\$12,098,750	\$6,049,380
--	CLPP CASE MANAGEMENT SERVICES	\$1,000,000	\$0	\$0	\$0	-\$1,000,000	\$0
--	INDEP. PLUS SELF-DIR. SERV. WAIVER - CDDS	\$1,020,000	\$0	\$0	\$0	-\$1,020,000	\$0
	BENEFITS SUBTOTAL	-\$2,712,236,650	-\$1,513,877,330	-\$2,519,208,310	-\$1,424,830,350	\$193,028,350	\$89,046,970
MANAGED CARE							
32	QUALITY IMPROVEMENT ASSESSMENT FEE	\$333,076,000	\$166,538,000	\$2,736,000	\$1,368,000	-\$330,340,000	-\$165,170,000
36	CAL OPTIMA 3% RATE INCREASE	\$24,472,000	\$12,263,000	\$22,402,000	\$11,222,500	-\$2,070,000	-\$1,040,500
38	MANAGED CARE INTERGOVERNMENTAL TRANSFER	\$8,000,000	\$4,000,000	\$8,000,000	\$4,000,000	\$0	\$0
39	STANISLAUS 2-PLAN MODEL RECONVERSION	\$0	\$0	-\$14,135,000	-\$7,105,000	-\$14,135,000	-\$7,105,000
40	RISK PAYMENTS FOR MANAGED CARE PLANS	\$6,000,000	\$3,000,000	\$6,300,000	\$3,150,000	\$300,000	\$150,000
43	SAN DIEGO COMMUNITY HEALTH GROUP AUGMENTAT	\$3,000,000	\$1,500,000	\$3,000,000	\$1,500,000	\$0	\$0
44	PCCM AIDS HEALTHCARE FDN EXPANSION	\$206,000	\$103,000	\$1,616,000	\$808,000	\$1,410,000	\$705,000
46	FFS COSTS FOR MANAGED CARE ENROLLEES	\$0	\$0	\$0	\$0	\$0	\$0
47	MMA -- MANAGED CARE CAPITATION SAVINGS	-\$230,436,000	-\$115,218,000	-\$225,988,000	-\$112,994,000	\$4,448,000	\$2,224,000
146	RESTORATION OF PROVIDER PAYMENT DECREASE	\$0	\$0	\$65,415,000	\$32,707,500	\$65,415,000	\$32,707,500
147	TWO-PLAN MODEL DEFAULT ALGORITHM	\$0	\$0	\$1,310,000	\$655,000	\$1,310,000	\$655,000
150	CAPITATION RATE INCREASES	\$0	\$0	\$61,175,000	\$30,587,500	\$61,175,000	\$30,587,500
--	FAMILY MOSAIC CAPITATED CASE MGMT	\$3,661,000	\$1,830,500	\$0	\$0	-\$3,661,000	-\$1,830,500
--	MANAGED CARE EXPANSION	\$9,195,000	\$4,597,500	\$0	\$0	-\$9,195,000	-\$4,597,500
--	PACE	\$95,234,000	\$47,617,000	\$0	\$0	-\$95,234,000	-\$47,617,000
	MANAGED CARE SUBTOTAL	\$252,408,000	\$126,231,000	-\$68,169,000	-\$34,100,500	-\$320,577,000	-\$160,331,500
OTHER							
51	HOSP FINANCING - DPH AND NDPH DSH PMT	\$1,745,270,000	\$712,690,000	\$1,454,133,000	\$591,754,500	-\$291,137,000	-\$120,935,500
52	SNF RATE CHANGES AND QA FEE	\$787,043,000	\$393,521,500	\$763,020,430	\$381,510,220	-\$24,022,570	-\$12,011,290
55	HOSP FINANCING-DPH INTERIM PAYMENT	\$1,025,090,000	\$0	\$767,703,000	\$0	-\$257,387,000	\$0
56	HOSP FINANCING - SAFETY NET CARE POOL	\$495,841,000	\$0	\$633,169,000	\$0	\$137,328,000	\$0

**COMPARISON OF FISCAL IMPACTS OF REGULAR POLICY CHANGES
MAY 2006 ESTIMATE COMPARED TO NOVEMBER 2005 ESTIMATE
FISCAL YEAR 2006-07**

NO.	POLICY CHANGE TITLE	NOV. 2005 EST. FOR 2006-07		MAY 2006 EST. FOR 2006-07		DIFFERENCE	
		TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS
	OTHER						
58	HOSP FINANCING - PRIVATE DSH REPLACEMENT	\$465,040,000	\$232,520,000	\$542,546,000	\$271,273,000	\$77,506,000	\$38,753,000
61	HOSP FINANCING - PRIVATE HOSPITAL SUPP PMT	\$236,800,000	\$118,400,000	\$246,742,000	\$123,371,000	\$9,942,000	\$4,971,000
62	CAPITAL PROJECT DEBT REIMBURSEMENT	\$124,231,000	\$62,115,500	\$101,012,000	\$50,506,000	-\$23,219,000	-\$11,609,500
64	HOSPITAL OUTPATIENT SUPPLEMENTAL PAYMENT	\$130,000,000	\$0	\$130,000,000	\$0	\$0	\$0
65	LTC RATE ADJUSTMENT	\$181,189,290	\$90,594,640	\$177,977,870	\$88,988,940	-\$3,211,420	-\$1,605,710
66	HOSP FINANCING-DPH PHYSICIAN & NON-PHYSICIAN	\$98,640,000	\$0	\$96,763,000	\$0	-\$1,877,000	\$0
70	FFP FOR LOCAL TRAUMA CENTERS	\$24,000,000	\$12,000,000	\$24,000,000	\$12,000,000	\$0	\$0
72	CERTIFICATION PAYMENTS FOR DP-NFS	\$36,000,000	\$0	\$36,000,000	\$0	\$0	\$0
73	FQHC RATE ADJUSTMENTS	\$24,859,630	\$12,429,810	\$25,177,190	\$12,588,600	\$317,560	\$158,780
74	HOSP FINANCING - DISTRESSED HOSPITAL FUND	\$26,724,000	\$13,362,000	\$53,680,000	\$26,840,000	\$26,956,000	\$13,478,000
78	HOSPICE RATE INCREASES	\$20,412,310	\$10,206,160	\$15,887,240	\$7,943,620	-\$4,525,080	-\$2,262,540
79	ANTI-FRAUD BIC CLAIMS REPROCESSING	\$0	\$0	\$9,808,000	\$4,904,000	\$9,808,000	\$4,904,000
80	ANNUAL MEI INCREASE FOR FQHCS/RHCS	\$36,383,070	\$18,191,530	\$36,383,070	\$18,191,530	\$0	\$0
81	HEALTHY FAMILIES - CDMH	\$15,091,000	\$0	\$16,998,000	\$0	\$1,907,000	\$0
83	ORTHOPAEDIC HOSPITAL - LAB SERVICES	\$8,966,000	\$4,483,000	\$14,594,000	\$7,297,000	\$5,628,000	\$2,814,000
84	NON-CONTRACT HOSP. 10% INTERIM RATE RED.	\$41,068,000	\$20,534,000	\$42,523,000	\$21,261,500	\$1,455,000	\$727,500
85	DSH OUTPATIENT PAYMENT METHOD CHANGE	\$10,000,000	\$5,000,000	\$10,000,000	\$5,000,000	\$0	\$0
86	MINOR CONSENT SETTLEMENT	\$9,467,000	\$9,467,000	\$9,467,000	\$9,467,000	\$0	\$0
89	SRH OUTPATIENT PAYMENT METHOD CHANGE	\$8,000,000	\$4,000,000	\$8,000,000	\$4,000,000	\$0	\$0
90	NURSE-TO-PATIENT RATIOS FOR HOSPITALS	\$14,682,000	\$7,341,000	\$14,682,000	\$7,341,000	\$0	\$0
92	HOSP FINANCING - NDPH SUPPLEMENTAL PMT	\$3,800,000	\$1,900,000	\$3,818,000	\$1,909,000	\$18,000	\$9,000
93	WEEKLY FORMULARY PRICING UPDATE	\$8,474,500	\$4,237,250	\$8,500,000	\$4,250,000	\$25,500	\$12,750
96	TWO-PLAN MODEL NOTICES OF DISPUTE	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$0	\$0
97	OUT-OF-STATE HOSPITAL JUDGMENT	\$328,830	\$164,410	\$309,830	\$154,910	-\$19,000	-\$9,500
100	HOSP FINANCING-MIA LTC	\$0	-\$19,756,500	\$0	-\$24,031,000	\$0	-\$4,274,500
101	HOSP FINANCING - BCCTP	\$0	-\$2,066,500	\$0	-\$692,310	\$0	\$1,374,190
102	FAMILY PACT STERILIZATION POLICY	\$0	-\$2,000,000	\$0	-\$2,000,000	\$0	\$0
103	CIGARETTE AND TOBACCO SURTAX FUNDS	\$0	\$0	\$0	\$0	\$0	\$0
104	NON FFP DRUGS	\$0	\$536,000	\$0	\$536,000	\$0	\$0

**COMPARISON OF FISCAL IMPACTS OF REGULAR POLICY CHANGES
MAY 2006 ESTIMATE COMPARED TO NOVEMBER 2005 ESTIMATE
FISCAL YEAR 2006-07**

NO.	POLICY CHANGE TITLE	NOV. 2005 EST. FOR 2006-07		MAY 2006 EST. FOR 2006-07		DIFFERENCE	
		TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS
OTHER							
105	INDIAN HEALTH SERVICES	\$0	-\$5,511,000	\$0	-\$5,511,000	\$0	\$0
106	STATE-ONLY IMD ANCILLARY SERVICES	\$0	\$11,900,000	\$0	\$11,900,000	\$0	\$0
108	MEDICAL SUPPORT ENHANCEMENTS	-\$1,597,380	-\$798,690	-\$966,960	-\$483,480	\$630,420	\$315,210
109	ANTI-FRAUD EXPANSION FOR FY 2006-07	-\$71,688,490	-\$35,844,240	-\$52,414,270	-\$26,207,140	\$19,274,220	\$9,637,110
111	ENTERAL NUTRITION PRODUCTS	-\$997,000	-\$498,500	-\$997,000	-\$498,500	\$0	\$0
113	INPATIENT PSYCHIATRIC CARE SAVINGS	-\$1,765,690	-\$1,765,690	-\$1,765,690	-\$1,765,690	\$0	\$0
114	MEDICAL SUPPLY CONTRACTING	-\$11,042,770	-\$5,521,390	-\$6,762,610	-\$3,381,310	\$4,280,160	\$2,140,080
116	EDS COST CONTAINMENT PROJECTS	-\$6,076,000	-\$3,038,000	-\$12,392,900	-\$5,926,510	-\$6,316,900	-\$2,888,510
117	NON-CONTRACT HOSPITAL AUDITS	-\$17,650,000	-\$8,825,000	-\$16,876,000	-\$8,438,000	\$774,000	\$387,000
118	AGED DRUG REBATE RESOLUTION	\$0	\$0	-\$15,000,000	-\$7,500,000	-\$15,000,000	-\$7,500,000
121	NEW RECOVERY ACTIVITIES	-\$122,338,810	-\$61,169,400	-\$142,305,070	-\$71,152,530	-\$19,966,260	-\$9,983,130
122	NEW THERAPEUTIC CATEGORY REVIEWS/REBATES	-\$130,600,000	-\$65,300,000	-\$130,600,000	-\$65,300,000	\$0	\$0
124	5% PROVIDER PAYMENT DECREASE - AB 1735	-\$90,310,000	-\$42,626,000	-\$66,078,000	-\$31,243,000	\$24,232,000	\$11,383,000
125	ANTI-FRAUD EXPANSION FOR FY 2005-06	-\$153,405,500	-\$76,702,750	-\$133,698,980	-\$66,849,490	\$19,706,520	\$9,853,260
126	FAMILY PACT DRUG REBATES	-\$27,245,000	-\$8,736,400	-\$18,134,000	-\$5,814,800	\$9,111,000	\$2,921,600
128	HOSP FINANCING - INPATIENT BASE REDUCTION	-\$814,363,000	-\$407,181,500	-\$813,634,000	-\$406,817,000	\$729,000	\$364,500
129	STATE SUPPLEMENTAL DRUG REBATES	-\$289,844,000	-\$144,471,200	-\$341,651,000	-\$170,293,900	-\$51,807,000	-\$25,822,700
130	FEDERAL DRUG REBATE PROGRAM	-\$651,482,000	-\$324,727,400	-\$768,172,000	-\$382,890,800	-\$116,690,000	-\$58,163,400
131	ESTATE RECOVERY REGULATIONS	\$0	\$0	\$701,000	\$350,500	\$701,000	\$350,500
136	NON-INSTITUTIONAL PROVIDER OVERPAYMENTS	\$0	\$0	\$0	\$36,000,000	\$0	\$36,000,000
139	5% PAYMENT DECREASE RESCISSION - SB 912	\$0	\$0	\$64,147,000	\$30,325,000	\$64,147,000	\$30,325,000
141	HOSP FINANCING - CCS AND GHPP	\$0	\$0	\$72,453,000	\$0	\$72,453,000	\$0
144	HOSP FINANCING - DPH RATE RECONCILIATION	\$0	\$0	-\$65,232,000	-\$65,232,000	-\$65,232,000	-\$65,232,000
--	ANTI-FRAUD EXPANSION FOR FY 2004-05	-\$146,461,000	-\$73,230,500	\$0	\$0	\$146,461,000	\$73,230,500
--	BENEFICIARY CONFIRMATIONS	-\$2,000,000	-\$1,000,000	\$0	\$0	\$2,000,000	\$1,000,000
--	BILLING AUDITS FOR MEDICARE PAYMENTS	-\$10,900,000	-\$5,450,000	\$0	\$0	\$10,900,000	\$5,450,000
--	INPATIENT PSYCHIATRIC CARE-IMD	\$0	\$151,000	\$0	\$0	\$0	-\$151,000
--	MMA PHASED-DOWN CONTRIBUTION FOR PART D	\$1,271,167,000	\$1,271,167,000	\$0	\$0	-\$1,271,167,000	-\$1,271,167,000
--	PREFERRED PRIOR AUTHORIZATION	-\$150,000	-\$75,000	\$0	\$0	\$150,000	\$75,000

**COMPARISON OF FISCAL IMPACTS OF REGULAR POLICY CHANGES
MAY 2006 ESTIMATE COMPARED TO NOVEMBER 2005 ESTIMATE
FISCAL YEAR 2006-07**

NO.	POLICY CHANGE TITLE	NOV. 2005 EST. FOR 2006-07		MAY 2006 EST. FOR 2006-07		DIFFERENCE	
		TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS
	OTHER						
--	SHORT-DOYLE/DRUG MEDI-CAL	\$57,071,000	\$0	\$0	\$0	-\$57,071,000	\$0
--	SPEECH GENERATING DEVICES	\$97,000	\$48,500	\$0	\$0	-\$97,000	-\$48,500
	OTHER SUBTOTAL	\$4,356,818,990	\$1,721,664,650	\$2,794,514,150	\$378,634,860	-\$1,562,304,840	-\$1,343,029,790
	GRAND TOTAL	\$2,507,056,810	\$711,916,720	\$822,003,470	-\$713,184,960	-\$1,685,053,350	-\$1,425,101,690

**COMPARISON OF FISCAL IMPACTS OF REGULAR POLICY CHANGES
CURRENT YEAR COMPARED TO BUDGET YEAR
FISCAL YEARS 2005-06 AND 2006-07**

NO.	POLICY CHANGE TITLE	MAY 2006 EST. FOR 2005-06		MAY 2006 EST. FOR 2006-07		DIFFERENCE	
		TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS
ELIGIBILITY							
1	FAMILY PLANNING INITIATIVE	\$428,287,000	\$126,019,300	\$457,301,000	\$148,956,600	\$29,014,000	\$22,937,300
2	BREAST AND CERVICAL CANCER TREATMENT	\$79,403,000	\$32,201,300	\$83,895,000	\$35,003,950	\$4,492,000	\$2,802,650
3	CHDP GATEWAY - PREENROLLMENT	\$17,303,000	\$6,056,050	\$17,303,000	\$6,056,050	\$0	\$0
4	BRIDGE TO HFP	\$4,869,000	\$1,704,150	\$5,217,000	\$1,825,950	\$348,000	\$121,800
5	REDETERMINATION FORM SIMPLIFICATION	\$484,720	\$242,360	\$37,387,520	\$18,693,760	\$36,902,800	\$18,451,400
6	BCCTP RETROACTIVE COVERAGE	\$161,200	\$56,420	\$744,260	\$260,490	\$583,050	\$204,070
7	MEDI-CAL TO HF ACCELERATED ENROLLMENT	\$0	\$0	\$5,667,530	\$1,983,640	\$5,667,530	\$1,983,640
8	RESOURCE DISREGARD - % PROGRAM CHILDREN	\$0	-\$14,944,500	\$0	-\$15,046,950	\$0	-\$102,450
9	REFUGEES	\$0	-\$2,505,000	\$0	-\$2,712,000	\$0	-\$207,000
10	NEW QUALIFIED ALIENS	\$0	\$156,804,500	\$0	\$170,898,500	\$0	\$14,094,000
11	ACCELERATED ENROLLMENT-SCHIP TITLE XXI	\$0	\$0	\$0	\$0	\$0	\$0
142	ELIG. FOR CHILDREN IN MONTH PRIOR TO SSI/SSP GR	\$0	\$0	\$1,240,540	\$620,270	\$1,240,540	\$620,270
143	HURRICANE KATRINA SECTION 1115 WAIVER	\$0	\$0	\$0	-\$2,318,000	\$0	-\$2,318,000
148	MEDI-CAL/HF BRIDGE PERFORMANCE STANDARDS	\$0	\$0	\$1,110,790	\$388,770	\$1,110,790	\$388,770
149	SHIFT OF CCS STATE/COUNTY COSTS TO MEDI-CAL	\$6,190,000	\$3,095,000	\$5,000,000	\$2,500,000	-\$1,190,000	-\$595,000
ELIGIBILITY SUBTOTAL		\$536,697,920	\$308,729,580	\$614,866,630	\$367,111,030	\$78,168,710	\$58,381,450
BENEFITS							
13	ADULT DAY HEALTH CARE - CDA	\$399,125,030	\$199,562,510	\$415,187,730	\$207,593,870	\$16,062,710	\$8,031,350
14	LOCAL EDUCATION AGENCY (LEA) PROVIDERS	\$100,000,000	\$0	\$153,000,000	\$0	\$53,000,000	\$0
15	MEDI-CAL CONTINUATION OF PART D EXCLUDED	\$79,050,040	\$39,525,020	\$193,888,580	\$96,944,290	\$114,838,550	\$57,419,270
16	MULTIPURPOSE SENIOR SERVICES PROGRAM-CDA	\$44,515,000	\$22,257,500	\$44,515,000	\$22,257,500	\$0	\$0
17	MEDICARE PART B DEDUCTIBLE INCREASE	\$13,810,830	\$6,905,420	\$29,823,600	\$14,911,800	\$16,012,770	\$8,006,380
18	HIV/AIDS PHARMACY PILOT PROGRAM	\$6,343,950	\$3,171,970	\$4,218,000	\$2,109,000	-\$2,125,950	-\$1,062,970
19	CONLAN V. BONTA	\$0	\$0	\$27,971,580	\$13,985,790	\$27,971,580	\$13,985,790
22	CDSS SHARE OF COST PAYMENT FOR IHSS	\$0	\$4,064,000	\$0	\$5,418,500	\$0	\$1,354,500
23	SCHIP FUNDING FOR PRENATAL CARE	\$0	-\$183,405,950	\$0	-\$94,144,700	\$0	\$89,261,250
24	\$1800 DENTAL CAP FOR ADULTS	\$0	\$0	-\$3,126,000	-\$1,563,000	-\$3,126,000	-\$1,563,000
25	ADULT DAY HEALTH CARE REFORMS	\$0	\$0	-\$18,957,000	-\$9,478,500	-\$18,957,000	-\$9,478,500

Costs shown include application of payment lag factor, but not percent reflected in base calculation.

**COMPARISON OF FISCAL IMPACTS OF REGULAR POLICY CHANGES
CURRENT YEAR COMPARED TO BUDGET YEAR
FISCAL YEARS 2005-06 AND 2006-07**

NO.	POLICY CHANGE TITLE	MAY 2006 EST. FOR 2005-06		MAY 2006 EST. FOR 2006-07		DIFFERENCE	
		TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS
BENEFITS							
26	FLUORIDE VARNISH	\$6,290	\$3,140	\$3,951,220	\$1,975,610	\$3,944,930	\$1,972,470
28	MMA MEDICARE DRUG BENEFIT	-\$1,374,459,820	-\$687,229,910	-\$3,371,181,030	-\$1,685,590,510	-\$1,996,721,210	-\$998,360,600
151	DENTAL HEALTH FOR CHILDREN	\$0	\$0	\$1,500,000	\$750,000	\$1,500,000	\$750,000
	BENEFITS SUBTOTAL	-\$731,608,690	-\$595,146,290	-\$2,519,208,310	-\$1,424,830,350	-\$1,787,599,620	-\$829,684,060
MANAGED CARE							
32	QUALITY IMPROVEMENT ASSESSMENT FEE	\$97,455,000	\$48,727,500	\$2,736,000	\$1,368,000	-\$94,719,000	-\$47,359,500
36	CAL OPTIMA 3% RATE INCREASE	\$16,561,000	\$8,296,500	\$22,402,000	\$11,222,500	\$5,841,000	\$2,926,000
38	MANAGED CARE INTERGOVERNMENTAL TRANSFER	\$8,000,000	\$4,000,000	\$8,000,000	\$4,000,000	\$0	\$0
39	STANISLAUS 2-PLAN MODEL RECONVERSION	-\$9,814,000	-\$4,938,500	-\$14,135,000	-\$7,105,000	-\$4,321,000	-\$2,166,500
40	RISK PAYMENTS FOR MANAGED CARE PLANS	\$5,775,000	\$2,887,500	\$6,300,000	\$3,150,000	\$525,000	\$262,500
43	SAN DIEGO COMMUNITY HEALTH GROUP AUGMENTAT	\$3,000,000	\$1,500,000	\$3,000,000	\$1,500,000	\$0	\$0
44	PCCM AIDS HEALTHCARE FDN EXPANSION	\$0	\$0	\$1,616,000	\$808,000	\$1,616,000	\$808,000
46	FFS COSTS FOR MANAGED CARE ENROLLEES	\$0	\$0	\$0	\$0	\$0	\$0
47	MMA -- MANAGED CARE CAPITATION SAVINGS	-\$112,994,000	-\$56,497,000	-\$225,988,000	-\$112,994,000	-\$112,994,000	-\$56,497,000
146	RESTORATION OF PROVIDER PAYMENT DECREASE	\$0	\$0	\$65,415,000	\$32,707,500	\$65,415,000	\$32,707,500
147	TWO-PLAN MODEL DEFAULT ALGORITHM	\$226,000	\$113,000	\$1,310,000	\$655,000	\$1,084,000	\$542,000
150	CAPITATION RATE INCREASES	\$0	\$0	\$61,175,000	\$30,587,500	\$61,175,000	\$30,587,500
	MANAGED CARE SUBTOTAL	\$8,209,000	\$4,089,000	-\$68,169,000	-\$34,100,500	-\$76,378,000	-\$38,189,500
OTHER							
51	HOSP FINANCING - DPH AND NDPH DSH PMT	\$1,620,584,000	\$674,810,000	\$1,454,133,000	\$591,754,500	-\$166,451,000	-\$83,055,500
52	SNF RATE CHANGES AND QA FEE	\$805,022,710	\$402,511,360	\$763,020,430	\$381,510,220	-\$42,002,280	-\$21,001,140
55	HOSP FINANCING-DPH INTERIM PAYMENT	\$497,536,460	\$0	\$767,703,000	\$0	\$270,166,540	\$0
56	HOSP FINANCING - SAFETY NET CARE POOL	\$400,519,000	\$0	\$633,169,000	\$0	\$232,650,000	\$0
58	HOSP FINANCING - PRIVATE DSH REPLACEMENT	\$348,780,000	\$174,390,000	\$542,546,000	\$271,273,000	\$193,766,000	\$96,883,000
59	DSH PAYMENTS	\$281,611,000	\$140,805,500	\$0	\$0	-\$281,611,000	-\$140,805,500
61	HOSP FINANCING - PRIVATE HOSPITAL SUPP PMT	\$245,800,000	\$122,900,000	\$246,742,000	\$123,371,000	\$942,000	\$471,000
62	CAPITAL PROJECT DEBT REIMBURSEMENT	\$124,923,000	\$62,461,500	\$101,012,000	\$50,506,000	-\$23,911,000	-\$11,955,500

Costs shown include application of payment lag factor, but not percent reflected in base calculation.

**COMPARISON OF FISCAL IMPACTS OF REGULAR POLICY CHANGES
CURRENT YEAR COMPARED TO BUDGET YEAR
FISCAL YEARS 2005-06 AND 2006-07**

NO.	POLICY CHANGE TITLE	MAY 2006 EST. FOR 2005-06		MAY 2006 EST. FOR 2006-07		DIFFERENCE	
		TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS
	OTHER						
64	HOSPITAL OUTPATIENT SUPPLEMENTAL PAYMENT	\$125,000,000	\$0	\$130,000,000	\$0	\$5,000,000	\$0
65	LTC RATE ADJUSTMENT	\$97,050,070	\$48,525,030	\$177,977,870	\$88,988,940	\$80,927,800	\$40,463,900
66	HOSP FINANCING-DPH PHYSICIAN & NON-PHYSICIAN	\$0	\$0	\$96,763,000	\$0	\$96,763,000	\$0
70	FFP FOR LOCAL TRAUMA CENTERS	\$55,314,000	\$27,657,000	\$24,000,000	\$12,000,000	-\$31,314,000	-\$15,657,000
71	MMA 100-DAY PRESCRIPTION SUPPLY	\$109,721,000	\$54,860,500	\$0	\$0	-\$109,721,000	-\$54,860,500
72	CERTIFICATION PAYMENTS FOR DP-NFS	\$37,000,000	\$0	\$36,000,000	\$0	-\$1,000,000	\$0
73	FQHC RATE ADJUSTMENTS	\$31,734,470	\$15,867,230	\$25,177,190	\$12,588,600	-\$6,557,270	-\$3,278,640
74	HOSP FINANCING - DISTRESSED HOSPITAL FUND	\$0	\$0	\$53,680,000	\$26,840,000	\$53,680,000	\$26,840,000
78	HOSPICE RATE INCREASES	\$8,052,960	\$4,026,480	\$15,887,240	\$7,943,620	\$7,834,270	\$3,917,140
79	ANTI-FRAUD BIC CLAIMS REPROCESSING	\$6,052,000	\$3,026,000	\$9,808,000	\$4,904,000	\$3,756,000	\$1,878,000
80	ANNUAL MEI INCREASE FOR FQHCS/RHCS	\$13,892,910	\$6,946,460	\$36,383,070	\$18,191,530	\$22,490,160	\$11,245,080
81	HEALTHY FAMILIES - CDMH	\$15,490,000	\$0	\$16,998,000	\$0	\$1,508,000	\$0
83	ORTHOPAEDIC HOSPITAL - LAB SERVICES	\$5,711,590	\$2,855,790	\$14,594,000	\$7,297,000	\$8,882,410	\$4,441,210
84	NON-CONTRACT HOSP. 10% INTERIM RATE RED.	\$10,631,000	\$5,315,500	\$42,523,000	\$21,261,500	\$31,892,000	\$15,946,000
85	DSH OUTPATIENT PAYMENT METHOD CHANGE	\$10,000,000	\$5,000,000	\$10,000,000	\$5,000,000	\$0	\$0
86	MINOR CONSENT SETTLEMENT	\$9,836,000	\$9,836,000	\$9,467,000	\$9,467,000	-\$369,000	-\$369,000
88	VOLUNTARY GOVERNMENTAL TRANSFERS	\$8,525,000	\$4,262,500	\$0	\$0	-\$8,525,000	-\$4,262,500
89	SRH OUTPATIENT PAYMENT METHOD CHANGE	\$8,000,000	\$4,000,000	\$8,000,000	\$4,000,000	\$0	\$0
90	NURSE-TO-PATIENT RATIOS FOR HOSPITALS	\$5,844,000	\$2,922,000	\$14,682,000	\$7,341,000	\$8,838,000	\$4,419,000
92	HOSP FINANCING - NDPH SUPPLEMENTAL PMT	\$3,800,000	\$1,900,000	\$3,818,000	\$1,909,000	\$18,000	\$9,000
93	WEEKLY FORMULARY PRICING UPDATE	\$7,660,500	\$3,830,250	\$8,500,000	\$4,250,000	\$839,500	\$419,750
94	CHA V. BONTA - 1996-97 DP/NF RATES	\$3,133,000	\$1,566,500	\$0	\$0	-\$3,133,000	-\$1,566,500
96	TWO-PLAN MODEL NOTICES OF DISPUTE	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$0	\$0
97	OUT-OF-STATE HOSPITAL JUDGMENT	\$358,500	\$179,250	\$309,830	\$154,910	-\$48,680	-\$24,340
99	FFP REPAYMENT-SPECIALTY MENTAL HEALTH	\$0	\$1,900,000	\$0	\$0	\$0	-\$1,900,000
100	HOSP FINANCING-MIA LTC	\$0	-\$9,948,670	\$0	-\$24,031,000	\$0	-\$14,082,330
101	HOSP FINANCING - BCCTP	\$0	-\$361,710	\$0	-\$692,310	\$0	-\$330,600
102	FAMILY PACT STERILIZATION POLICY	\$0	-\$835,000	\$0	-\$2,000,000	\$0	-\$1,165,000

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**COMPARISON OF FISCAL IMPACTS OF REGULAR POLICY CHANGES
CURRENT YEAR COMPARED TO BUDGET YEAR
FISCAL YEARS 2005-06 AND 2006-07**

NO.	POLICY CHANGE TITLE	MAY 2006 EST. FOR 2005-06		MAY 2006 EST. FOR 2006-07		DIFFERENCE	
		TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS
	OTHER						
103	CIGARETTE AND TOBACCO SURTAX FUNDS	\$0	\$0	\$0	\$0	\$0	\$0
104	NON FFP DRUGS	\$0	\$536,000	\$0	\$536,000	\$0	\$0
105	INDIAN HEALTH SERVICES	\$0	-\$5,511,000	\$0	-\$5,511,000	\$0	\$0
106	STATE-ONLY IMD ANCILLARY SERVICES	\$0	\$12,455,000	\$0	\$11,900,000	\$0	-\$555,000
107	INPATIENT PSYCHIATRIC CARE-IMD	\$0	\$2,187,000	\$0	\$0	\$0	-\$2,187,000
108	MEDICAL SUPPORT ENHANCEMENTS	\$0	\$0	-\$966,960	-\$483,480	-\$966,960	-\$483,480
109	ANTI-FRAUD EXPANSION FOR FY 2006-07	\$0	\$0	-\$52,414,270	-\$26,207,140	-\$52,414,270	-\$26,207,140
111	ENTERAL NUTRITION PRODUCTS	-\$443,200	-\$221,600	-\$997,000	-\$498,500	-\$553,800	-\$276,900
113	INPATIENT PSYCHIATRIC CARE SAVINGS	-\$1,056,820	-\$1,056,820	-\$1,765,690	-\$1,765,690	-\$708,870	-\$708,870
114	MEDICAL SUPPLY CONTRACTING	-\$2,013,080	-\$1,006,540	-\$6,762,610	-\$3,381,310	-\$4,749,530	-\$2,374,770
116	EDS COST CONTAINMENT PROJECTS	-\$13,452,560	-\$6,478,540	-\$12,392,900	-\$5,926,510	\$1,059,670	\$552,030
117	NON-CONTRACT HOSPITAL AUDITS	-\$16,876,000	-\$8,438,000	-\$16,876,000	-\$8,438,000	\$0	\$0
118	AGED DRUG REBATE RESOLUTION	-\$30,000,000	-\$15,000,000	-\$15,000,000	-\$7,500,000	\$15,000,000	\$7,500,000
119	CANTWELL MEDICAL PHARMACY AUDIT SETTLEMT	-\$14,584,000	-\$7,292,000	\$0	\$0	\$14,584,000	\$7,292,000
121	NEW RECOVERY ACTIVITIES	-\$31,189,580	-\$15,594,790	-\$142,305,070	-\$71,152,530	-\$111,115,490	-\$55,557,740
122	NEW THERAPEUTIC CATEGORY REVIEWS/REBATES	-\$116,951,010	-\$58,475,510	-\$130,600,000	-\$65,300,000	-\$13,648,990	-\$6,824,500
123	SERONO AND U.S. AFFILIATES SETTLEMENT	-\$42,156,000	-\$42,156,000	\$0	\$0	\$42,156,000	\$42,156,000
124	5% PROVIDER PAYMENT DECREASE - AB 1735	-\$32,350,000	-\$15,249,000	-\$66,078,000	-\$31,243,000	-\$33,728,000	-\$15,994,000
125	ANTI-FRAUD EXPANSION FOR FY 2005-06	-\$57,413,540	-\$28,706,770	-\$133,698,980	-\$66,849,490	-\$76,285,440	-\$38,142,720
126	FAMILY PACT DRUG REBATES	-\$99,273,000	-\$31,144,200	-\$18,134,000	-\$5,814,800	\$81,139,000	\$25,329,400
128	HOSP FINANCING - INPATIENT BASE REDUCTION	-\$531,493,000	-\$265,746,500	-\$813,634,000	-\$406,817,000	-\$282,141,000	-\$141,070,500
129	STATE SUPPLEMENTAL DRUG REBATES	-\$648,532,000	-\$323,256,800	-\$341,651,000	-\$170,293,900	\$306,881,000	\$152,962,900
130	FEDERAL DRUG REBATE PROGRAM	-\$1,459,488,000	-\$727,473,200	-\$768,172,000	-\$382,890,800	\$691,316,000	\$344,582,400
131	ESTATE RECOVERY REGULATIONS	\$117,000	\$58,500	\$701,000	\$350,500	\$584,000	\$292,000
136	NON-INSTITUTIONAL PROVIDER OVERPAYMENTS	\$0	\$0	\$0	\$36,000,000	\$0	\$36,000,000
139	5% PAYMENT DECREASE RESCISSION - SB 912	\$17,561,000	\$8,270,000	\$64,147,000	\$30,325,000	\$46,586,000	\$22,055,000
140	HOSP FINANCING - ADVANCED GF PAYMENTS TO DPH	\$0	\$0	\$0	\$0	\$0	\$0
141	HOSP FINANCING - CCS AND GHPP	\$30,825,000	\$0	\$72,453,000	\$0	\$41,628,000	\$0

Costs shown include application of payment lag factor, but not percent reflected in base calculation.

**COMPARISON OF FISCAL IMPACTS OF REGULAR POLICY CHANGES
CURRENT YEAR COMPARED TO BUDGET YEAR
FISCAL YEARS 2005-06 AND 2006-07**

NO.	POLICY CHANGE TITLE	MAY 2006 EST. FOR 2005-06		MAY 2006 EST. FOR 2006-07		DIFFERENCE	
		TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS
	OTHER						
144	HOSP FINANCING - DPH RATE RECONCILIATION	\$65,232,000	\$65,232,000	-\$65,232,000	-\$65,232,000	-\$130,464,000	-\$130,464,000
	OTHER SUBTOTAL	\$1,915,046,380	\$308,140,720	\$2,794,514,150	\$378,634,860	\$879,467,770	\$70,494,140
	GRAND TOTAL	\$1,728,344,610	\$25,813,010	\$822,003,470	-\$713,184,960	-\$906,341,150	-\$738,997,970

Costs shown include application of payment lag factor, but not percent reflected in base calculation.

FISCAL YEAR 2006-07 COST PER ELIGIBLE BASED ON MAY 2006 ESTIMATE

<u>SERVICE CATEGORY</u>	<u>PA-OAS</u>	<u>PA-AB</u>	<u>PA-ATD</u>	<u>PA-AFDC</u>	<u>LT-OAS</u>	<u>LT-AB</u>
PHYSICIANS	\$38,380,870	\$8,636,490	\$329,674,540	\$65,439,840	\$3,513,990	\$94,000
OTHER MEDICAL	\$70,467,080	\$15,872,150	\$457,499,510	\$172,271,650	\$6,250,540	\$365,790
COUNTY OUTPATIENT	\$1,185,770	\$548,060	\$22,814,500	\$4,374,610	\$95,930	\$110
COMMUNITY OUTPATIENT	\$22,580,310	\$4,285,350	\$182,560,020	\$35,332,110	\$1,333,540	\$18,130
PHARMACY	\$86,918,870	\$21,779,120	\$1,078,682,520	\$84,666,880	\$80,817,630	\$342,670
COUNTY INPATIENT	\$5,039,110	\$1,475,390	\$107,275,570	\$21,567,810	\$1,192,860	\$0
COMMUNITY INPATIENT	\$154,367,550	\$26,333,180	\$911,394,820	\$203,593,650	\$18,694,660	\$153,860
NURSING FACILITIES	\$430,012,760	\$28,430,630	\$661,703,480	\$3,326,900	\$1,851,044,170	\$7,825,330
ICF-DD	\$330,310	\$10,412,890	\$192,120,760	\$1,313,950	\$15,415,510	\$3,554,960
MEDICAL TRANSPORTATION	\$16,133,550	\$5,137,940	\$58,901,870	\$5,139,210	\$4,646,650	\$171,730
OTHER SERVICES	\$311,946,380	\$18,373,460	\$361,579,730	\$41,624,310	\$57,743,740	\$284,020
HOME HEALTH	\$181,030	\$14,220,810	\$101,861,750	\$3,266,980	\$700	\$0
FFS SUBTOTAL	\$1,137,543,600	\$155,505,480	\$4,466,069,060	\$641,917,910	\$2,040,749,890	\$12,810,580
DENTAL	\$34,971,450	\$2,142,160	\$78,726,640	\$111,853,290	\$4,327,340	\$25,810
TWO PLAN MODEL	\$14,024,560	\$5,742,780	\$447,083,100	\$931,221,590	\$0	\$0
COUNTY ORGANIZED HEALTH SYSTEMS	\$122,771,220	\$12,940,650	\$425,531,460	\$152,536,140	\$172,199,060	\$754,900
GEOGRAPHIC MANAGED CARE	\$4,070,740	\$1,160,000	\$89,334,030	\$135,665,440	\$0	\$0
PHP & OTHER MANAG. CARE	\$64,495,370	\$3,966,650	\$171,124,380	\$11,345,950	\$0	\$0
EPSDT SCREENS	\$0	\$0	\$0	\$19,237,800	\$0	\$0
MEDICARE PAYMENTS	\$1,054,012,370	\$51,588,730	\$1,555,910,960	\$0	\$149,585,590	\$1,570,410
STATE HOSP./DEVELOPMENTAL CNTRS.	\$1,055,070	\$1,992,570	\$80,124,000	\$4,729,800	\$4,376,990	\$782,680
MISC. SERVICES	\$454,878,030	\$27,863,380	\$1,764,875,080	\$1,427,890	\$410	\$0
NON-FFS SUBTOTAL	\$1,750,278,820	\$107,396,920	\$4,612,709,650	\$1,368,017,890	\$330,489,390	\$3,133,800
TOTAL DOLLARS (1)	\$2,887,822,420	\$262,902,400	\$9,078,778,720	\$2,009,935,810	\$2,371,239,280	\$15,944,380
ELIGIBLES ***	390,900	24,200	899,100	1,258,000	47,300	200
ANNUAL \$/ELIGIBLE	\$7,388	\$10,864	\$10,098	\$1,598	\$50,132	\$79,722
AVG. MO. \$/ELIGIBLE	\$616	\$905	\$841	\$133	\$4,178	\$6,643

(1) Does not include Audits & Lawsuits, Recoveries, and Mental Health Services.

*** Eligibles include the estimated impact of eligibility policy changes.

Excluded policy changes: 32. Refer to page following report for listing.

FISCAL YEAR 2006-07 COST PER ELIGIBLE BASED ON MAY 2006 ESTIMATE

SERVICE CATEGORY	LT-ATD	MN-OAS	MN-AB	MN-ATD	MN-AFDC	MI-C
PHYSICIANS	\$6,685,640	\$59,388,180	\$572,320	\$62,097,150	\$286,282,440	\$34,287,500
OTHER MEDICAL	\$6,434,920	\$77,937,700	\$1,659,460	\$108,033,730	\$404,964,380	\$67,816,940
COUNTY OUTPATIENT	\$275,920	\$4,673,470	\$52,450	\$8,860,010	\$20,078,860	\$2,312,670
COMMUNITY OUTPATIENT	\$1,267,830	\$22,463,000	\$143,140	\$29,670,720	\$101,295,560	\$13,762,030
PHARMACY	\$18,351,940	\$105,046,080	\$621,970	\$113,095,010	\$165,816,740	\$30,361,060
COUNTY INPATIENT	\$12,736,740	\$17,006,400	\$336,970	\$100,113,960	\$160,070,090	\$14,019,300
COMMUNITY INPATIENT	\$33,251,820	\$101,803,220	\$1,607,080	\$234,851,460	\$994,300,200	\$94,626,820
NURSING FACILITIES	\$473,392,860	\$208,620,500	\$1,717,580	\$75,752,780	\$21,177,910	\$9,533,280
ICF-DD	\$182,288,390	\$4,540	\$0	\$7,761,790	\$876,280	\$2,357,370
MEDICAL TRANSPORTATION	\$2,260,550	\$11,122,370	\$404,770	\$14,758,510	\$12,296,130	\$1,642,290
OTHER SERVICES	\$11,937,680	\$90,442,560	\$251,620	\$51,639,470	\$99,306,590	\$10,976,230
HOME HEALTH	\$57,120	\$843,400	\$2,230	\$46,291,540	\$7,613,990	\$6,647,080
FFS SUBTOTAL	\$748,941,410	\$699,351,430	\$7,369,590	\$852,926,130	\$2,274,079,160	\$288,342,570
DENTAL	\$1,324,870	\$18,161,400	\$51,840	\$10,333,510	\$263,121,310	\$21,138,840
TWO PLAN MODEL	\$0	\$17,556,740	\$0	\$23,799,250	\$1,741,179,030	\$31,640,320
COUNTY ORGANIZED HEALTH SYSTEMS	\$70,563,080	\$72,964,230	\$240,950	\$72,550,240	\$353,588,680	\$17,517,000
GEOGRAPHIC MANAGED CARE	\$0	\$2,277,010	\$0	\$4,537,460	\$163,550,770	\$3,504,180
PHP & OTHER MANAG. CARE	\$0	\$33,551,600	\$76,860	\$22,477,160	\$26,274,630	\$2,000,270
EPSDT SCREENS	\$0	\$0	\$0	\$0	\$44,775,230	\$3,595,870
MEDICARE PAYMENTS	\$32,743,850	\$260,777,320	\$1,570,410	\$166,625,370	\$0	\$0
STATE HOSP./DEVELOPMENTAL CNTRS.	\$205,749,990	\$90,260	\$240,690	\$1,742,110	\$5,216,870	\$3,069,110
MISC. SERVICES	\$120	\$235,216,140	\$671,410	\$232,464,290	\$3,344,570	\$267,110
NON-FFS SUBTOTAL	\$310,381,910	\$640,594,710	\$2,852,150	\$534,529,390	\$2,601,051,100	\$82,732,690
TOTAL DOLLARS (1)	\$1,059,323,320	\$1,339,946,140	\$10,221,740	\$1,387,455,520	\$4,875,130,260	\$371,075,260
ELIGIBLES ***	14,800	224,800	600	122,000	2,976,600	245,600
ANNUAL \$/ELIGIBLE	\$71,576	\$5,961	\$17,036	\$11,373	\$1,638	\$1,511
AVG. MO. \$/ELIGIBLE	\$5,965	\$497	\$1,420	\$948	\$136	\$126

(1) Does not include Audits & Lawsuits, Recoveries, and Mental Health Services.

*** Eligibles include the estimated impact of eligibility policy changes.

Excluded policy changes: 32. Refer to page following report for listing.

FISCAL YEAR 2006-07 COST PER ELIGIBLE BASED ON MAY 2006 ESTIMATE

SERVICE CATEGORY	MI-A	REFUGEE	OBRA	POV 185	POV 133	POV 100
PHYSICIANS	\$5,787,980	\$498,560	\$27,450,040	\$173,526,870	\$3,445,070	\$4,071,910
OTHER MEDICAL	\$5,276,900	\$841,340	\$40,702,320	\$170,326,800	\$14,167,170	\$6,809,040
COUNTY OUTPATIENT	\$440,330	\$72,510	\$2,642,730	\$6,028,580	\$305,780	\$256,830
COMMUNITY OUTPATIENT	\$1,749,980	\$107,710	\$8,131,280	\$27,712,110	\$2,344,180	\$2,313,880
PHARMACY	\$4,827,030	\$536,270	\$13,416,630	\$14,870,020	\$3,446,930	\$2,750,820
COUNTY INPATIENT	\$2,904,900	\$22,730	\$37,734,310	\$41,301,060	\$612,050	\$1,340,520
COMMUNITY INPATIENT	\$19,070,000	\$420,480	\$93,647,160	\$328,998,510	\$9,037,950	\$12,215,560
NURSING FACILITIES	\$32,267,450	\$0	\$22,476,530	\$0	\$0	\$0
ICF-DD	\$1,647,650	\$0	\$713,910	\$0	\$0	\$0
MEDICAL TRANSPORTATION	\$483,530	\$10,500	\$2,760,300	\$1,760,690	\$263,630	\$221,950
OTHER SERVICES	\$1,119,230	\$76,380	\$2,353,220	\$7,047,540	\$3,703,230	\$2,896,240
HOME HEALTH	\$54,020	\$2,140	\$183,620	\$873,440	\$633,400	\$533,490
FFS SUBTOTAL	\$75,629,000	\$2,588,620	\$252,212,050	\$772,445,610	\$37,959,400	\$33,410,250
DENTAL	\$438,760	\$529,000	\$148,750	\$140,720	\$7,806,600	\$8,133,890
TWO PLAN MODEL	\$2,474,570	\$1,030,030	\$0	\$66,841,410	\$35,655,640	\$27,399,970
COUNTY ORGANIZED HEALTH SYSTEMS	\$4,953,170	\$258,110	\$3,480,150	\$16,902,810	\$20,037,450	\$11,391,710
GEOGRAPHIC MANAGED CARE	\$284,980	\$84,330	\$0	\$6,315,090	\$9,166,630	\$60,663,870
PHP & OTHER MANAG. CARE	\$39,020	\$1,000	\$0	\$1,545,280	\$860,060	\$662,390
EPSDT SCREENS	\$0	\$0	\$0	\$0	\$1,633,680	\$1,213,420
MEDICARE PAYMENTS	\$0	\$0	\$0	\$0	\$0	\$0
STATE HOSP./DEVELOPMENTAL CNTRS.	\$158,000	\$31,900	\$307,440	\$392,080	\$0	\$3,309,440
MISC. SERVICES	\$4,530	\$0	\$0	\$180,550	\$23,440	\$18,050
NON-FFS SUBTOTAL	\$8,353,030	\$1,934,380	\$3,936,350	\$92,317,930	\$75,183,500	\$112,792,740
TOTAL DOLLARS (1)	\$83,982,030	\$4,523,000	\$256,148,390	\$864,763,540	\$113,142,900	\$146,202,980
ELIGIBLES ***	4,400	2,100	69,600	196,600	105,300	82,600
ANNUAL \$/ELIGIBLE	\$19,087	\$2,154	\$3,680	\$4,399	\$1,074	\$1,770
AVG. MO. \$/ELIGIBLE	\$1,591	\$179	\$307	\$367	\$90	\$148

(1) Does not include Audits & Lawsuits, Recoveries, and Mental Health Services.

*** Eligibles include the estimated impact of eligibility policy changes.

Excluded policy changes: 32. Refer to page following report for listing.

FISCAL YEAR 2006-07 COST PER ELIGIBLE BASED ON MAY 2006 ESTIMATE

SERVICE CATEGORY	TOTAL
PHYSICIANS	\$1,109,833,400
OTHER MEDICAL	\$1,627,697,430
COUNTY OUTPATIENT	\$75,019,100
COMMUNITY OUTPATIENT	\$457,070,870
PHARMACY	\$1,826,348,170
COUNTY INPATIENT	\$524,749,780
COMMUNITY INPATIENT	\$3,238,367,980
NURSING FACILITIES	\$3,827,282,130
ICF-DD	\$418,798,320
MEDICAL TRANSPORTATION	\$138,116,170
OTHER SERVICES	\$1,073,301,630
HOME HEALTH	\$183,266,750
FFS SUBTOTAL	\$14,499,851,740
DENTAL	\$563,376,180
TWO PLAN MODEL	\$3,345,649,000
COUNTY ORGANIZED HEALTH SYSTEMS	\$1,531,181,000
GEOGRAPHIC MANAGED CARE	\$480,614,550
PHP & OTHER MANAG. CARE	\$338,420,620
EPSDT SCREENS	\$70,456,000
MEDICARE PAYMENTS	\$3,274,385,000
STATE HOSP./DEVELOPMENTAL CNTRS.	\$313,369,000
MISC. SERVICES	\$2,721,235,000
NON-FFS SUBTOTAL	\$12,638,686,360
TOTAL DOLLARS (1)	\$27,138,538,090
ELIGIBLES ***	6,664,700
ANNUAL \$/ELIGIBLE	\$4,072
AVG. MO. \$/ELIGIBLE	\$339

(1) Does not include Audits & Lawsuits, Recoveries, and Mental Health Services.

*** Eligibles include the estimated impact of eligibility policy changes.

Excluded policy changes: 32. Refer to page following report for listing.

FISCAL YEAR 2006-07 COST PER ELIGIBLE BASED ON MAY 2006 ESTIMATE

EXCLUDED POLICY CHANGES: 32

1	FAMILY PLANNING INITIATIVE
2	BREAST AND CERVICAL CANCER TREATMENT
3	CHDP GATEWAY - PREENROLLMENT
4	BRIDGE TO HFP
6	BCCTP RETROACTIVE COVERAGE
7	MEDI-CAL TO HF ACCELERATED ENROLLMENT
22	CDSS SHARE OF COST PAYMENT FOR IHSS
51	HOSP FINANCING - DPH AND NDPH DSH PMT
56	HOSP FINANCING - SAFETY NET CARE POOL
58	HOSP FINANCING - PRIVATE DSH REPLACEMENT
59	DSH PAYMENTS
61	HOSP FINANCING - PRIVATE HOSPITAL SUPP PMT
62	CAPITAL PROJECT DEBT REIMBURSEMENT
64	HOSPITAL OUTPATIENT SUPPLEMENTAL PAYMENT
66	HOSP FINANCING-DPH PHYSICIAN & NON-PHYSICIAN
67	MEDI-CAL TCM PROGRAM (Misc. Svcs.)
70	FFP FOR LOCAL TRAUMA CENTERS
72	CERTIFICATION PAYMENTS FOR DP-NFS
74	HOSP FINANCING - DISTRESSED HOSPITAL FUND
77	L.A. COUNTY MEDICAID DEMO. PROJ. (Misc. Svcs.)
81	HEALTHY FAMILIES - CDMH
85	DSH OUTPATIENT PAYMENT METHOD CHANGE
86	MINOR CONSENT SETTLEMENT
88	VOLUNTARY GOVERNMENTAL TRANSFERS
89	SRH OUTPATIENT PAYMENT METHOD CHANGE
92	HOSP FINANCING - NDPH SUPPLEMENTAL PMT
119	CANTWELL MEDICAL PHARMACY AUDIT SETTLEMT
123	SERONO AND U.S. AFFILIATES SETTLEMENT
126	FAMILY PACT DRUG REBATES
141	HOSP FINANCING - CCS AND GHPP
143	HURRICANE KATRINA SECTION 1115 WAIVER
148	MEDI-CAL/HF BRIDGE PERFORMANCE STANDARDS

**ESTIMATED COST OF 1% RATE INCREASE
FISCAL YEAR 2006-07**

SERVICE CATEGORY	ESTIMATE WITHOUT RATE INCREASE	ADJUSTMENT FACTOR (1)	FULL YEAR COST FOR EACH 1% RATE INCREASE		ASSUMING AUG. 2006 IMPLEMENTATION			
			TOTAL	STATE	11 MONTH ADJUSTMENT	PAYMENT LAG (2)	LAGGED COST FOR EACH 1% RATE INCREASE	
							TOTAL	STATE
PHYSICIANS	\$1,109,833,400	0.9660	\$10,720,990	\$5,470,760	0.9167	0.7910	\$7,773,440	\$3,966,670
OTHER MEDICAL	\$1,627,697,430	0.9760	\$15,886,330	\$8,067,060	0.9167	0.8364	\$12,180,720	\$6,185,350
COUNTY OUTPATIENT	\$75,019,100	0.9600	\$720,180	\$365,970	0.9167	0.7836	\$517,320	\$262,880
COMMUNITY OUTPATIENT	\$457,070,870	0.9100	\$4,159,340	\$2,102,950	0.9167	0.7972	\$3,039,670	\$1,536,850
PHARMACY	\$1,826,348,170	0.0793	\$1,449,020	\$764,840	0.9167	0.9404	\$1,249,070	\$659,300
COUNTY INPATIENT	\$524,749,780	1.0000	N/A	N/A	0.9167	0.6400	N/A	N/A
COMMUNITY INPATIENT	\$3,238,367,980	1.0000	N/A	N/A	0.9167	0.7609	N/A	N/A
NURSING FACILITIES	\$3,827,282,130	1.1578	\$44,311,890	\$22,685,170	0.9167	0.8840	\$35,906,750	\$18,382,220
ICF-DD	\$418,798,320	1.1578	\$4,848,810	\$2,464,380	0.9167	0.8839	\$3,928,770	\$1,996,780
MEDICAL TRANSPORTATION	\$138,116,170	0.9660	\$1,334,200	\$687,490	0.9167	0.8270	\$1,011,500	\$521,210
OTHER SERVICES	\$1,073,301,630	0.9540	\$10,239,300	\$4,451,210	0.9167	0.8353	\$7,840,010	\$3,408,200
HOME HEALTH	\$183,266,750	0.9800	\$1,796,010	\$911,900	0.9167	0.8120	\$1,336,890	\$678,780
DENTAL	\$563,376,180	0.9990	\$5,628,130	\$2,719,380	0.9167	1.0000	\$5,159,120	\$2,492,770
MENTAL HEALTH	\$1,428,454,000	1.0000	N/A	N/A	0.9167	1.0000	N/A	N/A
TWO PLAN MODEL	\$3,345,649,000	1.0000	\$33,456,490	\$17,119,850	0.9167	1.0000	\$30,668,450	\$15,693,190
COUNTY ORGANIZED HEALTH SYSTEMS	\$1,531,181,000	1.0000	\$15,311,810	\$7,766,850	0.9167	1.0000	\$14,035,830	\$7,119,610
GEOGRAPHIC MANAGED CARE	\$480,614,550	1.0000	\$4,806,150	\$2,418,120	0.9167	1.0000	\$4,405,630	\$2,216,610
PHP & OTHER MANAG. CARE	\$338,420,620	1.0000	\$3,384,210	\$1,703,320	0.9167	1.0000	\$3,102,190	\$1,561,380
AUDITS/ LAWSUITS	\$2,865,000	1.0000	N/A	N/A	0.9167	1.0000	N/A	N/A
EPSDT SCREENS	\$70,456,000	1.0000	\$704,560	\$359,380	0.9167	1.0000	\$645,850	\$329,430
MEDICARE PAYMENTS (4)	\$3,274,385,000	1.0000	N/A	N/A	0.9167	1.0000	N/A	N/A
STATE HOSP./DEVELOPMENTAL CNTRS.	\$313,369,000	0.9782	\$3,065,340	\$0	0.9167	1.0000	\$2,809,900	\$0
MISC. SERVICES	\$2,721,235,000	1.0000	\$27,212,350	\$105,620	0.9167	1.0000	\$24,944,650	\$96,820
RECOVERIES	-\$262,013,710	1.0000	N/A	N/A	0.9167	1.0000	N/A	N/A
TOTAL	\$28,307,843,380		\$189,035,110	\$80,164,240 (3)			\$160,555,740	\$67,108,030

(1) Reflects adjustment for services not affected by rate increases due to Medicare crossover and unlisted procedures.
Adjustment factor for Dental services due primarily to prior year reconciliations.
Adjustment factor for SNF & ICF services compensates for the impact of shares of cost on average payments.
Adjustment factor for Pharmacy includes an adjustment for the dispensing fee only.

(2) Reflects adjustment for the lag between actual rendering of service and payment for that service.

(3) Excludes service categories noted above with N/A and all policy changes excluded from Cost/Eligible report.

(4) Medicare Payments cost increase included as base adjustment.